Accounting governance and organizational image: An empirical study of ISO 14000 manufacturing businesses in Thailand

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Abstract

The purpose of this paper is to integrate and investigate the relationship between accounting governance and organizational image. The dimensions of Accounting Governance are focused on transformational leadership and stakeholder impact focus. Using data collection from 67 firm industries ISO 14000 in Thailand from questionnaire mail survey. Used the ordinary least square regression is the statistical model to test the hypotheses. The result suggests that stakeholder impact focus is positively related to accounting information value, and is positively related to accounting regulation awareness and transformation leadership is positively related to accounting governance.

1. Introduction

Currently, the world has more environmental destruction; many businesses turned their attention to the environment increasingly. These organizations may be viewed as a purpose to take care of the world or to create the reputation of the organizational. The processes or activities to create a positive image for an organization have many variations. Depending on company policy, to make investors be interested to invest more. One of them includes an efficiency of internal operational processes.

This is the creating a reliability and awareness of the operational efficiency for accounting practices. Accounting procedures within the organization is the key to deliver quality data and reliability to all external investors. So, in preparing a good account is the decision to use the limited resources more efficiently and administrators must consider the goals of the business to perform very effectively, to ensure that the reported information, and taking into account the impact to the society. Finally, management must be aware of the good accounting system by management about corporate governance.

The concept of corporate governance by the organization for economic cooperation and development (OECD) has defined corporate governance as the system that provides the structure and process of relationship between a company’s management, its board, its shareholders and other stakeholders, in order to create a competitive advantage and leads to growth and increased value to shareholders in the long term (Abu-Tapanjeh, 2009).

Accounting and governance are important at the organizational level. However, accounting and governance are important to organizational image, because accounting governance will strengthen the organization. Moreover, it establishes the company's reputation in the public disclosure data reliability and creates a competitive advantage in business. These are the motivational reasons for this research.

2. Literature review and hypothesis development

In this study base on literature reviews and theoretical framework, the purpose is to investigate the relationship between accounting governance and organizational image using stakeholder theory to explain the relationships. Then, a conceptual model of this study is presented as shown in Figure 1

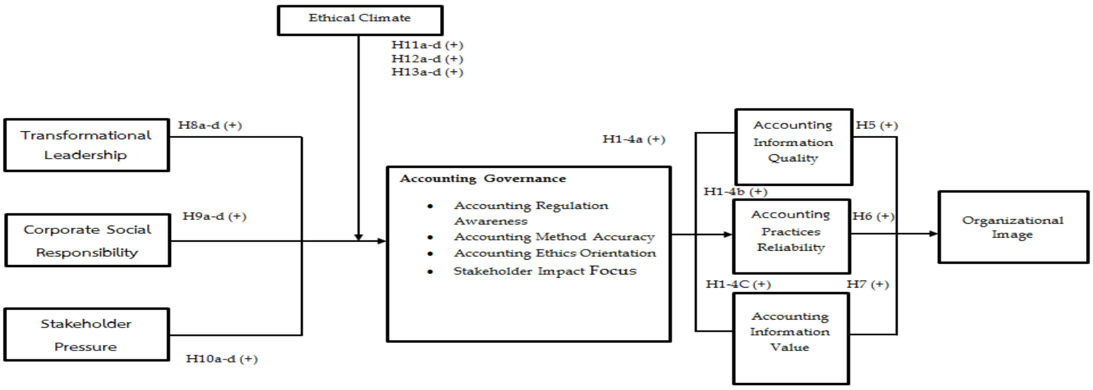

Figure 1: Conceptual Model of Accounting Governance and Organizational Image

2.1 Accounting Governance

Accounting is concerned with the processing of financial transactions of an entity. It generates and communicates necessary financial information to its users. It is, therefore, a process of recording, classifying and summarizing the financial transactions and communicating the results of its operations.

According to John Bogle, 2012 defines accounting governance as the framework of rules and practices by which a board of directors ensures accountability, fairness, and transparency in a company's relationship with its all stakeholders (financiers, customers, management, employees, government, and the community). The corporate governance framework consists of (1) explicit and implicit contracts between the company and the stakeholders for distribution of responsibilities, rights, and rewards, (2) procedures for reconciling the sometimes conflicting interests of stakeholders in accordance with their duties, privileges, and roles, and (3) procedures for proper supervision, control, and information-flows to serve as a system of checks-and-balances.

Moreover, Ramalinga Raju, 2009 defines corporate governance as the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all the others.

For this research, accounting governance refers to accounting practice method an organization that should practice that support financial information reliability which are accurate, complete and transparent (Robinah and Musa, 2009; Ussahawanitchakit and Intakhan, 2011). This research focuses on accounting governance, including accounting regulation awareness, accounting method accuracy, accounting ethics orientation, and stakeholder impact focus.

2.1.1 Accounting Regulations Awareness

In this study, accounting regulations awareness of Larkin and Casscles (2003) found that it is clear that the current state-based regulatory system works best because it protects consumer interests. Yakhou and Dorweiler (2004) found that adopting the Sarbanes-Oxley Act has provided impetus to reforming corporate accounting and corporate governance. Moreover, Barth, Landsman and Lang (2008) found that firms applying IAS from 21 countries generally evidence less earnings management, more timely loss recognition, and more value relevance of accounting amounts than do matched sample firms.

Hypothesis 1: Accounting regulation awareness will positively relate to (a) accounting information quality, (b) accounting practices reliability, and (c) accounting information value.

2.1.2 Accounting Method Accuracy

Habib and Azim (2008) found that firms with strong governance structure exhibit higher value-relevance of accounting information. Consistent with Sun and Liu (2011) found that analyst coverage is positively associated with accounting conservatism. Moreover, Bertin, Toma´s and Moya

(2013) found that conditional earnings conservatism is more pronounced under IFRS standards and suggest that the use of IFRS improves the relevance and reliability of the reported accounting information. Therefore, Alleyne et.al (2014) found that the most important mechanisms for effective CG were the board of directors, auditors and professional accountants.

Hypothesis 2: Accounting method accuracy will positively relate to (a) accounting information quality, (b) accounting practices reliability, and (c) accounting information value.

2.1.3 Accounting Ethics Orientation

Accounting ethics orientation as ethical awareness is an important aspect of professional practices of any society's workers with the ability to act ethical. In business, the purpose of ethics is to direct a manager and employees to comply with a code for confidence and trust in their product and services (Smith, Smith and Mulig, 2005).Moreover, accounting ethics orientation focuses on the business that will adhere and be strict of ethics in accounting. These contribute to the reliability of financial reporting. Thus, accounting ethics orientation related with accounting information quality, accounting practices reliability, and accounting information value.

Hypothesis 3: Accounting ethics orientation will positively relate to (a) accounting information quality, (b) accounting practices reliability, and (c) accounting information value.

2.1.4 Stakeholder Impact Focus

The practice of good accounting, the business must take into account the interests and expectations for the stakeholders at all levels. The business must have awareness the damage that can occur and can meet the needs of all stakeholders equally and effectively. Thus, stakeholder impact focus is important for accounting governance because, if the business takes into account the impact on stakeholders it contributes to efficient operation and non-error in operation.

Hypothesis 4: Stakeholder impact focus will positively relate to (a) accounting information quality, (b) accounting practices reliability, and (c) accounting information value.

2.2 Mediating of the relationship between Accounting Governance and Organizational Image

2.2.1 Accounting Information Quality

Accounting information quality is disclosed publicly that must be complete and comprehensive information that users can immediately understand. This information disclosure will be fair and impartial. Moreover, information that can be used to compare with the same industry or other business is demonstrating the efficiency of the performance of each business. Moreover, good information quality made reliability and accepted from investors in obtaining accurate information and reliability. Thus, accounting information quality related with organization image.

Hypothesis 5: Accounting information quality will positively relate to organization image.

2.2.2 Accounting Practices Reliability

The business has earned the trust of domestic and foreign investor about the management that is honest and fair. Moreover, business has been the confidence of the public in economic development and leading to progress in the future. Including, it has earned the trust from society in commitment about social responsibility. Thus, good accounting practices reliability related with organization image.

Hypothesis 6: Accounting practices reliability will positively relate to organization image.

2.2.3 Accounting Information Value

Accounting information value refers to information that has been entrusted from the presentation of accounting data that is valuable and useful use in order to implement the plan, policy formulation and defines corporate strategies more effectively. Moreover, the disclosed information gives customers to have confidence to operate continuously by judgment from the performance of the business. The good accounting information value can put into practice in situations that require a decision of outsider and are indicative of the business's operating efficiency. Thus, accounting information value related with organization image.

Hypothesis 7: Accounting information value will positively relate to organization image.

2.3 Antecedence of Accounting Governance

2.3.1 Transformational Leadership

The leadership was defined as style of leadership that encourages other people to perform and develop beyond what their normal expectation was involving the leader's ability to motivate and inspire followers (Morale et al., 2012). Moreover, the transformational leadership as a process which influences the attitudes and assumptions of members in the organization and it makes a commitment to change the objectives and strategies of the organization (Mushinsky, 1997). Thus, transformational leadership related with accounting governance.

Hypothesis 8: Transformational leadership will positively relate to accounting governance.

2.3.2 Corporate Social Responsibility

CSR is that the impact of marketing strategies, including the performance of the channel's value-oriented price, promotion, marketing and after-sales services that directly affects brand value and brand loyalty. Perceived quality and link ideas with a known brand indirectly affect the company's image and the overall brand value of firms (Amini& et.al, 2012). Moreover, it was found that social responsibility is correlated positively with incentives from the CEO pointed out that the involvement of social responsibility is important, especially when there are financial incentives below the levels corporate social responsibility and impact on the performance of the firms (Erhemjamts et al., 2013)

Hypothesis 9: Corporate social responsibility will positively relate to accounting governance.

2.3.3 Stakeholder Pressure

Stakeholder pressure is the rights of shareholders equal as treatment of shareholders in corporate governance about transparency disclosure to shareholders. Moreover, good accounting practices and reporting systems are important to corporate governance (Woon, 2011).Thus; stakeholder pressures have the effect on accounting governance.

Hypothesis 10: Stakeholder Pressure will positively relate to accounting governance.

2.4 Moderating effects of the relationship

Ethical Climate is referred to as the shared perceptions of procedures, policies, and practices, under the rules and regulations in accordance with the needs of society and the public continued to make the work more efficiently. Moreover, it has the support to the works of employee as a team. These, taking into account the interests of the public and encourage employees to develop morality and ethics of their own continue and have a success more for organization. Moreover, ethical climate is internal factor of organization that depends on firm's policy. If the company has a new vision it could be the success organization in the future.

Hypothesis 11: Ethical climate will positively moderate the relationships between transformational leadership and accounting governance.

Hypothesis 12: Ethical climate will positively moderate the relationships between corporate social responsibility and accounting governance.

Hypothesis 13: Ethical climate will positively moderate the relationships between stakeholder pressure responsibility and accounting governance.

3. Methodology

3.1 Sample and Data Collection Procedure

The sampling frame selected the manufacturing business ISO 14000 in Thailand because this industry is required the preservation of the environment to comply with accounting principles, it can be a driving force to achieve a good image of the organization. Using the 895 firms were chosen from the department of industrial ISO 14000 (www.tisi.go.th). The unit of analysis is firm and the key informant is the accounting director or accounting manager.

Data were collected by questionnaire mail survey. The samples of 895 firms as address incomplete are unique in the industry 54 firms. The received questionnaires were 79, but 5 were not completed and, 7 firms moved their office. Thus, there were 67 firms used for data analysis, and that effective response rate was 8.08%.

3.2 Questionnaire Development and Variable Measurements

3.2.1 Questionnaire Development

In this study, a questionnaire consists of seven parts. Part one asks for personal information and part two generates information about details of firms. Part three to six about the accounting practices assessment of constructs in the conceptual model. In the third part, all questions deal with the measurement of each dimension of accounting governance included four dimensions. The questions in the fourth part measure the consequences of accounting governance which are practices effectiveness and organizational image. The questions in the fifth and six parts, measure the antecedents of accounting governance that is accounting governance factors are assessment in the three internal factors and one external factor. The final part is the open-ended question for suggestions and opinions about accounting governance in part seven.

3.2.2 Variable Measurement

The researcher used the questionnaires as the instrument for measurement of variables by a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Moreover, in this study a pretest method for validity and reliability of questionnaire that represented to measure all constructs in conceptual model. The measurement of variables in this study is as follows.

3.2.2.1 Dependent Variables

Organizational image was measured by a four-item scale; it refers to the view of outsider to the organization. It means the customer acceptance and stakeholder, confidence and impression (Demuth, 1994).

3.2.2.2 Independent Variables

The measurement of accounting governance focuses on four dimensions including accounting regulation, accounting method accuracy, accounting ethics orientation and stakeholder impact focus. All of dimensions are definition following.

Accounting regulation Awareness was measured by a four-item scale; it refers to as awareness of the operational rules and regulations strictly to make the operation about accounting more efficient. Business adherence to implementation follows the recommendations and suggestions of the regulatory agencies involved. Including a focus on the application of the accounting standard related to different items of business, which will help the firm build the credibility and acceptability to stakeholders in the long term.

Accounting method Accuracy was measured by a four-item scale; it refers to focusing on the practice of accounting standards in accordance with generally accepted accounting principles and adheres to the accounting policies of firms. It makes the operation more efficiency.

Accounting ethics Orientation was measured by a four-item scale; it refers to ethical awareness that is an important aspect of professional practices of any society's workers with the ability to act ethical. In business, the purpose of ethics is to direct a manager and employees to comply with a code for confidence and trust in their product and services (Smith, Smith and Mulig, 2005).

Stakeholder impact focus was measured by a four-item scale; it refers to as awareness of the operational rules and regulations strictly to make the operation about accounting more efficient. Business adherence to implementation follows the recommendations and suggestions of the regulatory agencies involved. Including a focus on the application of the accounting standard related to different items of business, which will help the firm build the credibility and acceptability to stakeholders in the long term.

Antecedents of accounting governance are three dimensions, namely, transformational leadership, corporate social responsibility, and stakeholder pressure. All of dimensions are new scale and they were measured via four items.

Transformational leadership was measured by a four-item; it refers to leadership, the leadership was defined as style of leadership that encouraged other people to perform and develop beyond what their normal expectation was involving the leader's ability to motivate and inspire followers (Morale et al., 2012)

Corporate Social responsibility was measured by a four-item; it refers to activities in business processes. Then learn to be creative and practical the most innovative that leads to a more competitive business (Vilanova et al., 2009).

Stake holder pressure was measured by a four-item; it refers to the rights of shareholders equal as treatment of shareholders in corporate governance about transparency disclosure to shareholders. Moreover, good accounting practices and reporting systems are important for corporate governance (Woon, 2011).

3.2.2.3. Mediating Variables

Accounting information quality was measured by a four-item; it refers to financial information that is disclosed publicly and must be complete and comprehensive information that users can immediately understand. This information disclosure will be fair and impartial. Moreover, information can be used to compare with the same industry or other business that is demonstrating the efficiency of the performance of each business.

Accounting practices reliability was measured by a four-item; it refers to business that has earned the trust of domestic and foreign investor about the management that is honest and fair. Moreover, business has been the confidence of the public in economic development and leading to progress in the future. Including, has earned the trust from society in commitment about social responsibility.

Accounting information value was measured by a four-item; it refers to the information that has been entrusted from the presentation of accounting data that is valuable and useful use in order to implement the plan, policy formulation and defines corporate strategies more effectively. Moreover, the disclosed information gives customers to have a confidence to operate continuously by judgment from the performance of the business.

3.2.2.4 Moderating Variables

Ethical climate was measured by a four-item; it refers to as the shared perceptions of procedures, policies, and practices, Under the rules and regulations in accordance with the needs of society and the public continued to make the work more efficiently. Moreover, it has the support to the works of employee as a team. These, taking into account the interests of the public and encourage employees to develop moral and ethical of their own continued and have a success more for organization.

3.3 Reliability and Validity

This study tests the validity of instrument to confirm that a measure uses a confirmatory factor analysis (CFA) to examine the construct validity of instrument. The validity and reliability of the questionnaires are as questionnaire development adapted each item from a theoretical definition based on prior research. In this study the factor loading between 0.667-0.938 above the minimum 0.40 criteria. Item-to-total correlation to test the internal consistency of the construct was examined by Cronbach's alpha coefficient which ranges from 0.798-0.945. All values are above the minimum 0.50 acceptable level (Nunnally and Bernstein, 1994). Table 1 explains the detail of factor loading and coefficient.

TABLE 1: Results of Measure Validation

Variables	Factor Loading	Cronbach's Alpha
Organizational Image (IMG)	.814-.826	.835
Accounting Regulation Awareness (REG)	.848-.895	.891
Accounting Method Accuracy (ACCU)	.851-.871	.887
Accounting Ethics Orientation (ETH)	.830-.902	.891
Stakeholder Impact Focus (STH)	.917-.938	.945
Accounting Information Quality (QUL)	.784-.892	.871
Accounting Practices Reliability (REL)	.821-.921	.911
Accounting Information Value (VAL)	.796-.876	.875
Transformation Leadership (LED)	.855-.925	.908
Corporate Social Responsibility (CSR)	.824-.931	.906
Stakeholder Pressure (PER)	.667-.876	.798
Ethical Climate (CAL)	.824-.925	.912

3.4 Statistical Techniques

In this study used OLS Regression analysis for analyzing test hypothesis variable the relationship between accounting governance and organizational image. From the relation models and the hypothesis, the following 8 equation models are formulated:

$$Equation\ 1: QUL = \beta_{01} + \beta_1 REG + \beta_2 ACCU + \beta_3 ETH + \beta_4 STH + \mathcal{E}_1$$

$$Equation\ 2: REL = \beta_{02} + \beta_5 REG + \beta_6 ACCU + \beta_7 ETH + \beta_8 STH + \mathcal{E}_2$$

$$Equation\ 3: VAL = \beta_{03} + \beta_9 REG + \beta_{10} ACCU + \beta_{11} ETH + \beta_{12} STH + \mathcal{E}_3$$

$$Equation\ 4: IMG = \beta_{04} + \beta_{13} QUL + \beta_{14} REL + \beta_{15} VAL + \mathcal{E}_4$$

$$Equation\ 5: REG = \beta_{05} + \beta_{16} LED + \beta_{17} CSR + \beta_{18} PER + \beta_{19}(LED^* CAL)$$
$$+B_{20}(CSR^* CAL) + \beta_{21}(PER^* CAL) + \mathcal{E}_5$$

$$Equation\ 6: ACCU = \beta_{06} + \beta_{22} LED + \beta_{23} CSR + \beta_{24} PER + \beta_{25}(LED^* CAL)$$
$$+B_{26}(CSR^* CAL) + \beta_{27}(PER^* CAL) + \mathcal{E}_6$$

$$Equation\ 7: ETH = \beta_{07} + \beta_{28} LED + \beta_{29} CSR + \beta_{30} PER + \beta_{31}(LED^* CAL)$$
$$+B_{32}(CSR^* CAL) + \beta_{33}(PER^* CAL) + \mathcal{E}_7$$

$$Equation\ 8: STH = \beta_{08} + \beta_{34} LED + \beta_{35} CSR + \beta_{36} PER + \beta_{37}(LED^* CAL)$$
$$+B_{38}(CSR^* CAL) + \beta_{39}(PER^* CAL) + \mathcal{E}_8$$

4. Results and discussion

Descriptive statistics and correlation matrix for all variables are shown in Table 2. Correlation coefficients of independent variables are ranging from 0.387-0.869. Independent variables do not have multicollinearity because the VIF range from 1.193-5.744, the cut-off value of 10 (Hair et al., 2006). Table 2 shows the correlation analysis with all independent variables correlated to dependents variable, which was significant p<.01.

TABLE 2:
Descriptive Statistics and Correlation Matrix

Variable	REG	ACCU	ETH	STH	QUL	REL	VAL	IMG	LED	CSR	PER	CAL
Mean	4.46	4.51	4.58	4.56	4.31	4.33	4.40	4.45	4.51	4.41	4.36	4.55
S.D.	.497	.472	.451	.524	.574	.602	.526	.476	.482	.575	.525	.507
REG	1.000											
ACCU	.822**	1.000										
ETH	.605**	.666**	1.000									
STH	.587**	.631**	.846**	1.000								
QUL	.501**	.476**	.557**	.593**	1.000							
REL	.451**	.423**	.474**	.462**	.655**	1.000						
VAL	.485**	.515**	.573**	.622**	.704**	.790**	1.000					
IMG	.521**	.535**	.560**	.620**	.702**	.854**	.869**	1.000				
LED	.458**	.507**	.534**	.528**	.490**	.527**	.547**	.685**	1.000			
CSR	.458**	.497**	.560**	.535**	.654**	.741**	.636**	.780**	.736**	1.000		
PER	.387**	.442**	.442**	.444**	.434**	.437**	.387**	.520**	.350**	.579**	1.000	
CAL	.420**	.527**	.585**	.571**	.608**	.620**	.646**	.778**	.694**	.789**	.592**	1.000

*P<0.05, **P<0.01

TABLE 3: Results of Regression Analysis

Independent Variables		Dependent Variables			
		QUL	REL	VAL	IMG
		(1)	(2)	(3)	(4)
REG		.238 (.176)	.251 (.193)	.086 (.173)	
ACCU		-.035 (.188)	-.014 (.205)	.123 (.184)	
ETH		.121 (.196)	.203 (.214)	.073 (.192)	
STH		.373* (.189)	.152 (.206)	.433** (.185)	
QUL					.097 (.074)
REL					.421** (.086)
VAL					.467** (.091)
Adjust R^2		.352	.227	.378	.827
Maximum VIF	**3.913**	**3.913**	**3.913**	**3.172**	

*p<0.1, **p<0.05, ***p<0.01, Beta coefficients with standard errors in parenthesis.

Table 3 presents the results of OLS regression analysis of Hypotheses 1- 13 for 8 equations. Accounting Governance has four dimensions, the results show that following. Therefore, Hypothesis

1, 3, 5 and Hypothesis 12-13 are not significant, so it is not supported. Hypothesis 6, 7 9a, and11 are significant so it is supported.

For the accounting governance dimension, the results show that accounting regulation awareness (REG) is not significantly related to accounting information quality, accounting practices reliability, and accounting information value (β_1= .238, p>0.05; $\beta_{5=}$ .251, p>0.05; β_9=.086, p>0.05). Thus, hypotheses H1a-H1c are not supported.

The second dimension of accounting governance dimension, the results show that accounting method accuracy (ACCU) is not significantly related to accounting information quality, accounting practices Reliability, and accounting information value (β_2= .035, p>0.05; β_6= .014, p>0.05; β_{10}=.123, p>0.05). Thus, hypotheses H2a-H2c are not supported.

The third dimension of accounting governance dimension, the results show that accounting ethics orientation (ETH)is not significantly related to accounting information quality, accounting practices reliability, and accounting information value (β_3= 0.121, p>0.05; β_7= 0.203, p>0.05; β_{11}=0.073, p>0.05). Thus, hypotheses H3a-H3c are not supported.

The fourth dimension of accounting governance, the results show that stakeholder impact focus (STH) has significant positive influence on accounting information quality (β_4= 0.373, p<0.10), and accounting information value (β_{12}= 0.433, p<0.05), but it is not significant related to accounting practices reliability (β_8= 0.152, p>0.05).Thus, hypotheses H4a and H4c are supported, but hypothesis H4b is not supported.

In summary of accounting governance, the results suggest that one of four dimension of accounting governance has significant positive influence on accounting outcome. The results are similar to prior research, stakeholder impact focus is important for accounting governance because, if the business takes into account the impact on stakeholders it contributes to efficient operation and non-error in operation. In contrast, accounting regulation awareness, accounting method accuracy and accounting ethics orientation do not influence on accounting information quality, accounting practices reliability, and accounting information value.

The effect of accounting outcome on organizational image is presented in model four. The results indicate that accounting practices reliability, accounting information value have positive effect on organizational image (β_{14}= 0.421, p<0.05; β_{15}= 0.467, p<0.05), but accounting information quality is not significantly related to organizational image (β_{13}= 0.097, p>0.05), Thus, hypothesis H6 and H7are supported, hypothesis H5 is not supported. The result suggests that accounting governance has indirect effect on organization image via the mediating influence included accounting practices reliability, and accounting information value

TABLE 4: Results of Regression Analysis

Independent Variables		Dependent Variables			
		REG	ACCU	ETH	STH
		(5)	(6)	(7)	(8)
LED		.092	.092	.091	.326
		(.194)	(.190)	(.183)	(.189)
CSR		.429**	.224	.226	.006
		(.222)	(.217)	(.209)	(.217)
PER		.151	.181	.148	.172
		(.142)	.139	(.134)	(.138)
CAL		-.187	(.154)	.161	.132
		(.199)	.194	(.187)	(.194)
LED*CAL		-.450**	-.407**	-.306*	-.018
		(.174)	(.170)	(.164)	(.170)
CSR*CAL		.248	.345	.236	-.175
		(.216)	(.211)	(.204)	(.211)
		-.131	-.107	-.220	.021
PER*CAL		(.175)	(.171)	(.165)	(.171)
Adjust R^2		**.306**	**.338**	**.383**	**.340**
Maximum VIF	**5.744**	**5.744**	**5.744**	**5.744**	

*p<0.1, **p<0.05, ***p<0.01, Beta coefficients with standard errors in parenthesis.

Table 4 presents the result of antecedent variable transformation leadership, the results show that transformation leadership (LED) is not significantly related to accounting governance (β_{16}= 0.092, p>0.05; β_{22}= 0.092, p>0.05; β_{28}=0.091, p>0.05; β_{34}=0.326, p>0.05). Thus, hypotheses H8a-H8d are not supported.

The Corporate Social Responsibility, the results show that accounting regulation awareness (REG) has significant positive influence on corporate social responsibility (CSR) (β17= 0.429, p<0.05), but is not positively related to accounting method accuracy, accounting ethics orientation and stakeholder impact focus (β_{23}= 0.224, p>0.05; β_{29}= 0.226, p>0.05; β_{35}=0.006, p>0.05). Thus, hypothesis H9a is supported, but hypotheses H9b-H9d are not supported.

The results show that stakeholder pressure is not significantly related to Accounting Regulation Awareness, Accounting Method Accuracy, Accounting Ethics Orientation and Stakeholder Impact Focus (β18= 0.151, p>0.05; β24= 0.181, p>0.05; β30=0.148, p>0.05 ; β36=0.172, p>0.05). Thus, hypotheses H10a-H10d are not supported.

In summary, only CSR has positive influence on accounting governance. Consistent with prior research suggest that CSR is the impact of marketing strategies, including the performance of the channel's value-oriented price, promotion, marketing and after-sales services that directly affect brand value and brand loyalty. Perceived quality and link ideas with a known brand indirectly affect the company's image and the overall brand value of firms (Amini & et.al, 2012).

The result of moderating effect, the result found that ethical climate has not significant effect on three antecedents (Transformation Leadership, Corporate Social Responsibility and Stakeholder Pressure) and accounting governance. Thus, hypothesis H1, H12 and H13 are not supported.

5. Contribution of research

5.1 Theoretical Contribution

This study used stakeholder theoretical to explain about accounting governance of firms influence organizational image. The company must manage to meet the needs of stakeholders if it wants to succeed in its operations. But the company does not want succeed it needs to satisfy the stakeholders in equal rates. (Deegan, 2001)

5.2 Managerial Contribution

This study provides suggestion that the accounting governance should focus on the stakeholder impact focus that is associated with the quality and value of information and reliability in the practice of accounting. This is accounting information value that can be useful to outsiders.

6. Conclusion

The purpose of this paper is to investigate the relationship between accounting governance and organizational image. The result suggests that stakeholder impact focus influences on accounting information value, and corporate social responsibility influences on accounting regulation awareness. Moreover, this study found that transformation leadership influences on to accounting governance.

This study has limitation that is small sample because business work in the busy season makes the researcher get the questionnaires at the less response rate.

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