

The Role of Management Accounting in Creating and Sustaining a Competitive Advantage in the Banking Industry

Huibrecht M. van der Poll
Nicholas M. Ndwiga

Abstract

The main purpose of this article is to provide insights into the role of management accounting in creating and sustaining a competitive advantage especially in the banking industry. The literature reviewed and the results from an empirical study that involved a sample of forty respondents from Equity Bank found that modern management accounting provides skills and techniques that play a vital role in the planning, developing, implementing and evaluating of strategic competitive policies that result in a competitive advantage. This study was carried out at Equity Bank - Kenya, a leading commercial bank in Kenya whose rapid growth and competitiveness can be attributed to the application of innovative management accounting practices. The study found that management accounting practices provide both internal and external competitive strategies that enable business organisations to create and sustain a competitive advantage.

Keywords: Management accounting, competitive advantage, competitive strategies, banking industry.

Introduction

Management accounting techniques have not been fully accepted as a means to develop a competitive advantage since management accounting practices

have long been associated with providing management solutions for internal management purposes especially in the manufacturing industry. However, according to Kiesler and Sproull (1982:548), management accounting practices have moved from reporting historical information to taking part in the strategic planning process of an organisation. They argue that management accounting skills are actively applied in the competitive business environment where market intelligence is sought and evaluated, strategic decisions are made and competitive strategies are put into place. These factors enable an organisation to gain an advantage in the ever-demanding competitive business environment where innovative management accounting practices need to be employed (Ittner & Larcker 1997:243). Conversely Durand (2003:821) argued that management accounting remains largely unexploited as a powerful approach to accounting for a competitive advantage. He notes that, as an essential part of international business thinking, a competitive advantage takes a strategy from a broad vision to an internally consistent configuration of activities within an organisation. The management accountants should therefore be at the forefront in the search and development of innovative competitive strategies that may enable an organisation to remain profitable and competitive.

Thompson, Strickland and Gamble (2009), note that management accounting develops ideas for both manufacturing and service organisations. In addition, Horngren, Sundem, Stratton, Schatzberg and Burgstahler (2009:4) contend that management accounting provides solutions for the survival of a business in the prevailing dynamic business environment where competition, customer's preferences and innovative information technology make the profitability of businesses a major challenge. As today's business environment becomes increasingly competitive, business organisations are becoming more aggressive and dynamic in identifying competitive strategies that will ensure a profitable existence. Certain management accounting practices provide strategies that can influence customers' loyalty. Thompson *et al.* (2009) are of the view that the adoption of management accounting techniques may create a competitive edge in an organisation.

Although the importance of management accounting in the success of organisations has been researched by other scholars the role of management accounting in the creation of a competitive advantage

especially in service industries and the banking industry in particular has been under-researched according to the authors.

The layout of the article is as follows: In the following section the research method and survey instruments are presented. The concept of management accounting and the changing role of management accounting practices are presented and are followed by a short discussion on management in banks, the data analysis and the interpretation of the results. This is followed by a conclusion and an indication of future work.

Research Questions

The main research question of this article is:

What is the role of management accounting in creating and sustaining a competitive advantage in the banking industry?

The sub questions are:

1. What is the importance of management accounting practices in creating a competitive advantage?
2. What is the importance of management accounting practices in developing competitive strategies?
3. What is the contribution of management accounting practices in shaping a competitive advantage?

Literature Review

This article is based on a MCom dissertation (Ndwiga 2011). The literature review provides the necessary background of the concept of management accounting, the changing role of management accounting practices and an overview of management in banks.

The Concept Management Accounting

The Chartered Institute of Management Accountants (CIMA 2009) defines management accounting as the practical science of value creation within

organisations in both the private and the public sectors. It combines accounting, finance and management with the leading edge techniques needed to drive successful businesses. In addition, Frank (1990:155) outlines management accounting as a practice that incorporates strategic, performance and risk management skills in management.

These skills provide an organisation with strategies that focus on the dynamic business environment and are driven by management accountants. Shah (2009) asserts that management accountants apply their professional knowledge and skills in the preparation and presentation of financial and other decision-oriented information. This aspect assists management in the formulation of policies and in the planning and controlling of operations in their organisations. Management accountants may therefore be seen as value creators that in turn assist an organisation to gain a competitive advantage.

The Changing Role of Management Accounting Practices

According to Drury (2004:12), the role of management accounting has moved from the traditional confines of planning, control, organisation, communication and motivation and now focuses more on the external business environment: competition, opportunities, threats and changing circumstances. In addition, he notes that management accounting is expected to play a bigger role in the formulation, implementation and control of business strategies. Therefore, innovations in management accounting practices have enabled management accounting to remain appropriate in the creation of competitiveness in organisations.

Shah (2009:10) argued that in the past management accountants were referred to as controllers since they were in charge of all financial accounting and cost accounting functions. He notes that the controller's function entailed the accumulation of data and reporting it to all levels of management as well as directing and helping managers in problem solving and in identifying opportunities that could add value to the organisation. However, Shah (2009) indicates that modern management accountants play a dual role in the organisation. Firstly, they are responsible for the integrity of top management and the reliability of the reports they submit. Secondly, they assume a helper's role in which they are responsible for helping

departmental managers in strategic planning and controlling operations.

Contemporary management accounting practices have incorporated the skills of traditional and innovative costing methods. According to McLaney and Atrill (2002:365); and Bastl, Grubic, Templar, Harrison and Fan (2010:68) the innovative methods include, standard, lifecycle, activity based (ABC), target and Kaizen costing.

The literature suggests that traditional costing methods can be combined with modern and innovative costing techniques in adapting competitive costing techniques that can result in the production of competitive products or services for an organisation. Consequently, the innovative costing techniques may be applied in the creation of a competitive advantage.

According to Drury (2004) and Shah (2009) innovative management accounting has incorporated competitive strategies which Coulter (2010) identifies as key aspects in creating a competitive advantage in an organisation. Coulter (2010) notes that, these competitive strategies include cost leadership strategy, product and service differentiation, focused marketing and growth, human resource development and strategic alliances strategies. In addition du Plessis (2004) identified the important role of management accounting practices in customer profitability, customer satisfaction, competitor analysis and accounting, information technology and benchmarking. Hence, the involvement of management accounting in the competitive business environment where businesses require the creating and sustaining of a competitive advantage, may be necessary.

An Overview of Management in Banks

It could be argued that the nature of the banking industry is service oriented and depends on human resources. This aspect may have driven management of banks to be steadfast in achieving a high level of quality, on-time delivery, customer satisfaction and loyalty as well as employee satisfaction and loyalty in the changing business environment.

The operations of commercial banks and competing financial institutions are constantly changing. According to Koch and MacDonald (2006:33), savings, loan and credit unions, brokerage organisations,

insurance companies and investment banks offer products and services that were traditionally associated with commercial banks. Commercial banks in turn offer a variety of insurance, real estate and investment banking services that they were denied. According to Saunders and Cornett (2008), differences between these institutions are eroded by competitive forces, deregulation (relaxation of rules governing the banking industry) and the changing financial and business technologies. Hence, to remain competitive, an organisation should identify the products with which it has a market advantage and provide customer services that distinguish it from its competitors.

Koch and MacDonald (2006:2) have outlined important bank management issues that may enhance competitiveness. These include adapting to the changing banking environment, analysing bank performance and projecting profitability and risks, managing interest rate risks, managing the cost of funds, bank capital and liquidity management, managing credit given to customers and managing the investment portfolio. These management issues are areas of concern for the management accounting practices. Therefore, innovative management accounting practices may be a source of a competitive advantage for an organisation.

Research Method and Survey Instruments

The research was conducted through a questionnaire accompanied by an introductory letter clarifying the purpose and objectives of the entire project. The sample consisted of eighteen senior managers and twenty-eight branch managers from Equity Bank in Nairobi County in Kenya. The letter of permission below to carry out research was obtained from the bank.

The sample of the top executives was selected based on their job description. The intention was to ensure that typical or representative subjects that could provide the required information were chosen as suggested by Krishnaswamy, Sivakumar and Mathirajan (2009).

Purposive sampling was applied in identifying the target population. The method was applied because it is believed to be reliable in providing the typical information required for the study (Kombo & Tromp 2006:82).



HEAD OFFICE: Ragati Road, NHIF Building, 14th floor,
P.O.Box 75104-00200, Nairobi.
Contact Centre: 020-2744000, 0711025000, 0734 108 000
Fax: 020-2737376
Email: info@equitybank.co.ke
Website: www.equitybank.co.ke

Your Ref:
Our Ref: EB2010/PR/JUNE/F/2512

Date: 18th June 2010.

RE: PERMISSION FOR RESEARCH.

Your request to carry out a research dated 29th May 2010 has been granted.
You are however requested to adhere to the ethical issues governing data collection and more so to be patient with our staff.

We hope that you will find the research interesting and worthwhile for you studies.

Wishing you success.



MBUGUA JOSEPH.
PUBLIC RELATIONS OFFICER.

The respondents were ensured of the confidentiality of their responses with the confidentiality note:

The fine details of competitive strategies and actions as well as strengths, weaknesses, opportunities and threats are confidential. Due to this aspect, the questions in the questionnaire do not suggest the collection of any confidential information. They are formulated in such a way as to establish if theory and practice correspond. Furthermore the data collected will exclusively be used for academic purposes in this study only. With this aspect in mind, the name of the respondent or information that may lead to a particular respondent will not be implied. Furthermore, the results will be used for academic research purposes only (Ndwiga 2011).

The questionnaire was developed and refined as follows: nearly all items on the management accounting practices were adapted from previously published works. A preliminary draft of the questionnaire was discussed with the supervisor of the study and some research students to assess the content validity prior to pilot testing; a pilot test was conducted in five branches, whose inputs were used to improve the clarity, comprehensiveness and relevance of the survey instrument.

In order to collect data that precisely meets the objectives of the study, both open-ended and closed-ended questions were included in the questionnaire (Kombo and Tromp 2006:89). Close ended questions had a four point Likert scale – from 1- very important, 2 - somewhat important, 3 - not important and 4 - not sure; the extent to which management accounting practices were applied in the various competitive strategies adopted by the bank. The Likert scale was adapted for the questions based on the shaping of the competitive advantage: from 1- very useful, 2 - somewhat useful, 3 - not useful and 4 - not sure.

The questionnaire was divided into four sections, namely:

- Rating the level of competition between banks in Kenya.
- The importance of management accounting practices in creating a competitive advantage.
- The importance of management accounting practices in developing competitive strategies. Strategies with regard to

the following were tested: Product development, service delivery, transaction processing, marketing, human resource and information Technology.

- The contributions of management accounting practices in shaping a competitive advantage. Practices with regard to the following areas were tested: Evaluating the changing business environment, growth and expansion, risk management, analysing competitors, evaluating customers' needs, assessing customers' abilities to repay their loans.

The survey was carried out by sending questionnaires to the targeted persons. After three follow-ups by telephone to non-respondents to increase survey response rate, 40 questionnaires were sent back.

Data Analysis and Interpretation

The raw data collected was sorted and edited as the first step towards its analysis. The questionnaires were organised and classified according to the patterns given by the respondents and their homogeneity. The responses from the questionnaires were organised in line with the research questions and descriptive narratives were used to reflect the situation as it occurred at Equity Bank. Both descriptive and inferential statistics were used in the analysis of the data. Descriptive statistics included frequencies from which percentages were derived. The analysed data was summarised and findings were reported as a description of the total population of the study. Data is presented in the form of percentages and tables for easier interpretation followed by a short description and reference to the literature.

Rating of Competition in the Banking Industry

Table 1 shows the rating of competition in the banking industry in Kenya. This was necessary in order to justify the importance of creating a competitive advantage for Equity Bank.

Table 1: Rate of competition in the banking industry

Category	Percentage (%)
High	75%
Moderate	20%
Low	0%
Not sure	5%
Total	100%

Seventy five percent of the respondents indicated that competition in the banking industry was high. Therefore, the quest to develop and sustain a competitive advantage within the banking industry in Kenya can be attributed to the high level of competition that prevails in the industry.

Importance of Management Accounting Practices in Creating a Competitive Advantage

Table 2 shows that 85% of the respondents indicated that management accounting practices were very important in creating a competitive advantage.

Table 2: Importance of management accounting practices in developing a competitive advantage

Categories	Frequency	Percentage (%)
Very important	34	85%
Somehow important	4	10%
Not important	0	0%
Not sure	2	5%
Total	40	100%

The results shown in this table, support Schulz's (2001:661) argument that management accounting practices add value to a business and directly supports an organisation's strategic goals. In addition Hilton (2008) argues that management accountants take a leadership role in their teams and they provide valuable information that guides the organisation towards

achieving its strategic goals. Therefore, it can be concluded that management accounting provides important skills that may be necessary for creating a competitive advantage for an organisation.

Importance of Management Accounting Practices in Developing Competitive Strategies

This aspect covered competitive strategies that relate to product development, service delivery, transaction processing, marketing, human resource and information technology (IT). Table 3 shows the responses on the competitive strategies that were covered. The discussion below is directed by the highest percentage that favours the particular strategy.

Table 3: Importance of management accounting practices in developing competitive strategies

Category	Very important	Somewhat important	Not important	Not sure
Product Development	72%	20%	2%	6%
Service Delivery	78%	16%	0%	6%
Transaction Processing	70%	18%	2%	10%
Marketing	77%	16%	1%	6%
Human Resource	74%	18%	0%	8%
Information Technology	80%	15%	0%	5%

Product Development

The study showed that 72% of the respondents acknowledged that management accounting practices were applied in the strategies relating to product development. This implies that management accounting practices are important in developing innovative and competitive products and services. This confirms the statement by Koch and MacDonald's (2006:40) that innovations in service delivery have made banks to change the way they offer products and services with the intention to improve their competitive position. Therefore, management accounting practices provide the necessary

skills for crafting strategies that enhance the development of competitive products and services that may lead to the creation of a competitive advantage.

Service Delivery

In relation to service delivery, 74% of the respondents showed management accounting practices were used in developing strategies for service delivery. This supports the literature by Iyengar (2007:305) who notes that satisfied customers are valuable assets for a bank in the creation of a competitive advantage. Hence, management accounting practices could provide important skills that may enhance service delivery which leads to the creation of a competitive advantage.

Transaction Processing

The results of the study showed that 70% of the respondents stated that management accounting practices were applied in the strategies that defined transaction processing in the bank. This indicates that proper transaction processing may create competitiveness for an organisation. According to the Indian Institute of Banking and Finance (IIBF 2008:118) banks have to offer better services and cooperation coupled with courteous service to customers in order to gain a competitive advantage. Management accounting practices may therefore provide important transaction processing strategies that enhance competitiveness.

Marketing

In relation to marketing, 77% of the respondents noted that management accounting practices were applied in developing marketing strategies. This result indicates that management accounting practices are important in developing marketing strategies for an organisation. According to Ashmos, Duchon and McDaniel (1998:25), a good marketing strategy creates a good competitive edge for an organisation especially as it expands into new areas. It may be concluded that management accounting practices play an important role in the development of marketing strategies that lead to the creation and sustaining of a competitive advantage.

Human Resources

In relation to human resources, 74% of the respondents supported the idea that management accounting practices were important in developing strategies that support human resources in an organisation. Organisations that are determined to improve productivity and lower costs are using human resources as the first step towards attaining this goal (Snell & Bohlander 2007:9). Therefore, management accounting practices may be very important for the development of competitive strategies that enhance productivity of the human resources leading to the creation of a competitive advantage.

Information Technology (IT)

In relation to IT, 80% of the respondents indicated that management accounting practices were useful in the development of strategies that relate to IT. Podder and Gadhawe (2007:108) argue that the potential benefits that accrue to IT include cost-savings, speed, convenience, control, flexibility, increased productivity, better reporting, greater accuracy, consistency, as well as empowering and expanding the capacity of employees, managers and the whole staff in general to keep their organisations competitive. Muraleedharan (2009:337) also notes that using new technology helps banks to look at new ways to make each banking experience more convenient, efficient and effective. The results reveal that management accounting practices may be applied in establishing IT strategies that enhance the creation of a competitive advantage.

Contributions of Management Accounting Practices in Shaping a Competitive Advantage

Table 4 gives the analysis of the contributions of management accounting practices in evaluating the changing business environment, growth and expansion, risk management, analysing competitors, evaluating customer's needs and assessing customer's abilities.

Table 4: Contributions of management accounting practices in shaping a competitive advantage

Category	Very important	Somewhat important	Not important	Not sure
Evaluating the Changing Business Environment	75%	20%	0%	5%
Growth and Expansion	70%	20%	0%	10%
Risk Management	75%	20%	0%	5%
Analysing Competitors	80%	15%	0%	5%
Evaluating Customers' Needs	80%	20%	0%	0%
Assessing customers' Abilities	60%	20%	5%	15%

The response in favour of management accounting practices contributions in shaping a competitive advantage are discussed below.

Evaluating the Changing Business Environment

The results showed that 75% of the respondents noted that management accounting practices were applied in evaluating the changing business environment. According to BPP (2005) in order for an organisation to secure an environmental fit, an analysis of its environment is paramount. Hence, the involvement of management accounting practices in the environmental analysis by Equity Bank ensures that the bank develops correct strategies that minimise the negative effects of Political Environmental Social and Technological (PEST) and develop environmental strategies that facilitate the creation of a competitive advantage.

Growth and Expansion

In relation to growth and expansion, 70% of the respondents noted that management accounting practices were very important in developing strategies that enhance the growth and expansion of Equity Bank. This response supports the literature by Ashmos *et al.* (1998:25) who notes that

management accountants have a responsibility to establish creative marketing systems that enhance growth and competitive advantage. The results indicated that management accounting practices are important in developing strategies that enhance growth and competitiveness.

Risk Management

The results of the study indicated that 75% of the respondents stated that management accounting practices were applied by Equity Bank in developing strategies that ensured good risk management. The results support the observation by Koch and MacDonald (2006:276) who note that a financial institution needs to put in place prudent liquidity, foreign exchange, interest rate, credit, market and operating risk management in order for it to remain competitive and profitable. This leads to the conclusion that management accounting practices play an important role in providing strategies that reduce risks and such strategies may lead to the creation of a competitive advantage.

Analysing Competitors

The results were that, 80% of the respondents indicated that management accounting practices were used in analysing competitors. Du Plessis (2004:42) argues that competitor analysis enables an organisation to identify its competitor's goals, achievements, strengths and probable reaction to an organisation's strategies. Therefore, management accounting practices may create a competitive advantage by developing strategies that are informed by understanding the competitive position of competitors.

Evaluating Customer' Needs

The response concerning the evaluation of customers' needs was that 80% of the respondents felt that management accounting practices were applied in evaluating customer's needs at Equity Bank. According to van der Stede (2000:609) evaluating customer needs enables an organisation to obtain relevant information about the customers it serves. In addition, Iyengar

(2007:305) suggests that satisfied customers can be attributed to the growth and competitiveness of an organisation. The involvement of management accounting practices in evaluating customers' needs by the bank leads to the conclusion that management accounting practices play an important role in the creation of a competitive advantage.

Assessing Customers' Abilities

The results indicated that 60% of the respondents supported the idea that management accounting practices were useful in assessing customer's abilities in terms of repayments of loans. This observation implies that management accounting skills may enable an organisation to gather valuable knowledge on the customer's ability to honour their financial obligations. Such knowledge would assist the organisation in developing strategies that enhance better customer service in such a way that it creates a competitive advantage.

The results discussed in this section show that the application of management accounting practices in the competitive business environment where competitive strategies are required in order to sustain competitiveness is indeed a necessity.

Revisiting the Research Questions

It was found that management accounting plays a very important role in creating and sustaining a competitive advantage in the banking industry. This was established through the literature survey as well as the results of the questionnaire. The answer to the first sub research question is the following:

- Management accounting practices provide both internal and external competitive strategies that enable business organisations to create and sustain a competitive advantage.
- Management accounting practices are very useful in making key organisational decisions which lead to the creation of a competitive advantage.

- Management accounting practices provide very important strategies for performance and competitiveness in an organisation especially in the banking industry.

The second sub research question was answered as follows:
Management accounting practices that enhance the creation of a competitive advantage:

- Provide the necessary skills for crafting strategies that enhance the development of competitive products and services;
- Provide important skills that may enhance service delivery;
- Provide important transaction processing strategies that enhance competitiveness;
- Play an important role in the development of marketing strategies;
- May be very important for the development of competitive strategies that enhance productivity of the human resources; and
- May be applied in establishing IT strategies.

The answer to sub research question 3 is:

- The involvement of management accounting practices in the environmental analysis ensures that the bank develops the correct strategies that minimise the negative effects of (PEST) and develop environmental strategies that facilitate the creation of a competitive advantage.
- Management accounting practices are important in developing strategies that enhance growth and competitiveness.

- Management accounting practices play an important role in providing strategies that reduce risks.
- Management accounting practices may create a competitive advantage by developing strategies that are informed by understanding the competitive position of competitors.
- The involvement of management accounting practices in evaluating customers' needs by the bank leads to the conclusion that management accounting practices play an important role in the creation of a competitive advantage.
- Management accounting skills may enable an organisation to gather valuable knowledge on the customer's ability to honour their financial obligations leading to the development of strategies that enhance better customer service in such a way that it creates a competitive advantage.

Conclusions

Management accountants may be seen as value-creators which in turn assist an organisation to gain a competitive advantage. Firstly, they are responsible for the integrity of top management and the reliability of the reports they submit. Secondly, they assume a helper's role in which they are responsible for helping departmental managers in strategic planning and controlling operations. To remain competitive organisations should identify the products with which it has a market advantage and provide customer services that distinguish it from its competitors.

The involvement of management accounting practices in developing competitive strategies shows the departure of management accounting from the traditional confines of internal reporting to focus more on the competitive business environment. The literature suggests that traditional costing methods can be combined with modern and innovative costing techniques in adapting competitive costing techniques that can result in the production of competitive products or services for an organisation.

Consequently, the innovative costing techniques may be applied in the creation of a competitive advantage.

Management accounting practices also provide the necessary skills for crafting strategies that enhance the development of competitive products and that may enhance service delivery which leads to the creation of a competitive advantage.

The aim of this article was to contribute to a better understanding of the importance of management accounting in creating a competitive advantage in an organisation especially in the banking industry. The sample was chosen from the banking industry in a developing country which may not be enough to be able to generalise the findings to the banking industry within the developed countries. Future work may entail that the study be taken further using data of a larger sample of banks and other service organisations; as well as more regions to confirm the findings.

References

- Ashmos DP, D Duchon & RR McDaniel 1998. Participation in Strategic Decision Making: The Role of Organizational Predisposition and Issue Interpretation. *Decision Sciences* 29,1:25 - 51.
- Bastl M, T Grubic, S Templar, A Harrison & I Fan 2010. Inter-Organizational Costing Approaches: The Inhibiting Factors. *The International Journal of Logistics Management* 21,1:65 - 88.
- BPP Professional Education 2005. *CIMA Management Accounting: Business Strategy*. London: BPP Publishers.
- CIMA 2009. Thought Leadership. Available at: <http://www.cimaglobal.com/Thought-leadership/Newsletters/Insight-emagazine/Insight-2009/Insight-June-2009/What-is-CIMAsdefinition-of-management-accounting>. (Accessed: 17 October 2010).
- Coulter M 2010. *Strategic Management in Action. 5nd Edition*. New Jersey: Prentice Hall.
- Drury C 2004. *Management and Cost Accounting. 6th Edition*. London: Thompson Learning.
- du Plessis PC 2004. *Advanced Cost and Management Accounting: Study guide for ACAOOO-P*. Pretoria: University of South Africa.

- Durand R 2003. Predicting a Firm's Forecasting Ability: The Roles of Organizational Illusion of Control and Organizational Attention. *Strategic Management Journal* 24,9:821 - 838.
- Frank WG 1990. Back to the Future: A Retrospective View of J Maurice Clark's Studies in the Economics of Overhead Costs. *Journal of Management Accounting Research* 2:155 - 166.
- Hilton RW 2008. *Managerial Accounting, 7th Edition*. New York: McGraw-Hill.
- Horngren CT, GL Sundem, WO Stratton, J Schatzberg & D Burgstahler 2009. *Introduction to Management Accounting, 14th Edition*. New York: Prentice Hall.
- IIBF 2008. *Principals and Practices of Banking, 2nd Edition*. Mumbai: Macmillan.
- Ittner CD & DF Larcker 1997. Quality Strategy, Strategic Control Systems, and Organizational Performance. Accounting, Organizations & Constructive Approach in management accounting. *Journal of Management Accounting Research* 5:243 - 264.
- Iyengar V 2007. *Introduction to Banking*. New Delhi: Excel Books.
- Kiesler S & L Sproull 1982. Managerial Response to Changing Environments: Perspectives on Problem Sensing from Social Cognition. *Administrative Science Quarterly* 27,4:548 - 570.
- Koch TW & SS MacDonald 2006. *Management of Banks, 6th Edition*. Manson: Thomson South-Western.
- Kombo DK & DLA Tromp 2006. *Proposal and Thesis Writing: An Introduction*. Nairobi: Pauline Publication Africa.
- Krishnaswamy KN, AI Sivakumar & M Mathirajan 2009. *Management Research Methodology: Integration of Methods and Techniques*. New Delhi: Pearson Education.
- McLaney EJ & P Atrill 2002. *Management Accounting for Non-specialists*. London: Prentice Hall.
- Muraleedharan D 2009. *Modern Banking: Theory and Practice*. New Delhi: PHI Learning.
- Ndwiga NM 2011. *The Role of Management Accounting in Creating and Sustaining Competitive Advantage: A Case Study of Equity Bank, Kenya*. MCom dissertation. University of South Africa.

- Podder R & S Gadhawe 2007. *Competitive Strategies*. India: ICAI University Press.
- Saunders A & MM Cornett 2008. *Financial Institutions Management: A Risk Management Approach. 6th Edition*. Singapore: McGraw Hill.
- Schulz M 2001. The Uncertain Relevance of Newness: Organizational Learning and Knowledge Flows. *Academy of Management Journal* 44,4:661-681.
- Shah P 2009. *Management Accounting*. New Delhi: Oxford University Press.
- Snell S & G Bohlander 2007. *Human Resource Management*. New Delhi: Cengage Learning.
- Thompson AA, AJ Strickland & JE Gamble 2009. *The Quest for Competitive Advantage: Concepts and Cases. 17th Edition*. New Delhi: McGraw-Hill.
- Van der Stede WA 2000. The Relationship between Two Consequences of Budgetary Controls: Budgetary Slack Creation and Managerial Short-term Orientation. *Accounting, Organizations and Society* 25:609 - 622.

Huibrecht M van der Poll
Department of Management Accounting
Unisa, Pretoria, South Africa
vdpolhm@unisa.ac.za

Nicholas M Ndwiga
Independent Researcher
Kenya
nickndwiga@yahoo.com