The Causal Relationship of Problems and Guidelines for Increase Accounting Performance of Blue Flag Store Pracharat

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Abstract

This research aimed to 1) study problems and guidelines pertaining to increase the accounting performance of Pracharat Blue Flag Shops; and 2) study both direct and indirect effects of bookkeeping and tax payments on problems and guidelines pertaining to increase the accounting performance of Pracharat Blue Flag shops. This study was a quantitative research. The sample group comprised of 681 Pracharat Blue Flag entrepreneurs in Sakon Nakhon province. The researchers used a questionnaire as a tool to collect the data which were then analyzed using structural equation model. The results revealed that the problems and guidelines regarding increasing the accounting perfomance of Pracharat Blue Flag Shops consisted of problems related to the knowledge and understanding of account summary and problems related to the loss of documents. An important guideline for enhancing the performance was for the public sector to support Pracharat Blue Flag Shops in various dimensions. As for the effects on the problems, it was found that the direct effects included accounting information, knowledge of taxation and government personnel, and that the indirect effects included accounting documents and methods, shop's personnel, accounting tools, tax payments and government personnel.

Keywords: 1) Problems and guidelines 2) Accounting performance 3) Blue Flag Store Pracharat

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Introduction

Following the Thai government's policy to reduce living expenses of the low-income population, Department of Internal Trade, Ministry of Commerce, enabled 14.607 million low-income citizens holding state-welfare cards to purchase products of daily necessities in Pracharat Blue Flag Shops that had Electronic Data Capture (EDC) devices within the spending limits and conditions set by Department of Internal Trade. The Department, moreover, issued an announcement dated 16 October 2017 detailing the criteria for the application, selection and withdrawal of Pracharat Blue Flag Shops to sell products to state-welfare card holders (Department of Internal Trade of Thailand, 2019, p. 6). In order to ensure effective coverage of Pracharat (civil state) policy enforcement, the operation criteria were updated. Department of Internal Trade, accordingly, announced the updated criteria for the application, selection and withdrawal of Pracharat Blue Flag Shops to sell products to state-welfare card holders. The new criteria stipulate that Pracharat Blue Flag Shops are required to set Pracharat Blue Flag product prices within the price ranges given by Department of Internal Trade, to sell other products at their normal prices, to refrain from raising the prices without a reasonable cause, to clearly display price tags, to refrain from converting the state-welfare rights into money or other types of products, to refrain from imposing wholesale purchases, to refrain from withholding or keeping the cards, to refrain from denying the use of state-welfare cards for product purchases in all cases, and to refrain from incurring additional expenses to product prices such as additional VATs and fees.

Furthermore, there have been appeals regarding the violation of regulations by Pracharat Blue Flag Shops and problems related to certain shops denying the use of state-welfare cards for fear that their increased sales would qualify them for income tax payments. Any Pracharat Blue Flag Shops that do not comply with these criteria and conditions will face the withdrawal of their Pracharat Blue Flag Shop licenses, and their EDC devices will consequently be taken back (Kalayanamit, 2018). Even though the total sales from Pracharat Blue Flag Shops met the biannual target of 19 billion baht, problems remained regarding acquiring products for sale in the shops. Since Pracharat Blue Flag Shops bought their products from small-sized shops or establishments that provided no receipts, these Pracharat Blue Flag Shops, consequently, could not show receipts from their purchases when they calculated their taxes (Phanakit, 2018)

In terms of problems related to taxes, Ministry of Commerce has provided information to Pracharat Blue Flag Shops so that they understand that issues related to the taxes are not insurmountable because input and output taxes as well as business expenses can be deducted from their income taxes and can facilitate their requests for support from the public sector. In addition, Ministry of Commerce plans to give business trainings to 40,000 Pracharat Blue Flag Shops so that they can learn about business operation, shop development, online distribution channels,

taxes and legal entity registration, and can develop into hybrid grocery stores that have business strengths. The shops' strengths will then enable them to better serve card-holders and other low-income customers, which will effectively help them to reduce their cost of living (Phanakit, 2018).

Nevertheless, according to the trainings as part of the project to professionally upgrade 28,806 Pracharat Blue Flag Shops from July to September 2018, it was revealed that the majority of the entrepreneurs were individuals (26,352 entrepreneurs), 2,149 were legal entities, 1,068 were limited companies, 1 was a public company, 357 were partnerships, 723 were cooperatives and 305 were village funds (Department of Internal Trade, 2019). Each of these different forms of establishment had its own methods to set up, manage and keep accounts as well as to pay taxes. As a result, there were problems concerning bookkeeping. For example, prior to joining the Pracharat Blue Flag Shop project, they did not process documents showing their income and expenses and did not keep all necessary documents to show to the Revenue Department. These problems created misunderstanding about bookkeeping and tax payments. Some shops encountered problems when they were required to pay higher taxes as a result of joining Pracharat Blue Flag Shop project. Some eventually withdrew their participation due to the lack of the understanding of the proper accounting system and tax payment. Perceiving the aforementioned challenges, the researchers aimed to study the problems and guidelines regarding the bookkeeping of

these entrepreneurs in order to provide them with effective guidelines to improve their bookkeeping.

To promote accurate bookkeeping and tax payment of Pracharat Blue Flag Shops and to support tax measures which included generating an awareness of the importance of submitting accounting notifications to the Revenue Department based on the reality of each establishment's financial activities, the researchers aimed to study the problems and guidelines pertaining to increasing the efficiency of Pracharat Blue Flag Shops' bookkeeping and tax payments. The researchers selected Pracharat Blue Flag Shops in Sakon Nakhon province as case studies because the province had seen a dramatic increase in the number of Pracharat Blue Flag Shops.

Objectives

1. To study problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops.

2. To study both the direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops

Literature Review

This study of problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops aimed to investigate guidelines for solving problems related to the shops' bookkeeping. Pracharat Blue Flag Shops are part of the

state-welfare project to better the economy of low-income population. This public project aims to reduce expenses of low-income citizens and generate purchases at community grocery stores by inviting them to become Pracharat Blue Flag Shops.

In order to become a Pracharat Blue Flag Shop, an entrepreneur must prepare accounting-related documents. This process is important as a Pracharat Blue Flag Shop is required to file an income tax form. According to the 2000 Accounting Act, those with the duty to do the bookkeeping are registered partnerships, limited companies, public limited companies and legal entities set up according to foreign laws and operating in Thailand. Bookkeeping refers to the process of measuring values, classifying and collecting data, summarizing and communicating with economic organizations. It gives fundamental quantitative data that can be used in the process of decision making (King, Lembke, and Smith, 2001, p. 19). According to the 2000 Accounting Act, problems and obstacles related to the bookkepping of Pracharat Blue Flag Shops are (1) the lack of knowledge about making income and expense accounts, (2) the lack of understanding about bookkeeping, (3) inaccurate and incomplete purchase documents, (4) limitations of sales documents due to the use of EDC devices, (5) the inability to clearly differentiate between sales and purchases, and (6) the limitations on some expenses that cannot be fully filed as expenses.

In addition, problems and obstacles concerning bookkeeping are (1) problems related to accounting personnel, (2) problems related to bookkeeping, (3) problems related to accounting equipment and tools, and (4) problems related to the provision of consultation (Punyacum, 2014, p. 24; Rueang bunya, 2011). According to Nutayakul (2005, p. 42), problems and obstacles related to bookkeeping faced by small and medium-sized enterprises are related to (1) accounting personnel, (2) accounting standards, and (3) entrepreneurs.

Accounting preparation efficiency is an indicator of quality that points to the responsibility for and attention to the accounting process conducted with full knowledge and ability to present financial data with accuracy and reliability and in a timely manner (Malai, et al., 2015, p. 99).

In addition, the accounting efficiency of a community financial organization involves (1) the accounting knowledge of bookkeepers, who must have the knowledge and understanding of accounting principles, categories and cycle as well as of financial reports (Waenkaew, et al., 2015, p. 157), (2) the accounting experience of bookkeepers, which reflects their ability to apply their accounting knowledge (Ruensri, 2009, p. 79), (3) accounting trainings, which help develop the personnel to understand the organization's operation and to be able to efficiently develop the organization based on their knowledge and abilities (Puwapariyatorn, 2010, p. 97), (4) the bookkeepers' thorough understanding of the accounting process (Teerakanit and Nimtarung, 2013, p. 32; Chamchoy, et al., 2014, p. 74; Jaensirisak and Pahumunto, 2011, p. 77), and (5) the monitoring units, which play an important

role in providing advice and consultation, promoting, supporting and assisting in the accounting process and whose staff should be knowledgeable about both accounting and accounting regulations and give regular support to the financial organization (Phuwapriyathorn, 2010, p. 78).

Methods

The population in this study comprised 681 Pracharat Blue Flag entrepreneurs in Sakon Nakhon province.

The tool employed in the data collection was a questionnaire consisting of 5 parts inquiring about the general information of the respondent (Part 1), the fundamental information of the Pracharat Blue Flag Shop (Part 2), the opinions on the accounting methods of the Pracharat Blue Flag Shop (Part 3), and the opinions on the guidelines to increase the accounting performance of the Pracharat Blue Flag Shop (Part 4).

To develop and assess the quality of the research tool, the researchers studied related documents, concepts and research studies and measured the reliability of the questionnaire by trying out with 30 entrepreneurs of Pracharat Blue Flag Shops in neighboring provinces. The Corrected Item-Total Correlation values were found to be at 0.220-0.709, with each item receiving the value of 0.20 or higher. The reliability of each factor in the questionnaire, measured using Cronbach's Coefficient of Alpha, was found to be at 0.872 which was higher than 0.70, thus found to be reliable (Tirakanant, 2007, pp. 175-181).

The data analysis was conducted using the following statistical devices: 1) the data concerning the general information of the respondents were analyzed using descriptive statistics of percentage and frequency; 2) The correlations between personal factors and Pracharat Blue Flag Shop factors that impacted the increase of the accounting performance were analyzed using PLS-SEM to measure the relationships of manifest variables and latent variables in a reflective model analyzed by the ADANCO software (Henseler, et al., 2014, p. 117). For the data analysis of the Outer Model, the measurement criteria followed the measurement model in Table No. 1.

Table No. 1 The Criteria for Outer Model Measurement or Measurement Model

Indicator	Criteria	Reference
Loading	>0.50	Fornell and Larcker, (1981, p. 42)
Average Variance Extracted - AVE	>0.50	Fornell and Larcker, (1981, p. 42); Hair, et al. (2011, p. 142)
Dijkstra-Henseler's rho (ρA)	>0.70	Henseler, et al. (2009, p. 279); Nunnally (1994, p. 29)
Jöreskog's rho (ρC)	>0.70	Nunnally, (1978, p. 174)
Cronbach's Alpha ($\propto$)	>0.70	Nunnally, (1978, p. 174)

Indicator	Criteria	Reference
Discriminant Validity: Fornell-Larcker Criterion (according to the diagonal matrix)	>(AVE)2	Fornell and Larcker, (1981, p. 42)
Discriminant Validity: Heterotrait-Monotrait Ratio of Correlation (HTMT)	<1	Teo, et al. (2008, p. 100) Clark and Watson, (1995, p. 309); Kline (2011, p. 12)

Source: Adapted from Jhantasana (2017, p. 56)

Table No. 2 The Criteria for Inner Model Measurement or Structural Model

Indicator	Criteria	Reference
Coefficient of Determination R^2	0.25 = small, 0.50 = medium, and 0.75 = large	Hair, et al. (2011, p. 142)
Predictive Relevance, Q^2	>0	Götz, et al. (2010, p. 696); Henseler, et al., (2009, p. 279)
Effect Size, f^2	0.02 = small, 0.15 = medium, and 0.35 = large	Cohen, et al. (2013, p. 152)
Path Coefficient	size, symbol and p-value	Hair, et al. (2010, p. 708)

Source: Adapted from Jhantasana (2017, p. 56)

The study of both direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops employed hypothesis testing and the measurement of direct and indirect effects using the ADANCO software.

Results

The majority of the respondents were women (417 respondents or 67.70 %), aged between 41-50 years (224 respondents or 36.40 %) and married (486 respondents or 78.90 %). Most held a Bachelor's degree (143 respondents or 23.10 %) and were business owners (523 respondents or 84.90 %).

Regarding the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops, the study found that the current problems involved the lack of knowledge about making income-expense accounts (331 respondents or 53.70 %), followed by the lack of understanding about income-expense summary or profit-loss summary (267 respondents or 43.30 %) and the lack of full evidence for product purchases (196 respondents or 31.80 %).

Regarding the guidelines for increasing the accounting performance of Pracharat Blue Flag Shops, the study found that the item with the highest average value was the one indicating that the shops wanted the public sector to promote the process of bookkeeping to create an understanding of standard financial reports ($\bar{x}$ = 3.82, SD.=.879), followed by the item

indicating that the shops wanted the public sector to make video clips advising a simple way to do bookkeeping and to pay taxes (x̄ = 3.81, SD.=.904), and by the item indicating that the shops wanted the public sector to provide support in terms of accounting equipment and tools such as computers with accounting software (x̄ = 3.80, SD.=.926).

The study of the direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on increasing the accounting performance was conducted by investigating the relationships between the shops' bookkeeping and their tax payments as well as the guidelines for increasing their accounting performance. The analysis was conducted using the PLS-SEM method and the ADANCO software (Henseler and Dijkstra, 2015, p. 299) in order to measure the relationships of the manifest latent variables in a reflective model. The statistics employed as the measurement criteria followed the Outer Model.

Table No. 3 The statistics of the Measurement Model

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρ_A)	Jöreskog's rho (ρ_c)	Cronbach's Alpha(α)
Bookkeeping Development (BOOK)		0.7436	0.9142	0.9354	0.9136
1. You know what account books are needed for bookkeeping.	0.8314				
2. You do the bookkeeping according to the announcements of the Dirertor-General of the Revenue Department.	0.8782				
3. You are capable of differentiating items and putting them in their respective accounting categories.	0.8824				
4. You are capable of recording the shop's items accurately and completely.	0.8830				
5. Your bookkeeping for the shop is up-to-date.	0.8350				
Bookkeeping Documents and Methods (DOCM)		0.6309	0.9274	0.9388	0.9263
1. You always have a receipt or an invoice to refer to when you enter an item in the shop's account.	0.7361				
2. Your shop provides a receipt for every purchase.	0.7110				

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρA)	Jöreskog's rho (ρc)	Cronbach's Alpha(∝)
3. Your shop's accounting documents are accurate, complete and organized.	0.7966				
4. You categorize the shop's accounts into assets, debts, capitals, income and expenses.	0.8347				
5. You know the process of posting items from the Book of Original Entry into Ledger Books.	0.8352				
6. You record items separately in the General Journal, Purchase Journal, Sales Journal and Cash Receipts Journal.	0.8401				
7. You know the methods of differentiating items of personal assets from items of shop assets.	0.8170				
8. You regularly check the balances of the raw materials or of the products for sale.	0.7915				
9. You refer to the raw materials balance sheet when planning for next purchases.	0.7759				
Significance of Using Accounting Information (INFO)		0.7910	0.9354	0.9498	0.9339
1. You stress the significance of using the information about the shop's assets.	0.8660				
2. You stress the significance of using the information about the shop's debts.	0.8933				
3. You stress the significance of using the information of the shop's owners or shareholders.	0.8771				
4. You stress the significance of using the information about the shop's income.	0.8972				
5. You stress the significance of using the information about the shop's expenses.	0.9125				

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρA)	Jöreskog's rho (ρc)	Cronbach's Alpha($\propto$)
Accounting Knowledge and Ability (ABIL)		0.7715	0.9261	0.9441	0.9258
1.You have the knowledge and understanding of Pracharat Blue Flag Shop bookmaking.	0.8789				
2. You regularly participate in Pracharat Blue Flag Shop trainings to gain new knowledge.	0.8662				
3. You know the accurate operation process and system for bookkeeping.	0.9011				
4. You have a good understanding of related documents, accounts, registrations and reports.	0.8943				
5. You are able to solve problems related to bookkeeping quickly.	0.8502				
Accounting Personnel (PERS)		0.7590	0.9262	0.9403	0.9208
1. The shop's personnel have the knowledge and understanding of the accounting system.	0.8725				
2. The shop's personnel have an education degree in accounting.	0.8583				
3. The shop's personnel understand the regulations and announcements of the Director-General of the Revenue related to bookkeeping.	0.8859				
4. The shop's personnel are motivated to do bookkeeping.	0.8809				
5. The shop's personnel continually participate in bookkeeping trainings.	0.8579				
Operation Tools (TOOL)		0.6351	0.8681	0.8967	0.8571
1. Your shop has requested for permission to use an EDC device.	0.7528				
2. Your shop has an understanding of the EDC manual and regulations.	0.7983				
3. Your shop uses the EDC device for every item sold.	0.8086				

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρA)	Jöreskog's rho (ρc)	Cronbach's Alpha(∝)
4. Your shop received assistance from the public sector in installing the EDC device.	0.8588				
5. When the EDC device is broken or malfunctioning, a government staff is sent to fix it.	0.7617				
Basic Tax Knowledge (TAXK)		0.7663	0.9280	0.9424	0.9236
1. You have the knowledge and understanding of the taxes related to your Pracharat Blue Flag Shop.	0.8779				
2. You have the knowledge and understanding of the tax payment rates.	0.9135				
3. You have the knowledge and understanding of the regulations, law and process of tax payment.	0.8897				
4. You have the knowledge, the understanding and an awareness of the duty to pay taxes.	0.8156				
5. You have the knowledge and understanding of the documents required for tax payment.	0.8773				
Government Personnel (GOVE)		0.7094	0.9333	0.9446	0.9314
1. The knowledge and ability of the government personnel to provide information about taxes	0.7779				
2. The government personnel's service-mindedness	0.8584				
3. The government personnel's advice on tax payment	0.8811				
4. The sufficiency of the number of government personnel for tax payment services	0.8558				
5. The government personnel's attention to keeping the information related to taxation up-to-date	0.8687				

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρA)	Jöreskog's rho (ρc)	Cronbach's Alpha(∝)
6. The government personnel's punctuality in providing services	0.8234				
7. The government personnel's honesty in calculating taxes	0.8260				
Tax Payment (TAXP)		**0.6873**	**0.9505**	**0.9565**	**0.9494**
1. You have the knowledge and understanding of the duty to pay taxes according to the regulations enforced by the Revenue Department.	0.7895				
2. You have the knowledge and understanding of filing the tax payment forms.	0.7932				
3. You have the knowledge and understanding of setting product and service prices with VAT.	0.8302				
4. You have the knowledge and understanding of input tax, sales tax and VAT.	0.8652				
5. You have the knowledge and understanding of tax return.	0.8478				
6. You have the knowledge and understanding of fines and additional penalties.	0.8094				
7. You have the knowledge and understanding of filing the tax forms on the Revenue Department's website or at an Area Revenue Office.	0.8300				
8. You have the knowledge about those who have the duty to pay VAT and those who are exempt from it.	0.8646				
9. You have the knowledge about the responsibility for additional VAT payment from selling products and services.	0.8268				
10. You have the knowledge about full and abbreviated taxes as well as input and sales tax reports.	0.8301				

Latent and Manifest Variables	Loading	AVE	Dijkstra-Henseler's rho (ρA)	Jöreskog's rho (ρc)	Cronbach's Alpha(∝)
Guidelines for Increasing Accounting Efficiency (EACC)		0.7231	0.9465	0.9125	0.8802
1. Bookkeeping knowledge	0.7399				
2. Monitoring unit	0.8350				
3. Training	0.8370				
4. Financial reports	0.8370				

According to Table No. 3, there were 60 manifest variables and 10 latent variables as shown in Figure 1 from the analysis using the ADANCO software. Hair, et al. (2010, p. 708) state that manifest variables must have the loading value of 0.70 or higher. Table 3 shows the loading values of 0.7710-0.9135. Each of the variables had a loading value that was higher than 0.70.

The PLS-SEM analysis was employed to test the model's reliability and discriminant validity. The measurement was based on the loading value of each manifest variable that must be higher than 0.70, including the values of AVE, Dijkstra-Henseler's rho (ρA), Jöreskog's rho (ρc) and Cronbach's Alpha, with the AVE value higher than 0.50 (Hair, et al. 2010, p. 708). Table 3 shows the measurement model of the latent variables with the values of 0.6309-0.7910. Each of the variables had a loading value that was higher than 0.50, which means that the average variance of the manifest variables could be explained by the latent variables when compared with the variance of the measurement errors.

Dijkstra-Henseler's rho (ρA) value of all the latent variables were between 0.8681 and 0.9505. The Jöreskog's rho (ρc) values were between 0.8967 and 0.9565. The Cronbach's Alpha values were between 0.8571 and 0.9494. The values of these three measurements should be, and were, higher than 0.70 (Hair, et al. 2010, p. 708; Henseler, Hubona and Ray.,2016, 279; Bagozzi and Yi, 1988, p.80)

Table No. 4 Discriminant Validity: Fornell-Larcker Criterion

	BOOK	DOCM	INFO	ABIL	PERS	TOOL	TAXK	GOVE	TAXP	EACC
BOOK	0.7436									
DOCM	0.7252	0.6309								
INFO	0.4203	0.4350	0.7910							
ABIL	0.5454	0.6494	0.4345	0.7715						
PERS	0.5297	0.6514	0.2939	0.6151	0.7590					
TOOL	0.1970	0.2163	0.2616	0.2879	0.1773	0.6351				
TAXK	0.4518	0.4826	0.3702	0.5304	0.4469	0.2681	0.7663			
GOVE	0.1645	0.1543	0.1727	0.1729	0.1481	0.3024	0.2624	0.7094		
TAXP	0.4868	0.5038	0.3246	0.5343	0.4618	0.2368	0.6481	0.2805	0.6873	
EACC	0.1126	0.1040	0.2130	0.1353	0.0807	0.1101	0.1718	0.1260	0.1497	0.7231

Table No. 4 shows the values of the discriminant validity of each structure (latent variable). This table shows the matrix with AVE on the diagonal and the correlations of the latent variables. According to Fornell and Larcker (1981), the value of (AVE)2 for each latent variable should be higher than the values of the correlations of the latent variables. According to Table No. 4, the values were between 0.0807 and 0.7910 which were higher than those of the correlations of the latent variables, except those of Bookkeeping Development (BOOK) and Bookkeeping Documents and Methods (DCOM) which had the AVE values on the diagonal lower than the values of the correlations of latent variables. This showed that the model had the discriminant validity

Table No. 5 Discriminant Validity: Heterotrait-Monotrait Ratio of Correlations (HTMT)

	BOOK	DOCM	INFO	ABIL	PERS	TOOL	TAXK	GOVE	TAXP	EACC
BOOK										
DOCM	0.9233									
INFO	0.7010	0.7047								
ABIL	0.8014	0.8683	0.7067							
PERS	0.7895	0.8705	0.5760	0.8412						
TOOL	0.4918	0.5056	0.5739	0.5891	0.4541					
TAXK	0.7282	0.7449	0.6544	0.7825	0.7130	0.5745				
GOVE	0.4402	0.4225	0.4436	0.4481	0.4126	0.6179	0.5527			
TAXP	0.7475	0.7552	0.6018	0.7774	0.7226	0.5264	0.8540	0.5638		
EACC	0.3348	0.3199	0.4749	0.3781	0.2758	0.3506	0.4130	0.3575	0.3785	

Table No. 5 show the Heterotrait-Mono-trait Ratio of Correlations (HTMT). Henseler, Ringle and Sarstedt (2014, p. 117) propose that the discriminant validity value must be lower

than 1. According to Table 5, each value was lower than 1. This showed that the model had the discriminant validity.
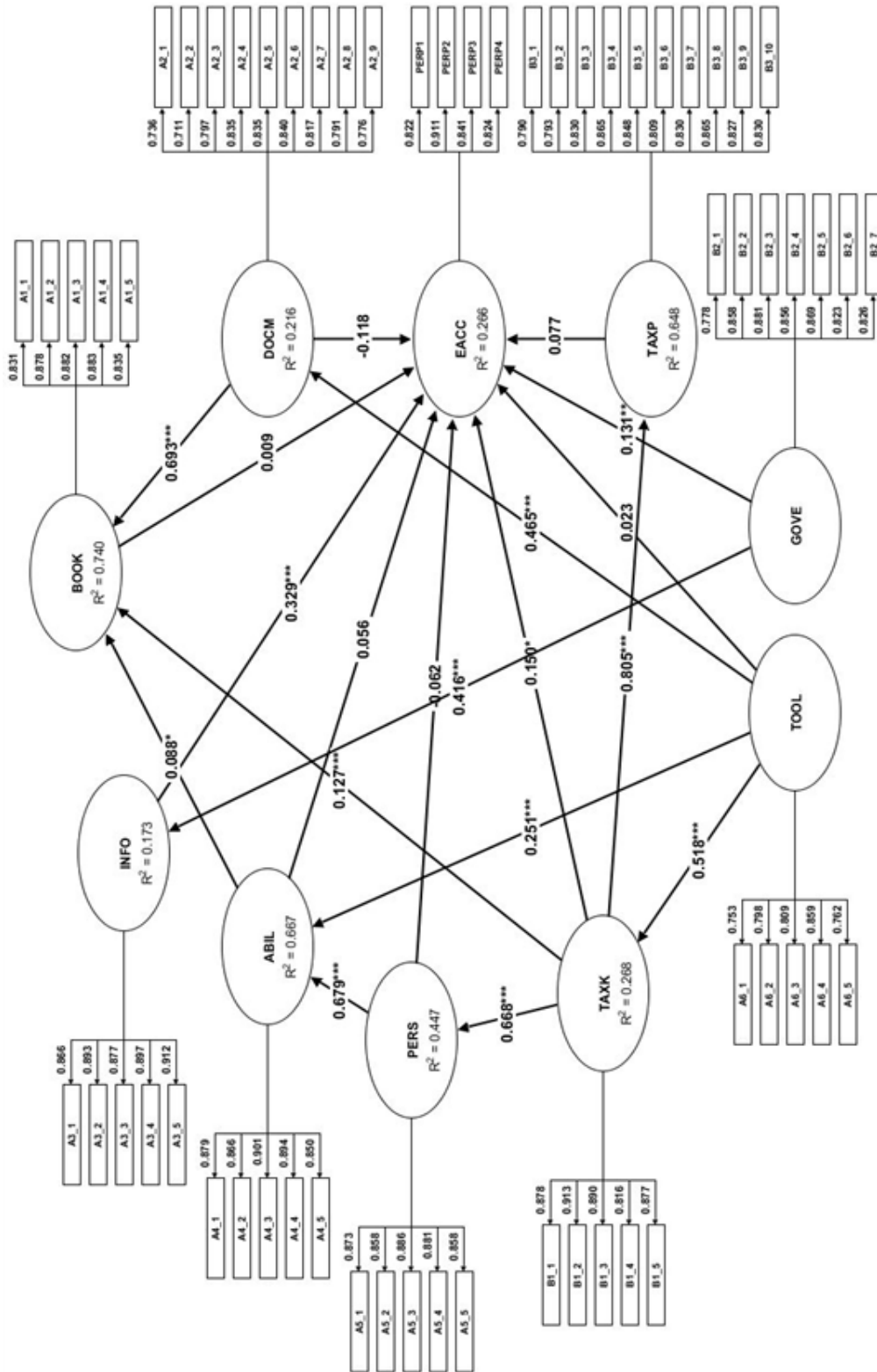
Picture No. 1 The Model of Problems and Guidelines Pertaining to Increasing the Accounting Performance of Pracharat Blue Flag Shops

According to Picture No. 1, in the Structural Model or the latent variables, the loading value of each of the 60 manifest variables was higher than 0.70. These statistical values indicated that all the structures of the measurement model or the Outer Model were reliable and could be used to interpret the results.

The analysis of the Inner Model mainly employed the method of Path Coefficient. The values from the analysis indicated the direct effects as shown in Picture No. 1. These values were used to test the hypotheses as shown in Table 6 as well as the indirect effects and the total effects. According to the values of the direct and indirect effects from Picture No. 1, the R^2 of 8 of the latent variables had medium to large effects.

Table No. 6 Hypothesis Testing

Effect	Original Coefficient	Standard Error	t-value	p-value	Accept/ Reject
BOOK -> EACC	0.0086	0.0732	0.1179	0.9062	Reject
DOCM -> BOOK	0.6925	0.0426	16.2622	0.0000	Accept
DOCM -> EACC	-0.1177	0.0768	-1.5324	0.1257	Reject
INFO -> EACC	0.3289	0.0481	6.8326	0.0000	Accept
ABIL -> BOOK	0.0879	0.0440	1.9997	0.0458	Accept
ABIL -> EACC	0.0558	0.0680	0.8214	0.4116	Reject
PERS -> ABIL	0.6787	0.0274	24.7858	0.0000	Accept
PERS -> EACC	-0.0622	0.0813	-0.7656	0.4441	Reject
TOOL -> DOCM	0.4651	0.0336	13.8282	0.0000	Accept
TOOL -> ABIL	0.2508	0.0328	7.6426	0.0000	Accept
TOOL -> TAXK	0.5178	0.0346	14.9565	0.0000	Accept
TOOL -> EACC	0.0235	0.0500	0.4697	0.6387	Reject
TAXK -> BOOK	0.1270	0.0318	3.9952	0.0001	Accept
TAXK -> PERS	0.6685	0.0279	23.9799	0.0000	Accept
TAXK -> TAXP	0.8051	0.0183	44.0633	0.0000	Accept
TAXK -> EACC	0.1500	0.0617	2.4289	0.0153	Accept
GOVE -> INFO	0.4156	0.0374	11.1063	0.0000	Accept
GOVE -> EACC	0.1313	0.0476	2.7571	0.0059	Accept
TAXP -> EACC	0.0768	0.0697	1.1021	0.2707	Reject

To study both the direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops, the researchers conducted an Inner Model analysis using mainly the method of Path Coefficient. The values indicated the direct effects as shown in Picture No. 1 These values were used to test the hypotheses as shown in Table No. 6 as well as the indirect effects and the total effects as shown in Table No. 7.

Table No. 7 Variables Affecting the Increase of the Accounting Performance of Pracharat Blue Flag Shop

Effect	Beta (Direct Effects)	Indirect Effects	Total Effect	Cohen's f^2
BOOK -> EACC	0.0086		0.0086	0.0000
DOCM -> BOOK	0.6925		0.6925	0.6013
DOCM -> EACC	-0.1177	0.0060	-0.1118	0.0033
INFO -> EACC	0.3289		0.3289	0.0674
ABIL -> BOOK	0.0879		0.0879	0.0088
ABIL -> EACC	0.0558	0.0008	0.0566	0.0010
PERS -> BOOK		0.0597	0.0597	
PERS -> ABIL	0.6787		0.6787	1.1376
PERS -> EACC	-0.0622	0.0384	-0.0238	0.0015
TOOL -> BOOK		0.4305	0.4305	
TOOL -> DOCM	0.4651		0.4651	0.2760
TOOL -> ABIL	0.2508	0.2349	0.4857	0.1554
TOOL -> PERS		0.3461	0.3461	
TOOL -> TAXK	0.5178		0.5178	0.3663
TOOL -> TAXP		0.4169	0.4169	
TOOL -> EACC	0.0235	0.0642	0.0877	0.0004
TAXK -> BOOK	0.1270	0.0399	0.1669	0.0271
TAXK -> ABIL		0.4537	0.4537	
TAXK -> PERS	0.6685		0.6685	0.8079
TAXK -> TAXP	0.8051		0.8051	1.8419
TAXK -> EACC	0.1500	0.0470	0.1970	0.0088
GOVE -> INFO	0.4156		0.4156	0.2088
GOVE -> EACC	0.1313	0.1367	0.2680	0.0139
TAXP -> EACC	0.0768		0.0768	0.0022

The results of the study of the direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops from Table No. 6 and Table No. 7 showed that the factors directly affecting the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops were the Significance of Using Accounting Information, Basic Tax Knowledge and Government Personnel. The factors indirectly affecting the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops were Accounting Documents and Methods, Accounting Personnel, Operation Tools, Tax Payment and Government Personnel.

Conclusion and Discussion

According to the results of the study, in terms of the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops, it was revealed that the current problems involved the lack of knowledge about making income-expense accounts, the lack of understanding about income-expense summary or profit-loss summary and the lack of full evidence for product purchases. This was in accordance with Sangduang (2013, p. 58) who projected that one problem faced by most enterprises was the lack of personnel with accounting knowledge and ability, with Phengpis, et al. (2019, p. 90) who stated that important problems and obstacles of bookkeeping involved the lack of personnel with the knowledge of accountancy

and the loss of documents required in the process of bookkeeping, and with E-sor, et al. (2020, p. 34) who investigated the problems of Pracharat Blue Flag Shop owners in Yala province and found that important problems faced by the entrepreneurs involved those related to finance and accounting and the needs for the knowledge of accountancy. The results of these three studies were similar to those of the present study in terms of the needs for the knowledge of accountancy, the lack of personnel with the knowledge of accountancy and the needs to promote Pracharat Blue Flag Shop personnel to have accounting knowledge to increase the potential of the business operation.

Regarding the guidelines for increasing the accounting performance of Pracharat Blue Flag Shops, it was found that the shops wanted the public sector to promote the process of bookkeeping to create an understanding of standard financial reports, to make video clips advising a simple way to do bookkeeping and to pay taxes, and to provide support in terms of accounting equipment and tools such as computers with accounting software. These findings agreed with Chayomchai and Phonsiri (2019, p. 5) who mentioned that support from the public sector in terms of bookkeeping and tools was necessary, with Sriphong et al. (2019, p. 355) who said that support from related public work units in terms of machinery, finance and accounting would enable businesses to see a good rate of growth. The results of these two studies were similar to those of the present study in that they emphasized the significance of assistance from

the public sector in enhancing the potential of Pracharat Blue Flag Shop operation.

The results of the study of the direct and indirect effects of the bookkeeping and tax payments of Pracharat Blue Flag Shops on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops showed that the Significance of Using Accounting Information, Basic Tax Knowledge and Government Personnel had direct effects on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops, and that Accounting Documents and Methods, Accounting Personnel, Operation Tools, Tax Payment and Government Personnel had indirect effects on the problems and guidelines pertaining to increasing the accounting performance of Pracharat Blue Flag Shops. These findings were in agreement with E-sor et al. (2020, p. 34) who stated that problems affecting the operation of Pracharat Blue Flag Shop entrepreneurs included the needs for knowledge that would enable the entrepreneurs to manage their shops more efficiently and more professionally. In agreement with Chayomchai (2019, p. 90) who emphasized the significance of networking development, the present study found that developing good relations between the shops and the public sector and government personnel would directly affect the accounting efficiency and knowledge of Pracharat Blue Flag Shop entrepreneurs.

In addition, the findings of Srimaha (2015, p. 25) regarding the problems and obstacles of bookkeeping, especially those related to the lack of documentary evidence for bookkeeping or the incomplete financial evidence and the complexity of the preparation of bookkeeping forms and accounts were highly relevant to the findings of the present study. This was because documentary evidence had both direct and indirect effects on the efficiency of bookkeeping. This also confirmed the results of Nambuti's study (2019) which found that user participation, organizational structure and support from high-level executives affected the efficiency of accounting information. Likewise, the results from the present study indicated that government personnel and support had direct effects on the efficiency of bookkeeping. These findings also confirms those of Panprung, et al. (2020, p. 25) which revealed that knowledge management had a direct effect on the competency of accounting personnel and had an indirect effect through bookkeeping on the increase of bookkeeping efficiency, and confirms the findings of Taivejasart and U-on (2017, p. 140) which revealed that accounting knowledge and reports had positive direct effects on business operation. The present study also found that the accounting knowledge and ability indirectly affected bookkeeping and that the knowledge and ability of Pracharat Blue Flag Shop personnel played an important role in the shops' tax payment process.

Research Suggestions

From the results of the study, the following suggestions could be made.

The causal relationship model of problems and guidelines regarding increasing

the accounting performance of Pracharat Blue Flag Shops revealed that most of the shops lacked the knowledge of making income-expense accounts. The findings clearly indicated that the provision of trainings and related knowledge would benefit Pracharat Blue Flag Shops. The public sector or the government units should, therefore, give trainings and knowledge on making income-expense accounts. Moreover, according to the entrepreneurs, the guidelines for increasing the accounting performance included the public sector's support in doing bookkeeping reports, making audiovisual media and providing equipment and tools to enhance the operation of Pracharat Blue Flag Shops. These suggestions could be considered by the government to create policies and find ways to solve existing problems.

Suggestions for Future Research

1. As the present study was limited to collecting the data from Pracharat Blue Flag Shops in Sakon Nakhon, future studies are encouraged to collect the data from other provinces or other areas which may present different problems and guidelines.

2. Future studies could consider incorporating the qualitative methodlogy in order to investigage other problems or issues not included in the present study.

3. Future studies could make use of the findings from the present study in designing training courses or providing relevant knowledge to the entrepreneurs of Pracharat Blue Flag Shops and assess to what extent the trainings could increase the potential of the shops' operation.

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