

COSTS INFORMATION SYSTEM AND DECISION PROCESS

Paraschivescu Dumitru Marius

Str. Pictor Aman 96, Bacău – Romania, Universitatea George Bacovia Bacău, Facultatea de Contabilitate și Informatică de Gestiune

Bucșă Radu Cristian

Str. Pictor Aman 96, Universitatea George Bacovia Bacău, Facultatea de Economia Afacerilor, bucsaradu@ugb.ro, +4(0) 732 403 764

Abstract: The point of view of this paper is from the position of a manager who must make a cost-based decision, such as setting a budget, evaluating the desirability of contracting a service out, determining the cost of expanding the delivery of a service, etc. As such, this article contains a minimum of technical accounting terminology and makes few assumptions about the nature of the accounting system in use.

Keywords: accounting, management, information, cost

In order to realize the knowledge processes and of equity management it is necessary to organize the data and information into an informational system. Within the framework of any firm there exists an informational flow that must be well-known, and thus the firm could face the market challenges.

The informational system represents the assemble of data and information, of informational flows and circuits, procedures, means of dealing with information, all together being meant to make their contribution to settle and achieve the firm objectives. This system may be compared the human body blood system, when thinking that it is the only one that offers the informational raw material necessary for setting the objectives and all the other competences ad responsibilities not only managerial but executive ones too. The informational system may lead to obtaining a set of human and capital resources invested into a company viewing the collection and processing all the necessary data for producing information as a support for the control and the management of the entire activity.

The objective of an informational system is to furnish to the managers the information for the control activity in order to take decisions and to lead to a well functioning of the enterprise or company and using the right resources. This objective represents the overall means and procedures used to take over, classify, stocking, analyzing, disseminating and putting into value of the data and information at the level of the economic-social entity in order to provide information under a direct usable-one, at the right moment, in order to assure a performing functioning of the operational systems, and at the same time in order to take the right decision at the different levels.

The efficient carrying on of the economic activity at the micro-economical level cannot be conceived without the existence of an informational system able to assure to the management staff all the necessary elements for the decisional process. The costs informational system constitutes the main component of the economic informational system at the level of an economic agent.

The object of the informational system is the piece of information. The enterprise or the organization takes over the piece of information from the interior or from the exterior environment using different means. The piece of information represents a way to know the reality through which the characteristics or the size of the events, phenomena and processes affecting people's activity are measured. In the economic field, the economic piece of information is the one that matters. If one needs a valuable enough piece of information it is necessary that it be accessible to the beneficiary at the right time and in the right place.

The quality and the value of the decisions to take depend in a great extent on the quality of the information. The qualitative characteristics of the information are, in some cases, eliminated by the operations at which these are submitted, starting with the process of collecting, processing and in the end sending them. Thus, the informational system is also dependent of the transformations quality.

Accounting delimitates itself in an assemble of interdependent elements that represent the background or the information system, the material supports of the information, the means by which the data are processed, the methods and the procedures of transforming the data, the informational circuits. The non-

quality of the information may have unfavorable implications upon the firm management, and these bad implications may be listed as bellow:

Cr. No.	The qualitative feature of the information	Specification regarding quality	Implications of the non-quality of the information
1.	Realism	The correct reflection of the processes and phenomena from the inside of the organization and from the ambient environment	False delimited problems. Incorrect decisions. Losses of opportunities and financial losses.
2.	Complexity	Expressing the new aspect of the phenomena and processes from different points of view: economical, technical, social, human, ecological etc.	A sequential approach of some fields or activities. Ignoring some aspects or activities having their consequences as time passes.
3.	Conciseness and clarity	The synthetic and clear expression of the message, of the new aspects, of the specificity of the situation.	Difficulties in catching the essential. Losses of time, ambiguities, confusions.
4.	Friability	Extracting and preserving the information having a historical significance, the present and the perspectives of the organization.	The lack of continuity. Decisional inconsequence. The inexistence of some necessary marks in analyzing and comparing some information.
5.	Opportunity	Presenting the information within the requested volume, structure and the level of processing process at a certain moment in time.	Premature decisions; the lack of economic, organizational and social conditions for applying them. Delayed decisions; consuming the proper moment.
6.	Dynamism	Reflecting situations, facts, phenomena in their evolution, indicating tendencies in their future movement	Furnishing some static images upon the organization and the environment.
7.	Adaptability	Adapting the level of processing, the way of presenting, time of the presentation, time of providing adapted to the requirements of the senders and providers.	Sending of incomplete and too sophisticated messages. Insufficiently or wrong supported decisions.
8.	Utility	The quality of the economical-financial analyze is strictly linked to the quality of the information. Qualitative analysis. Qualitative decisions.	Using some wrong information, of a big volume of insignificant data for the type of analysis. Erroneously taken decisions or late decisions.

Table 1. The quality and non-quality of information (adapted from M.Balan - The informational system in enterprise management, Junimea Publishing House, Iasi, 1998, p.28)

The economic information gains more territory within the management process, together with the content and the form of presenting things but also together with the operability and through the possibility to become more large, complete, objective, and periodically provided, in order to practice a low cost in obtaining, registering and sending it. It enables to observe the way of using the human, material and financial resources, an essential feature for optimizing the managerial processes.

The economic agents receive a part of their information from the exterior, but the largest of them receive it from internal sources which occur at the place where the phenomenon is produced, and where, as a rule, the analysis should be made. In the economic field, the information is presented from the most insignificant cell or operation, from a simple transaction to a mega structure: concern, holding, trans-national company, national or world-wide company.

Within the boundary of the economic information should be included the information provided by the economic program, the budget of incomes and expenses, the economic evidence, prognosis and production

planning, marketing, management, controlling activity, instructions, laws etc., which permit the knowledge, the solving and controlling of some problems from the inside the economic organisms.

Within the activity of the autonomous companies and of the commercial societies, a very important part is given to the accounting information. We may speak within this context about accounting decisions or economical-financial decisions. The accounting decision is the process of a rational chooses of a direction of acting from many possibilities, based upon the accounting information.

The accounting information is an economic, specific one, resulted from methods, procedures and instruments of extracting data from the accounting field. It is real, precise, complete, operative, representing " the board table, the economic, financial or management decision support used by the managers" of the economic agents.

Under the circumstances of the market economy, part of the accounting information becomes transparent. We may speak here about that information shaping the patrimonial decision, the results and the financial situation of the enterprise. This kind of information regards in a great extends the relations with tertiary partners. The transparency of this accounting information, publishing it under the form of some synthetic accounting documents is submitted to some norms and controlling operations, necessary to assure a correct application from the part of the external users.

The accounting information is referring in the first of all to the knowledge of goods production costs or services costs, to the level of profitableness after selling the products or services, the value of factors who caused or determinate the volume of results at the end of financial period, to the knowledge of the future evolution of debts, credits, production costs, financial results etc.

The priority of accounting information in decisional system is determinate by the following particularities:

- have an high level of certitude and relevance, greater than other information systems;
- the double representation of patrimony is distinguish discrete relations of interdependencies between material substance of assets and the provenience of them;
- ensure with specific ways and processes (accounts, balance sheet, costs calculation etc) the global knowledge and analytic parameters;
- administrate the patrimony of company guided with the efficiency of it;
- the level of correlation, aggregation and verification of reality of accounting information through the rule DEBIT=CREDIT and ASSETS=PASSIVE
- the complexity of calculations enable determination of the production costs and the results of activities;
- enable future economic strategies of the company
- enable the time and space comparative analyses

Administering information it doesn't easy. Using the information in management action involve an informational circuit in broadcast process. The information circuit enable the route of information between sender and receiver.

The information system represents for manager, as user, the following:

- an essential functional service who determine the future evolution of company;
- an important component of company's resources;
- an capital element who influence the operational efficiency, productivity, the motivation of employs;
- an important information resource and the foundation of decision making;
- an important tool for goods or services production which will confer an strategic advantage on company's market;

The informational system must take a part of managerial duty, such as data and information processing, the result analysis, the elaboration of variants to solving the problems and to ensure the link between management and operational systems. This things are structured in the following figure (Figure number 1.).



Figure 1. The link between Information, analysis and decision

The analysis of information determines the quality and opportunity of them. The decision process is dependent of the data analysis. With the analysis, the manager research the facts, discover the structure, verify and establish the causality relations and make the decision.

Bibliography

1. Al. Gheorghiu - Analiză economico-financiară la nivel microeconomic, Ed. Economică, București, 2004
2. C. Olariu – Costul și calculația costurilor, Editura Didactică și Pedagogică, București, 1977
3. J. O'Brien – Les systèmes d'information de gestion, De Bocck Université, Montréal, 1995
4. M. Bălan – Sistemul informațional în gestiunea întreprinderilor, Ed. Junimea, Iași, 1998
5. N. Chebac – Informațiile contabilității în procesul de analiză și decizie, Editura Alma, Galați, 2002