

# **The Enabling Factors for a High Quality Management Accounting Information**

Hamzah Ritchi

Department of Accounting and  
Business Information System  
University of Melbourne  
Padjadjaran University

## **Abstract**

*Many organizations have considered that management accounting (MA) information is one of their most critical business resources and that broadening information access and usage and enhancing its quality are key to improving business performance. Among major functions MA exhibits is maintaining planning and control mechanism within organization to ensure that organization operation does not deviate from organization strategic objective. This may be achieved by providing executives highly qualified feedback information through a comparable and reasonable performance measurement established by management accounting control system.*

*Nevertheless, prior studies have found that many initiatives in creating such information-based organization suffer due to politics of information and integration problem caused by accounting information gaps in storing economics events. Information technology which was once hypothesized to speed up information dissemination and eliminate hierarchy suffers from propensity to distribute only partially true information. Furthermore, aggregation level for stored information in current accounting model is too high that economics events are difficult to understand for all responsibility centers.*

*This research attempts to employ Resource-Events-Agent (REA) model as conceptual grounding to propose a semantically unified accounting data model. The good data model will be disclosed extensively. Additionally, the research will also examine how MA information could be improved by setting new emphasis on business process view across responsibility centres for better performance measurement system.*