



Management Accounting as a Competitive Estrategy in the Pymes

Alexander Meneses Martinez^a

^a*Facultad de Ciencias Administrativas y Económicas, Universidad Francisco de Paula Santander, Colombia, e-mail address: amenesesm@ufpso.edu.co*

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ABSTRACT

This article focused on demonstrating through theoretical references how accounting has evolved in the application technique of management control maximizing the resources of organizations. In view of the above, the objective of this study was to highlight how managerial accounting, through the implementation of management tools, serves as a competitive strategy for SMEs in the city of Ocaña, significantly optimizing cost control and organizational efficiency. The research was carried out based on a documentary review of bibliographic references related to the topic of study. The approach of the article is qualitative and the results of the documentary research allowed to determine the elements of the accounting management that have an impact on the strategies of business competitiveness.

Keywords: Management Accounting, Information Systems, Decision Making, Strategy, Competitiveness.

1. Introduction

The dynamics imposed by the globalization of markets, the vertiginous advance of information and communication technologies (ICT), together with new consumer trends, have posed new challenges for the business sector. (Álvarez, et al., 2020). In this sense, Kaplan (1984), (Kaplan, 1984), in order to achieve competitiveness and face the market, organizations must apply innovative practices that allow them to transform the one-dimensional accounting model, providing stakeholders with strategic information for assertive decision making.

Under this approach, the application of management accounting plays a significant role in the competitive development of organizations, since financial information systems allow companies to carry out planning, control, forecasting and management activities, which together are presented as a strategy in managerial decision-making. (Azudin&Manzor, 2017). For Rueda y Arias (2009), having access to the new information societies and an adequate administration of this, becomes a strategic resource, at the moment of contributing elements of value to the enterprise competitiveness.

In other words, management accounting practices are transversal to all functional areas of the organization, from management control applied to accounting, the information systems are strengthened, improving management performance and organizational performance in achieving organizational objectives. (Naranjo &Álvarez, 2006).

In accordance with the above, Zambrano, et al. (1999), management accounting is indispensable when the organization requires the projection of economic strategies oriented to decision making in order to adequately anticipate market threats before they occur.

In the business system, especially that related to SMEs worldwide, the adoption of management accounting as a business strategy is very discreet, in this sector, accounting is used solely for the purpose of collecting information on the facts resulting from the productive operation of organizations to prepare and present Financial Statements to shareholders and control entities (Baigorria, 2018).

* *Corresponding author.* Tel.:

E-mail address: amenesesm@ufpso.edu.co

Colombia is no stranger to this reality. Sabogal (2018), more than 70% of SMEs fail before the first 5 years of foundation, the reason for the cessation of activities is mainly due to the lack of strategies to effectively determine the performance of all its resources.

Regarding the context of the city of OcañaNorte de Santander, the contribution of management accounting in the SME sector is not encouraging, as pointed out by. Quintero, et al. (2019), "the companies in the commercial sector of the city do not have a global, pertinent and timely vision of management accounting". The perception of the owners of commercial establishments is framed in the concept of traditional accounting, which hinders decision making.

In agreement, Galvis y Traslaviña (2022), a recent study affirms that SMEs in the northern sector of the city of Ocaña, for the most part, do not take into account the elements of management accounting; they only base their managerial decision-making on the element of economy when weighing financial and accounting information.

Based on the above, this article aims to provide valuable information and knowledge on management accounting as a competitive strategy for the business sector of the city of Ocaña, which allows them to know and improve the integrated management of companies, facilitating the steps of management decision-making according to the conditions of the context of the area of influence of the companies in the city.

In order to provide the reader with a better understanding of the phenomenon studied, this document is organized as follows: First, a review of the main theoretical exponents on the subject is presented; then the methodological elements used for the collection, interpretation and subsequent analysis of the information are outlined, which is framed in a qualitative approach research of descriptive type, which allowed to know the characteristics of management accounting that add value to the decision making activity in the companies. In the last part, the analysis of the results of the research is made, which allowed to dimension the relevant aspects of management accounting in business competitiveness; finally, reflections are made, which are synthesized in the conclusions.

2. Theoretical Framework

For the development of this article, a literature review of articles and research associated with the study was carried out, where some theorists that shed light on the objective proposed in this research are exposed.

According to Romero (1997), accounting within the information system of organizations is presented as an essential tool in the development of decision making. In other words, accounting provides decision-makers in companies with accounting and financial information from the fiscal year in order to analyze it and subsequently use these informative inputs as a starting point for making managerial decisions.

In this sense and from the administrative theories, the concept of managerial accounting is born, for Laufengurger (1951), management accounting is presented as the organizational tool that allows the presentation of accounting information in such a way that it facilitates the creation of guidelines for the stakeholders whose purpose is the optimization of resources within the organizations.

Under this approach and in accordance with the structuring theory, Kaplan (1984) considers that management accounting is the frame of reference for establishing detailed work procedures aimed at improving employees' decision making. For Otley (2016), management accounting provides management, in accounting terms, with a road map to follow in refining and understanding its productive activities. In other words, management accounting allows stakeholders to understand in terms of financial and accounting information the progress of the various activities resulting from its corporate purpose.

Taking into account what has been described and based on what Rueda y Arias (2009), explained, organizations, in spite of having multiple information systems, rely on the inputs generated by management accounting, since through this, those in charge of the management of organizations can carry out activities of follow-up and measurement of management, losing the entrepreneurs to have a holistic vision of the economic entity, speaking specifically in qualitative and quantitative terms of the equity value. Under this perspective, Ortiz, et al. (2021) mention that companies must understand that productivity, competitiveness and sustainability is the result of the effectiveness and efficiency of the entire system, which in turn responds to the actions of managers to structure the most appropriate configuration to ensure organizational development.

In this sense, Ramírez (2013), argues that management accounting fills the information gaps of the administration, because through the process of inquiry of all activities of the company, generated by the accounting management and the interrelation of the informative inputs that converge in the financial systems, organizations have the opportunity to determine the areas with tendencies for improvement, supported by a process of decision making, planning and control, allowing companies to establish organizational strategies aimed at increasing the competitive capacity.

According to Ramírez, in order for organizations to achieve the objective of increasing business competitiveness through management accounting, they must achieve administrative control based on the feedback processes of the information flows generated by each functional area of the organization, with the purpose of establishing evaluations that allow stakeholders to identify deviations in the processes, in order to redesign them in terms of efficiency and effectiveness.

In the same dynamic, Quintero, et al. (2019), refers that the tools available for decision making from management accounting, serves as a business strategy to generate value from the analysis of economic acts aimed at improving the strategic direction and, therefore, business competitiveness by making efficient and effective use of the resources of organizations. For its part, Velásquez (2019), points out that management accounting is presented as a method of collecting information that, when correctly interpreted, enables company managers to make the right decisions in order to improve the use of the company's resources, generating value to the production chain.

Finally, Sabadin (2020), indicates that in order to identify management tools in organizations, it is necessary to know the relevance of the details provided by management accounting, which contributes valuable elements to the process of controlling the results generated from administrative reports. The author points out that when accounting management is immersed with management, it is possible to mitigate the risks of economic insolvency by portraying the internal and external reality of the organization, generating control, and therefore, preserving as far as possible the preservation of companies in the markets in terms of competitive productivity and sustainability.

3. Methodology

As mentioned in the introduction, the type of research used in this article is exploratory in nature, based on a documentary and bibliographic review, in that it observes an existing phenomenon and does not attempt to construct a specific phenomenology.

In the documentary exploration, the elements that manage competitive strategies in SMEs through the application of managerial accounting were addressed.

To achieve this objective, and in order to build the theoretical framework to support this research, we proceeded to review and analyze the existing literature on management accounting, its relationship with business information systems, and its impact on the competitiveness of SMEs.

The literature review was conducted by consulting online databases, such as SCOPUS, and other Internet sites such as Google Scholar were also consulted. To fulfill the purpose of the research, six articles were selected, which are detailed below chronologically, in a period from 2005 to 2018:

Table 1. Articles resulting from the literature review - Management accounting.

Title	Year	Author(s)
Strategic orientation, management characteristics and performance: a study of Spanish SMEs.	2005	Sánchez. & Sánchez
"Current status of implementation of management accounting tools in the wine tourism sector".	2013	Gómez, López, & González
"The influence of factors related to organizational strategy and environment on the adoption of the Balanced Scorecard in Portuguese companies".	2014	Rodríguez, Guzman, & Lima
Strategic management of SME skills.	2017	Bootz, Schenk, & Sonntag
Management control systems and corporate social responsibility: perspectives of a Japanese small company	2018	Hosoda

Source: own elaboration.

4. Results

In this regard, Gómez, et al. (2013), point out that the "implementation of management accounting tools" based on leadership in the use of management accounting systems, become a differentiation strategy that provides companies with mechanisms to evaluate the efficiency in the performance of resources.

In this order of ideas, Rodriguez and Guzman (2014) argue that the use of financial and accounting information management techniques, translated into the different dimensions of the company (CMI) and the strategic direction of these, allow optimizing business performance, however, the type of strategy chosen by the organization, is defined by the life cycle in which the organization is and the dynamics of competition in the context.

Additionally, Bootz, et al. (2017) state that business management becomes a strategy that guides SMEs towards success, since the adoption of management practices allows the sector to include indicators that allow it to be evaluated and motivate people to face the changes and problems of the environment.

Under this perception, Hosoda (2018) refers that the inclusion of accounting methods applying formal and informal controls, should integrate the opinions of stakeholders, in order to implement management and social responsibility systems that allow organizations to maximize performance.

5. Discussion

In the development of this research and from the bibliographic analysis, it was found that the inclusion of management tools associated with accounting maximizes business efficiency. The adoption of techniques aimed at improving the competitiveness and productivity of companies requires the design of a series of indicators and controls based on an integrated and interactive strategic management system that allows stakeholders to identify and align all their capacity to the organization's strategy.

To achieve this alignment of management accounting to the strategic direction of companies, managers and/or owners must be willing to innovate their information systems and train their teams of collaborators to be in charge of generating comprehensive data.

From this point of view, the evaluation of indicators should not only provide information on economic facts, but should also provide informative inputs to identify deviations in the processes, trying to make the necessary corrections, mitigating risks, based on the implementation of strategies aimed at adding value to the business activity.

As described above, cost models applied to SMEs must be aligned with strategic management initiatives and be transversal to the entire organization. To this end, the syntax and the business cycle must be known, with the aim of integrating it with the technological infrastructure to support the selected accounting management system. In other words, knowledge of the business implies that the entrepreneur knows and understands perfectly the relevant aspects of his productive actions, in order to be able to implement competitive strategies according to his business capacity and the dynamics of the context of influence.

In the particular case of SMEs, strategic planning provides managers with tools to efficiently manage administrative, organizational and accounting aspects in order to design short-, medium- and long-term contingency plans.

In this way, the SMEs in the city confirm their commitment to stakeholders, implementing strategies that promote the solution of social problems that afflict their area of influence, encouraging the efficient use of resources. (Rodríguez & Pacheco, 2019).

Given this reality, it is imperative that SMEs in the city of Ocaña begin the process of including management elements in their traditional accounting that will allow companies in the sector to face the dynamics and challenges imposed by the globalization of markets and the advance of technologies, in order to contribute to the country's economic system, competitive companies that endure and grow in the markets.

6. Conclusions

In the preparation of this document, a documentary review of some theoretical references of management accounting and its contribution to the business competitiveness of SMEs was carried out. From the findings found in the bibliographic review, it is concluded that in the SME sector it is necessary to implement management tools and techniques applied to accounting, in order to evaluate the performance of these, trying to identify opportunities for improvement and business growth.

In order to strengthen the structure of the SME sector, accounting management is presented as a strategy that adds value to the productive chain of the sector, allowing the implementation of fair operating practices, according to the resources and installed capacity of the companies. Promoting in its stakeholders the organizational development within the framework of sustainability. In this sense, as stated by Manzano, et al. (2021), organizations must direct their actions, adapting to the environmental conditions that guarantee their success based on a sustainability-oriented approach, whether their projects are of a social or business nature.

The implementation of management systems applied to costs contributes to make the organizational culture responsible for strategic decision making, based on the evaluation of the performance of all the aspects involved in the productive process of the SME sector.

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