THE IMPORTANCE OF ACCOUNTING INFORMATION IN MAKING MANAGERIAL DECISIONS

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Abstract

This paper will deeply discuss the construction mechanism of accounting information base, management strategy and its supporting role to enterprise decision-making, aiming at providing theoretical guidance and reference for enterprise managers. In modern enterprise management, accounting, as the core tool of enterprise decision information base, plays an increasingly prominent role. With the globalization of economy, the intensification of market competition and the rapid development of information technology, enterprises are faced with increasingly complex business environment and decision-making needs. Accounting information is not only a record of the financial status and operating results of an enterprise, but also an important basis for enterprise management and decision-making. Through the construction and management of efficient accounting information base, enterprises can better cope with market changes, optimize resource allocation, and improve decision-making efficiency.

Keywords： Accounting information, Accounting information base, Enterprise decision-making, Decision-making efficiency

Introduction

In modern enterprise management, accounting, as the core tool of enterprise decision information base, plays an increasingly prominent role. With the globalization of economy, the intensification of market competition and the rapid development of information technology, enterprises are faced with increasingly complex operating environment and decision-making needs. Accounting information base plays a vital role in modern enterprise management. It is not only the storage center of enterprise financial data, but also the core tool of enterprise decision support system. With the rapid development of information technology and the increasingly complex business environment, building an efficient and accurate accounting information base has become a common challenge and goal faced by enterprise managers.

The importance of accounting information

Through systematic information generation, processing, storage, transmission and application, accounting information provides enterprises with comprehensive, accurate and timely financial data support, and becomes an important basis for enterprise managers to optimize decision-making process and improve management efficiency. Accounting information is the basis of enterprise decision-making, and provides the management with comprehensive and accurate financial data and analysis reports. Through financial statements, cost accounting and budgeting, enterprises can clearly understand their financial position and operating results. Accounting information management plays an important role in enterprise management. With the help of accounting informatization, enterprises can efficiently process financial data, accurately calculate costs, and scientifically manage budgets, thus providing solid and reliable decision support for decision makers.

Accounting information is an important tool for the internal control of enterprises. By establishing a sound accounting system and internal control system, enterprises can effectively prevent and control financial risks. For example, through regular financial audits and internal control assessments, enterprises can detect and correct financial problems in a timely manner to ensure the authenticity and integrity of financial information. In addition, the accounting information system can monitor the financial activities of enterprises in real time, timely warn the potential financial risks, and help enterprises to take preventive measures.

The importance of accounting information management to enterprise management is self-evident. Through accounting informatization, enterprises can realize efficient processing of financial data, accurate accounting of costs, scientific management of budgets, and provide scientific support for decision-making. High-quality accounting information is a reasonable guarantee for the usefulness of enterprise decision making. A digital management platform can be built to realize the synchronization of industry and finance, share data and information, and refine the information content according to the needs of managers [1].

The key role of accounting information in enterprise management decision

The theoretical model of accounting information for enterprise decision support aims to provide scientific basis and method for enterprise decision making, its core is to build a systematic framework, accounting information and enterprise decision process is closely linked. This model forms a dynamic information support system by integrating the generation, processing, transmission and application of accounting information, so as to enhance the scientific and effective decision making of enterprises. If you don't take more account of accounting information, you won't make effective decisions. Management should emphasize the use of accounting information to improve the effectiveness and efficiency of the organization's operations.

First of all, the generation of accounting information is the basic link of the model. Accounting information is generated through the recording and accounting of enterprises' daily economic activities, including financial statements, cost accounting, budgeting, etc. This information must comply with accounting standards and regulations to ensure its accuracy and reliability. Secondly, the processing of accounting information is the key link of the model. Through the accounting information system, the original data are classified, summarized and analyzed, and the financial indicators and analysis reports with decision-making value are generated. Finally, the transfer of accounting information is the guarantee link of the model. The effective information transfer mechanism ensures that the accounting information can be timely and accurately transmitted to the decision-makers within the enterprise. This includes the establishment of information sharing platforms, regular reporting systems and real-time monitoring systems. For example, companies can visually present key financial metrics to management through management cockpits or dashboards, enabling them to quickly access information and make decisions.

To sum up, the theoretical model of accounting information supporting enterprise decision-making integrates the processes of information generation, processing, transmission and application, providing a systematic decision-making support framework for enterprises [2]. This model not only enhances the scientificity and effectiveness of enterprise decision-making, but also boosts the decision-making efficiency within the enterprise. It provides a solid theoretical foundation and practical guidance for the sustainable development of enterprises.

Improving the quality of accounting information is conducive to the decision-making of enterprises

Accounting information quality is the core of enterprise financial reporting and serves as an important basis for investors, creditors and other stakeholders to make economic decisions. However, the frequent occurrence of financial fraud incidents and the problem of accounting information distortion in recent years have exposed the severe challenges faced by accounting information quality. Improving accounting information quality is not only an important topic in accounting theoretical research but also an urgent need in practice. This article will systematically explore how to enhance accounting information quality from multiple aspects such as systems, personnel and technology.

The main requirements for accounting information quality mainly include reliability, relevance, understandability, comparability and other core principles [3]. These principles form the basis of accounting information quality and any measures to enhance quality should be based on these principles. Accounting standards are the cornerstone of accounting information quality. The reform of accounting standards is an important measure to improve accounting information quality and standardize accounting calculation behaviors [4]. With the changes in economic environment and the emergence of new economic businesses, accounting standards need to be continuously revised and improved. For example, in response to emerging fields such as digital economy and green accounting, relevant standards should be promptly formulated to fill the institutional gaps. At the same time, efforts should be made to align with International Financial Reporting Standards (IFRS) to ensure the international compatibility of domestic accounting standards.

The professional ethics of accountants serve as the intrinsic guarantee for the quality of accounting information. Through ethics training and case analysis, the professional conduct of accountants should be enhanced [5]. For instance, regular ethics lectures should be organized to share real cases and help accountants establish correct values. The professional ability of accountants directly affects the quality of accounting information. Accountants should be encouraged to continuously learn new knowledge and master the latest accounting standards and information technologies. For example, by participating in professional training, obtaining professional qualifications such as Certified Public Accountant (CPA) or Certified Management Accountant (CMA), their professional level can be improved. Similarly, accountants should possess the ability to think independently and analyze problems. In teaching, case analysis and problem-oriented teaching methods should be emphasized to cultivate students' critical thinking. For instance, by analyzing abnormal data in enterprise financial statements, students can be guided to think about the underlying economic essence and improve their problem-solving abilities.

Big data and artificial intelligence technologies can significantly enhance the generation and supervision efficiency of accounting information [6]. For instance, by using big data technology to monitor and analyze accounting data in real time, abnormal information can be detected promptly; through artificial intelligence algorithms, audit efficiency and accuracy can be improved, and human errors can be reduced.

Improving the quality of accounting information is a systematic project that requires coordinated advancement from multiple aspects such as systems, personnel, technology, and big data. By implementing measures such as improving accounting standards, strengthening internal control, enhancing the professional quality of personnel, and leveraging modern information technology, the reliability, relevance, comprehensibility, and comparability of accounting information can be effectively enhanced. This is also an important basis for investors, creditors and other stakeholders to make economic decisions.

Conclusion

Accounting work, as a crucial part of financial management, serves as an important medium connecting various production and operation activities of enterprises and institutions. It plays a significant role in achieving centralized management, allocation, and sharing of resources. Accounting information holds an important position in enterprise management. By providing timely and accurate financial information, it enables enterprises to respond quickly to market changes, optimize resource allocation, and thereby enhance decision-making efficiency. Through cost accounting and budget management, enterprises can rationally allocate resources, improve the efficiency of fund utilization, and optimize resource allocation. In modern enterprise operations, accounting and financial analysis processes play a key role in decision-making effectiveness. With the changes in market environment and the improvement of management requirements, the value of accounting information and analysis systems continues to increase, providing real-time, complete, and reliable data for management to make strategic and operational decisions[7].

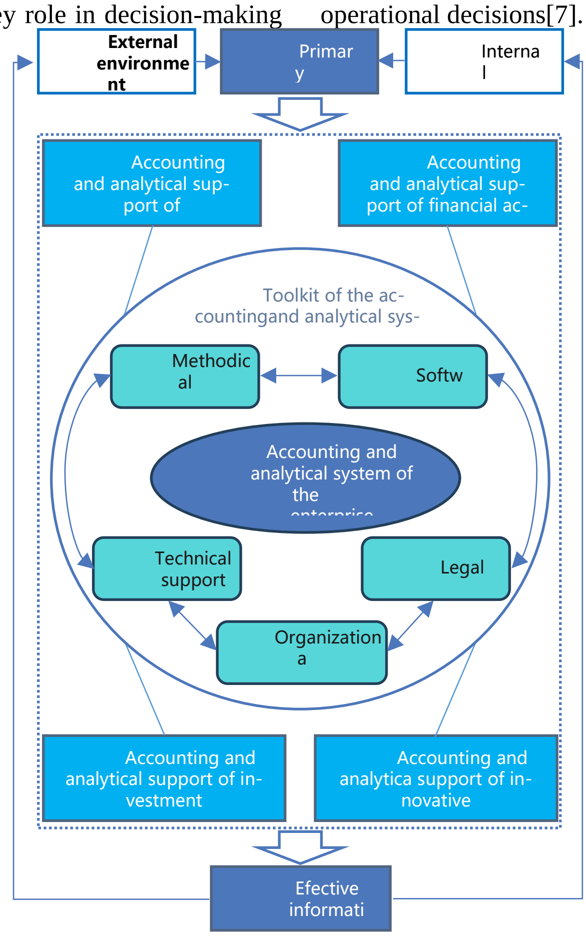

Figure 1. Location of the subsystem of accounting and analytical management of economic[7]

Information systems in a company should provide all necessary information to support decision-making. The requirement for improving the quality of accounting information not only helps enhance the management level and market competitiveness of enterprises, but also provides a solid guarantee for the healthy development of the capital market. In the future, with the changes in the economic environment and the advancement of technology, the improvement of the quality of accounting information will face new challenges and opportunities, and it is necessary to continuously explore and improve the relevant mechanisms.

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