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## Impact of information systems management companies that provide support in making business decision

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### Abstract

Creating business strategy and the quality of the business environment are essential preconditions for strengthening the competitiveness of the economy. High quality information systems in an organization is an essential tool for managing business activities, and quality information as a basis for decision making. Quality of information means that it is accurate, timely and easily accessible in an intelligible form. Although IT equipment (computers, network, printers ...) today is relatively inexpensive and readily available, information systems are nevertheless very expensive and for small, medium and startups are largely unattainable. The reason for this stems from the fact that there is no universal information system that could be easily purchased as a standard software package. The information system must be made according to the desires and needs of the organization itself.

**Keywords:** Management, accounting information systems, information systems, information technology.

### 1. Introduction

The current conditions of business operations characterized by dynamic changes caused by numerous factors, macro and microcosm with various intensity. Implementation of quality financial reporting, as well as total quality management of the reporting imply the review and evaluation of accounting profession education.

Successful management of the company is the responsibility of management and involves the effective and efficient implementation of the objectives of the company. In the process of business and financial decision making, systematic planning and control, and communications companies with the outside world, the company management is directed to the use of quality information system in which the most significant accounting information system.

The accounting information system is a central part of the information system, because it combines the features all company functions in a single suite of criteria that is suitable for use by a large number of users. Unlike other stakeholders in the company's operations, management of the implementation of management actions necessary information is standardized characteristics. Accounting information is quantitatively expressed, documented and objective. They are characterized by relevance, reliability, and are therefore suitable for use by management.

### 2. Managerial Roles and Decisions

Managers are those who discover the business challenges of the environment, setting organizational strategy and allocate human and financial resources to get the proper strategy and coordinate the work. The job of management is to give meaning many situations faced by organizations and formulate a plan to solve organizational problems. One business IS reflects the hopes, dreams and reality managers. But managers must do more than just design what already exists.

Managerial roles and decisions vary at different levels of the organization. Top management adopted a long-term strategic decisions about which products or services produced or given. Middle management present programs and plans of top managers. Operational management is responsible for monitoring daily activities. All levels of management must be creative, to develop solutions for a wide range of issues. Each level of management has different information needs and requirements of information systems.

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Modern business is characterized by rapid changes in the environment and increasing competitive pressure (Figure 1). Changes in the environment are related to the changes:

- operating conditions
- technology
- methods
- standards and
- information systems.

Management of business systems must continually finds the answers in all the turbulent business environment. One answer is to develop their own strategies in the following areas:

- business
- automation
- Integration
- information and
- utilization of resources.

In any changes to the entrance of the business system is evident that the impact of the elements of information systems, especially in the field of technology, methods, standards and information systems in the narrow sense. Competitive pressure can be also reflected in the use of modern IT solutions. All this requires that the business system develop an appropriate strategy which is one component of the strategy and development of information systems (IS), based on the information strategy, integration and automation.

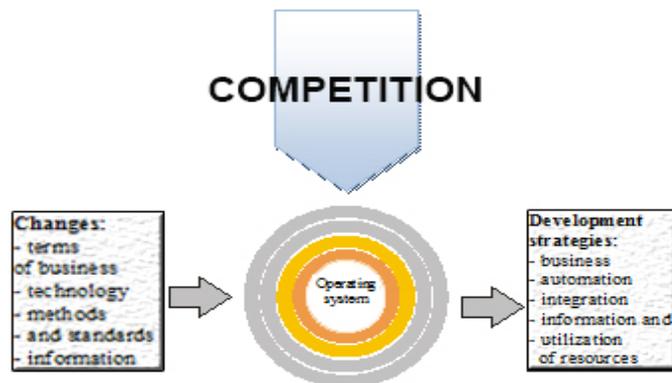


Fig 1: Development of strategies in order to changes in the environment

Task of information systems that support the company management in making business decisions that ensure effective and efficient operations. Here the effectiveness involves the degree of achievement of objectives (doing the “right” thing), and by efficiency measures the use of input resources in achieving outputs (doing the “thing” right).

The impact of information systems on the management and collateral, as the application of information systems creates a positive climate and culture, increasing the transparency of business processes, create preconditions for quick and positive organizational change and business reengineering, increasing the general level of knowledge of employees and the need for integration with the environment. Specifically, the impact of information systems on management is extremely important, positive and efficient.

### 3. Accounting Information System

In the modern enterprise relationship of accounting, business finance and audit under the management of the company is the product of historical development of the company and its basic functions.

Staff who implement management companies must constantly innovate their professional specialist knowledge, then knowledge of the business culture, then rationally manage own

time and in an appropriate manner to delegate tasks associates, as well as lead business talks and meetings in purposeful forms of control the execution of the programs and plans of the enterprise.

Given that the accounting historically evolved with the development of market economy and management, bookkeeping of trade, bookkeeping production in the accounting information system, it is quite logical strong causal link between accounting and management.

Development of an information system is a dynamic process that depends on many factors such as the size of the company, organization development and level of development of technology. Accounting information system as an integral part of the company information system aims to make information related to the company's operations meet the needs of a wide range of users. "It is a more or less strictly formalized information system, which has the most direct impact on the overall quality, and above all, the reliability of accounting data, indicators and information on the underlying business and financial decisions both internal and external users".

The importance of information that can occur as the result of accounting reflects, on the one hand, the fact that they are used when accounting for the operations of the company to investors, creditors, unions and other stakeholders of the management. While on the other hand, have their indispensable role when it comes to providing a database during the implementation of enterprise management activities, which consist of the laying of the state of the company's success, making individual business and financial decisions and systematic management control of business and financial processes in the enterprise.

Management of the company implements its activities according to the powers and responsibilities at different levels of decision-making - strategic, tactical and operational level - primarily with the help of IT support management accounting, but also on the basis of financial reporting instruments, which are primarily relevant to most management levels. The accounting information system of the company is primarily based on accounting data, but the developer and the planning, control and analysis, from which its subject is playing accounting management, as part of accounting that supports the management function in the realization of basic management activities.

### 4. Information Systems and Information Technology

Management uses IT as one of the basic tools to adapt to the changes in the development of IS. Hardware used for input, process and output activities and actions in the information system. The software consists of a detailed programmed instructions that control and coordinate its hardware components in IS. Technology for podhranjivanje includes media podhranjivanje data, such as magnetic or optical disk or tape, and software that controls the organization of the data on the media.

Communication technology, which consists of both physical devices and software, linking various parts of the hardware and transferring data from one location to another. Computer and communications equipment can be networked to exchange data, images, sound, voice and even video. All of these technologies are the extra resources that can be shared throughout the organization and establish an information-technology (IT) infrastructure. IT infrastructure takes care of establishing the platform on which the company can build specific information systems. Each with organizations must carefully design and manage these infrastructures so that the

collection of technological services to the needs of the job that it wants to accomplish with IS.

Information technology (IT - Information Technology) refers to the technological aspect of information systems, particularly hardware, communication technologies, operating systems, database management, software and other network components. Therefore, the literature IT is seen as part of the IS, and because of the importance of IT for some authors identified with the IS, which is wrong.

The importance of IT is evident, but the key factor of success man who applies the methods, techniques and procedures in the relevant business processes in order providing business and broader social goals.

### 5. Impact on the Environment Management Is And

Business System is an organizational system in which economic resources (input) are transformed by various organizational process technology (processing) in goods and services (output). In this information system provides the necessary information to manage the organizational system.

The impact on the environment management is manifested in changes of business environment. Changes business environment are reflected in:

- increasing complexity and volatility of the business environment,
- increasing competition and globalization of the economy,
- increasing social responsibility
- a growing appreciation of the ethical requirements,
- change the structure and qualifications required workforce
- the increasing demands and expectations of customers,
- rapid technological innovation.

Increasing complexity and volatility of the business environment requires management to constantly faced with this changes to them constantly anticipates and plans appropriate business strategy. This impact is expressed in all companies, so that it can be said that all the companies in crisis, with different intensity and phase of the crisis in enterprises. IS in these conditions becomes a factor in the survival of the company because it allows management to behave flexibly in response to changes in the market and in particular to rapidly deliver top management of all irregular phenomena, critical trends and implement appropriate systems to support decision-making that decision for structured decision problems.

Increasing competition and globalization of the economy is reflected in the change of competitiveness on the basis of price and its evolution towards quality (including rapid response to customer requirements). Competitiveness on the basis of prices realized constant technological innovation and change in the price of labor. Although in many developing countries, the cost of labor and 10 times less than the cost of labor in industrialized countries, in this last competition achieves a higher level of production and applied information technology and modern management. Applying IS influence on lowering costs, and thus increase the competitiveness of the base price. The same observations apply to the impact of IS on increasing the quality and flexibility. In terms of market globalization IS becomes an indispensable factor for the inclusion of companies in the global economy.

The influence of the environment is manifested directly to the constant changes to the organization and management of the company. Companies are forced to constantly create business alliances with other companies, even competitors, to achieve greater success in the market. Without going into the question of business alliances, we should emphasize new type of

alliance, so-called. Virtual Corporation (factory) that is based on the formation of competing nodes that complete chain of value creation, and each of which may belong to a different company.

This concept cannot be imagined without the intensive use of IT, bridging large distances between nodes and creates the preconditions for change of information necessary for decision making. In this regard, management has increasingly respected the application of new management concepts, such as business process reengineering (BPR - Business Process Reengineering), Total Quality Management (TQM - Total Quality Management), the production just in time (JIT - Just in Time), and so on. Without going deeper into this modern management concepts, should emphasize only one aspect where IT and IS are appropriate Information "spine" and the basis for the integration of information and processes, which is especially noticeable in the CIM concept (CIM - Computer Integrated Manufacturing).

### 6. Conclusion

Effective management of the company implies the existence of adequate information support, which certainly has the most important role accounting. Accounting information with its qualitative characteristics, primarily the relevance and reliability are the most dynamic and most elastic part of the company information system. Therefore, the accounting information, particularly those arising from the management accounting is considered a very important resource and instrument guidance and outcomes for the business - financial decision making at all hierarchical levels of management.

Based on the above, it can be concluded that the accounting information system has a crucial role in providing information support to enterprise management, which in the implementation of its activities is becoming more dependent on indicators, data and information contained in the instruments just financial reporting.

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