
Study regarding the creative accounting techniques in management accounting

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Abstract

Once implemented, a managerial accounting system will also attract the manifestation of creative accounting phenomena, especially in times of crisis and fiscal pressure. Having a more relevant set of information at their disposal, managers are tempted to employ more or less ingenious, questionable or legal techniques, in order to improve the presentation of the financial statements. In the current Romanian economic context, a direct link may be observed between the creative accounting practices, the incompetence of managers, the decline in activity, the crisis periods and the fiscal optimizations. A national emphasis is placed on the use of creative accounting in order to mislead the users of the financial statements. The study of the Romanian managerial accounting system is characterized by a relatively small number of field research studies, especially with regard to organization and implementation. In fact, our research intends to warn about the major challenges in the perceived benefits of organizing a modern system of management accounting in the Romanian context. Although management accounting has evolved continuously during recent decades, its progress depends highly on the extent to which the academia and managers will be able to improve various methods and the effectiveness of decision processes. Implementation difficulties should be identified in a manner that is much clearer and without neglecting the social and behavioural implications. Emphasis should be placed on the central role of the behavioural issues in managerial accounting.

Keywords: Managerial accounting, creative accounting, production cost, change in managerial accounting, altering costs, removal from stock.

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