Metka Tekavčič[1]
Darja Peljhan[2]

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INSIGHTS INTO MANAGERIAL TOOLS RELATED TO COST MANAGEMENT IN SLOVENIAN COMPANIES[3]

ABSTRACT

Global competitive pressures have made companies focus increasingly on the cost management that has always been a basic component of any successful business strategy. Consequently, many companies are now adopting new cost management philosophies and techniques (in the paper referred to as "contemporary cost management concepts" and abbreviated as "CCMCs"), and shifting away from traditional cost accounting techniques. The purpose of the paper is to emphasize the importance of the use of CCMCs in companies facing the rapidly changing business environment, in particular companies in transitional economies. The paper provides final results of an extensive research conducted in 264 Slovenian companies. This research aimed to answer whether there is a common understanding and using of CCMCs among Slovenian companies, whether there is relationship between size of the company and use of CCMCs, and whether the use of CCMCs affects the performance of companies.

Key words: *cost management, cost accounting, management accounting, transition, Slovenian companies*

1. Introduction

Present companies face ever-rising customer demands and expectations. Over the past decades, the performance that separates successful from unsuccessful companies has risen dramatically. To be successful in present economic environment, companies must excel on a wide range of business factors, including cost, quality, delivery, and innovation. There is a great challenge of excelling across such a wide array of business activities and sustaining this excellence. Only a small number of companies, even on a worldwide basis, have actually accomplished this. Therefore, the task is even more

[1] Assistant Professor of the Faculty of Economics University of Ljubljana

[2] Assistant of the Faculty of Economics University of Ljubljana

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challenging for the companies operating in transition economies, facing uncertain and unstable as well as highly competitive business environment.

The purpose of this paper is to emphasize the importance of the use of contemporary cost management tools in companies facing the rapidly changing business environment, in particular in transitional economies. In these economies, the recent business environment seems to have been, although less developed, very turbulent in some cases. For that reason, the lack of managerial knowledge and the absence of the use of modern managerial tools related to cost management might be critical for the survival of companies operating in such circumstances. The aim of the paper is to develop a better understanding of contemporary cost management concepts (CCMCs) presence in Slovenian[4] companies by providing final results of empirical research conducted in Slovenian companies. In particular we have sought to explore the following questions: Is there a common understanding and using of CCMCs among Slovenian companies?; Is there any relationship between the size of the company and the use of CCMCs?; and Does the usage of CCMCs affect the performance of Slovenian companies? The aim of our research was to find out what is the current situation as regards the number, size, and performance of Slovenian companies familiar and unfamiliar with CCMCs, especially those implementing or using these concepts. Reasons, why particular types of companies use or non-use CCMCs, will be defined in greater detail in our further research. The aim of the paper is to investigate characteristics of companies familiar with contemporary cost management tools, focusing on those implementing or using modern cost accounting approaches by providing final results of empirical research conducted in Slovenian companies.

2. Managerial tools related to cost management

Global competitive pressures have made companies focus increasingly on the cost management that has always been a basic component of any successful business strategy. Modern cost management still in its infancy, has roots in cost accounting and managerial accounting. Cost management assumes knowledge of both, although the purposes and methods of cost management differ in important ways from those of cost accounting and managerial accounting. The primary purpose of cost accounting has always been to calculate inventory and cost of goods sold for financial statement purposes. In other words, the focus of cost accounting is on external financial reporting. The primary concern of cost management, by contrast, is on internal decision-making (Handbook of Cost Management 2001: xiii).

[4] We chose Slovenia as an example of transitional economy.

Although managerial accounting has always been intended to provide decision-support information for the internal use of managers, its emphasis and methods have been attacked unrelentingly since the mid-1980s. The criticisms point out that traditional systems fail to provide relevant and timely information for managerial decision making. Too often, traditional cost systems provide inaccurate and misleading product and customer cost information. They focus too narrowly on historical information. They also emphasize the firm as the unit of analysis, not considering the entire supply chain of which the firm is only a part. In short, they emphasize an historical cost lens, focused from the firm outward, rather than a prospective cost lens, focused upon customers first. Traditional cost systems also contribute to dysfunctional behavior such as producing excess inventory to absorb overhead or buying substandard raw materials to meet price targets. By contrast, cost management emphasizes better full-stream product and customer information. Cost management helps a company improve its product and processes by reducing waste and other non-value-adding activities. Although modern cost management requires knowledge of cost accounting and managerial accounting, it also assumes intimate familiarity with all business processes, and with full stream supply chains. Cost managers cannot measure and manage what they do not understand (Handbook of Cost Management 2001: xiii).

Cost management is a set of techniques and methods for planning, measuring, and reporting to improve a company's products and processes. Its ultimate purpose is to provide information that companies need to provide the value that customer demand. Most people would argue about the basic tools, techniques, and methods that, together, constitute cost management. These tools, techniques, and methods are directly or indirectly related to cost management. In the paper they are referred to as "contemporary cost management concepts" and abbreviated as "CCMCs". CCMCs comprise the set of business practices and methods used to support outward looking and strategically oriented companies. During recent years several CCMCs have been introduced in order to help companies improve their decision-making and performance in highly competitive business environment. CCMCs include several cost management tools, techniques, and methods, for instance activity-based costing (ABC; see Gunasekaran, 1999; Krumwiede, 1999; O'Guin, 1991), activity-based budgeting (ABB; see Brimson and Antos, 2000; Cokins, 1999; Cooper, Kaplan, 1999), activity-based management (ABM; see Miller, 2000; Player and Keys, 1999; Turney, 1992), life-cycle costing (LCC; see Horngren et al., 1999; Kaplan and Atkinson, 1998), target costing (see Boer and Ettlie, 2000; Fessler and Fisher, 2000; Holst and Donelly, 1999), theory of constraints (TOC; see Campbell, 2000; Goldratt, 1990; Noreen et al., 1995; Sullivan, 1999), benchmarking (see Andersen, 1999; Beretta, 2000; Spendolini, 1992; Spendolini et al., 1999), just-in time (JIT; see Kalagnanam and Vaidyanathan, 2000; Russell and Taylor, 1998), total quality management (TQM; see Khan, 2000; Rampersad, 2001; Stamatis, 1997), continuous improvement (see Kalagnanam and Vaidynathan, 2000, Kaplan and Atkinson, 1998; Russell and Taylor, 1998), business process reengineering (BPR; see Carr and Hopkins, 2000; Hammer and Champy, 1993; Klimas, 1999), and balanced scorecard (BSC; see Kaplan and Norton, 1992, 1996, 1999, 1999a; Maguire and Putterill, 2000). We selected those CCMCs, which are most

frequently discussed in cost management literature, for example in Handbook of Cost Management, Guide to Cost Management, Emerging Practices in Cost Management, and Emerging Practices in Cost Management: Strategic Cost Management. In this paper, we do not intend to discuss particular concepts in detail. Further, a lot has been written about each CCMC and for this reason we are adding references to help the reader interested in details of a particular concept.

3. Empirical research: The case of Slovenian companies

3.1. Slovenian business environment in transition

Slovenia is a small transition economy with a population of about 2 million. It was founded in June 1991. It is a small country with a land area of 20,296 square km, neighboring Italy in the West, Austria in the North, Hungary in the East and Croatia in the South. It has been a constitutional part of former Socialist Republic of Yugoslavia in the period 1945-1991. The business environment in Slovenia has changed radically in the last decade. Slovenia has been faced with the triple transition process: the transition to an independent state, the reorientation from former Yugoslavian to the Western developed markets and the transition to the market economy.

When Slovenia became an independent state in 1991, it lost the huge Yugoslavian market. Companies' markets began to change radically. Slovenian industry has succeeded in finding substitute markets. Slovenian economy had some advantages because of the positive legacy of its Yugoslavian past that gave Slovenian companies a sizeable head start over the rest of the Central-Eastern European (CEE) region when it came into transition. Slovenian companies had been exposed to the market economy for decades and had traditional trade links with Western European companies. It has remained one of the most successful economies in Central and East Europe. This fact is proven by the high GDP per capita at around € 10,500 which exceeds 70 percent of the EU average. In the beginning of transition period state- (i.e. socially-) owned companies encountered a radically different business environment. Companies were facing privatization and changes in top management, companies' strategic and tactical planning, operations, etc.

Slovenia is not the only CEE country facing transition period difficulties. Apart from Yugoslavia, some other countries also split up (Czechoslovakia, the Soviet Union). Firms in these countries lost a significant part of their domestic markets while their traditional export markets also disappeared. Companies in transitional economies were entering an open competitive environment. They had to face the deregulated and liberalized business environment. The problem was that many of CEE companies were neither flexible nor customer oriented. That was the reason why they had to rethink and / or change basic management tools they were using in order to survive in turbulent business environment. What is more, some companies began to use these tools for the first time. Due to its successful transition process, Slovenia may be considered as a "benchmark" for the majority of transitional economies in the region. It is currently in the process of integration into the European Union. Companies are therefore faced with the

intensive processes of deregulation and liberalization of the foreign trade regime. They are being exposed to increasing foreign competition. The major changes in the business environment described above strongly influenced the introduction of CCMCs in proactive and outward oriented companies. Due to this reason we wanted to investigate the current state of CCMCs' use in Slovenian companies.

3.2. Method

The aim of the research has been to develop a better understanding of contemporary cost management concepts (CCMCs) presence in Slovenian companies. In particular we have sought to explore the following questions: Is there a common understanding and using of CCMCs among Slovenian companies?; Is there any relationship between the size of the company and the use of CCMCs?; and Does the usage of CCMCs affect the performance of Slovenian companies? The aim of our research was to find out what is the current situation as regards the number, size, and performance of Slovenian companies familiar and unfamiliar with CCMCs, especially those implementing or using these concepts. Reasons, why particular types of companies use or non-use CCMCs, will be defined in greater detail in our further research.

The main source of data is the survey "Cost management in Slovenian companies" conducted during the winter of 2000/2001. The empirical research is based on an extensive questionnaire. After careful consideration, it was decided to conduct personal interviews with top managers or middle managers (responsible for the cost monitoring and analysing). A fully structured interview with pre-coded responses was prepared. We chose personal interviews because we believe that they can provide us with more complete and precise information than mail, telephone or e-mail questionnaires, especially due to long questionnaire. Personal interviews provide the opportunity for feedback in clarifying any questions a respondent has about the instructions or questions. Other personal interviews advantages are moderate to fast speed of data collection, excellent respondent cooperation, low number of unanswered questions, and lowest possibility for respondent misunderstanding (Zikmund 2000: 212). We conducted personal interviews with 100 specially trained interviewers.[5] Each interviewer questioned 2-3 companies. Slovenia is relatively small country (20,296 square km, 2 million inhabitants), so we could cover all geographical areas at relatively low cost, which is usually not the case when using personal interviews (Zikmund 2000: 212).

This study is based on the research sample of 264 companies. When choosing companies to be included in the sample we had no intention to exclude any company. That is why we believe our selection has many attributes of random selection. Moreover, the sample is relatively big and offers a good representation of the whole population, as regards the size of companies, their geographical position and industry (branch) they belong to.

[5] Interviewers were properly trained because the research was part of their postgraduate course work.

3.3. Research findings

3.3.1. Knowledge and use of CCMCs in Slovenian companies

We tried to find out whether there is a common understanding and using of CCMCs among Slovenian companies. Slovenian companies are poorly acquainted with the following concepts: TOC (45% of the companies are familiar with the concept), ABM (54% of the companies are familiar with the concept), and LCC (56% of the companies are familiar with the concept). On the other hand, the best-known concepts among Slovenian companies are TQM (77% of the companies are familiar with the concept), continuous improvement (73% of the companies are familiar with the concept), and JIT (72% of the companies are familiar with the concept).

Slovenian companies implement and use mostly the following concepts: continuous improvement (22% of the companies), TQM (20% of the companies), and benchmarking (17% of the companies). On the other hand, the least implemented and used concepts are life cycle costing (4% of the companies), ABM (5% of the companies), and balanced scorecard (7% of the companies), considering that TOC is not being implemented or used at all.

3.3.2. Relationship between the size of the company and the use of CCMCs

The sample consists of 33% small, 23% middle, and 44% large companies. Companies are classified according to Slovenian legislation as follows: Small company is a company fulfilling two of the following criteria: average number of employees does not exceed 50, annual revenues are less than SIT 280 million (around € 1.25 million), average assets at the beginning and at the end of the financial year do not exceed SIT 140 million (around € 625,000). Medium company is a company fulfilling two of the following criteria: average number of employees does not exceed 250, annual revenues account for less than SIT 1,100 million (around € 5 million), average assets at the beginning and at the end of business year do not exceed SIT 550 million (around € 2.5 million). Other companies were classified as large companies.

We tried to find out whether there is any relationship between the size of the company and the use of CCMCs. In our research we tested the following hypothesis: "The familiarity with and the usage of CCMCs is dependent on the size of the company." We tried to find out whether small, medium, and large companies differ according to the knowledge and usage of a particular CCMC. We analyzed each concept separately. Companies were included in one of the following groups: (1) companies which don't know the concept; (2) companies which know the concept, but do not use it or think that using it is not sensible; (3) companies which think it is wise to implement the concept or are planning to implement it, and (4) companies which are already implementing or using the concept.

We used chi-square contingency table to test the dependence within each concept, because we dealt with two non-metric parameters ("size of the company" is ordinal parameter, "knowledge and use of the concept" is nominal parameter). Our null hypothesis (H_0) is the following: there is no relationship between size of the company

and use of CCMCs (when referring to the variable "use of CCMC", we are actually addressing the variable "knowledge and use of CCMC", throughout the paper). On the other hand, the alternative hypothesis (H_1) states that there is relationship between size of the company and use of CCMCs.

The research showed (see Table 1) that there is a relationship between size of the company and use of cost management concepts for the following concepts: ABC, ABB, ABM, target costing, benchmarking, JIT, TQM, continuous improvement, and BPR. Namely, chi-square test managed to indicate statistical significance of the results within these nine concepts (a significance level of 0.05 (alpha) was chosen for the test). On the other hand, this is not true for life cycle costing, TOC, and balanced scorecard, where chi-square test failed to indicate statistical significance of the results.

Table 1

Chi-square values and significance levels for each concept

Concept	Chi-square value	Significance
ABC	32 407	0.000
ABB	30 063	0.000
ABM	13 740	0.033
Life-cycle costing	6 945	0.326
Target costing	15 627	0.016
TOC	4 865	0.301
Benchmarking	26 428	0.000
JIT	13 269	0.039
TQM	26 844	0.000
Continuous improvement	13 726	0.033
BPR	24 225	0.000
Balanced Scorecard	11 398	0.077

Source: Research 'Cost management in Slovenian companies', winter 2000/2001

Chi-square test was used for testing the statistical significance of the results. It is based on the comparison between actual and expected frequencies. The use of chi-square test can be problematic if too many of the expected frequencies are small, because this makes results in the computed value proportionately inflated. Churchill (1999: 805) states that it is generally agreed that only a few cells (less than 20%) should be permitted to have expected frequencies of less than 5, and none should have expected frequency of less than 1. In our case this is not true in the case of life cycle costing and TOC. This may be the reason why chi-square test failed to indicate statistical significance of the results within these two concepts (a significance level of 0.05 (alpha) was chosen for the test).

The research results also suggest the following: Companies which are unfamiliar with particular concepts are mostly small (they represent 38.5 – 47.8% share within particular concept). Companies which are familiar with particular concepts, but are not using

them or think that using them makes no sense are mostly large (they represent 38.4 – 48.5% share within a particular concept). The exception is TQM, where small companies have the largest share (40.7%) among those who are familiar with the concept, but are not using it or think that using it makes no sense. Companies which think it is wise to implement a particular concept or are planning to implement it are mostly large (they represent 39.6 – 69.4% share within a particular concept). Companies which implement or use particular concept are mostly large (they represent 57.1 – 71.7% share within a particular concept).

We found out that companies implementing or using CCMCs are on average large companies, privately owned, operating in the production sector, selling mostly in Slovenian market, and facing high or very high level of competition.

3.3.3. CCMCs and performance of Slovenian companies

We tried to answer the following question: Does the use of CCMCs affect the performance of Slovenian companies? Theoretical implications suggest that companies using CCMCs should have better performance, especially when faced with highly competitive and complex business environment. Performance can be measured by financial and / or nonfinancial measures. Due to easier comparison among different companies, we chose financial measures. Some companies participating in our research don't use nonfinancial measures at all; the ones using them don't use the same nonfinancial measures of performance. For this reason, it would be impossible to compare all companies according to nonfinancial measures. We compared different companies (who know CCMCs) using the following financial measures of performance: net income (loss), ROA, ROE, and profit margin. There was no company implementing or using TOC. That made TOC incomparable to other concepts and was thus not included in the analysis.

Research results suggest that companies differ according to performance measures. This finding was also tested with statistical methods. We used One-Way ANOVA procedure to test the dependence of performance of companies on use of particular concept. The One-Way ANOVA procedure produces a one-way analysis of variance for a quantitative dependent variable (in our case particular financial performance measures) by a single factor (independent) variable. Factor variable values are integers from 1 to 4, as the research was set up involving four types (groups) of companies: (1) Companies unfamiliar with the concept, (2) Companies familiar with the concept, but do not use it or think that using it is not sensible, (3) Companies thinking it is wise to implement the concept or are planning to implement it, and (4) Companies implementing or using the concept. Analysis of variance is used to test the hypothesis that several means are equal. One of the assumptions underlying the One-Way ANOVA procedure is that the groups should come from populations with equal variances. To test this assumption, we used Levene's homogeneity-of-variance test. According to this test, we find out that the assumption regarding equality of variances is not valid for profit margin for all concepts. That is why in final findings we do not refer to profit margin and other performance measures, for which the assumption regarding equality of variances is invalid. The final results are presented in Table 2.

First, we found out that on the average net income is dependent on the use of the following concepts: ABC, ABB, life cycle costing, target costing, benchmarking, TQM, continuous improvement, BPR, and balanced scorecard. Second, we found out that on the average ROA depends on the use of the following concepts: ABC, ABB, ABM, life cycle costing, target costing, benchmarking, JIT, BPR, and balanced scorecard. Third, we found out that on the average ROE is dependent on the use of the following concepts: ABC, ABB, ABM, life cycle costing, target costing, benchmarking, BPR, and balanced scorecard.

Table 2

F test values and significance levels for each concept

Concept	Financial Measure	F test	Significance
ABC	Net income	11 601	0.000
	ROA	5 840	0.001
	ROE	5 703	0.001
ABB	Net income	7 142	0.000
	ROA	4 518	0.004
	ROE	6 175	0.000
ABM	Net income	2 104	0.101
	ROA	3 085	0.028
	ROE	5 178	0.002
LCC	Net income	6 510	0.000
	ROA	3 438	0.018
	ROE	5 423	0.001
Target Costing	Net income	4 680	0.003
	ROA	4 207	0.006
	ROE	4 354	0.005
Benchmarking	Net income	6 336	0.000
	ROA	3 067	0.029
	ROE	4 155	0.007
JIT	ROA	4 359	0.005
TQM	Net income	10 116	0.000
	ROA	1 472	0.223
Continuous Improvement	Net income	6 140	0.001
	ROE	4 937	0.003

Source: Research 'Cost management in Slovenian companies', winter 2000/2001

As we found out that companies implementing or using CCMCs are on average large companies, we decided to present final results by indicating what type of large companies have the highest performance measures (see Table 3). Companies are classified in three types: A - Companies implementing or using a particular concept, B - Companies thinking it is wise to implement a concept or are planning to implement it, and C - Companies familiar with a concept, but not using it or thinking that using it is not sensible.

As we can see in Table 3, research results suggest that companies differ according to performance measures. The findings can be classified as follows: (1) The best results as regards financial performance measures on average are achieved by those large companies which are implementing or using target costing, benchmarking, JIT, TQM, and continuous improvement. In the case of these concepts companies fall predominantly into group A. (2) Companies thinking it is wise to implement a particular concept or are planning to implement it are frequently having the best results according to financial performance measures, especially as regards ROA and ROE. This implies that successful companies are on average more inclined to implement CCMCs. The implementation of CCMCs is connected with high initial investments. On the other hand, positive financial results can be expected in a few years time. Thus, it would be appropriate to repeat the survey among the same sample units (including only those implementing or using CCMCs) in a sequence of at least 5 years to test the influence of CCMCs' on the companies performance.

Table 3

Types of large companies with highest performance measures

Concept	Net Income	ROA	ROE	Profit Margin
ABC	A	B	B	B
ABB	A	B	C	B
ABM	A	B	B	C
Life-cycle costing	B	A	C	A
Target costing	A	A	B	A
Benchmarking	A	A	A	B
JIT	A	A	A	A
TQM	A	A	C	A
Continuous improvement	A	A	A	A
BPR	A	B	B	C
Balanced scorecard	B	B	B	B

Source: Research 'Cost management in Slovenian companies', winter 2000/2001

During the research we also found out that large Slovenian companies are aware of the importance of performance measurement and management. All companies use financial measures to measure the level of success as regards organizational units (87% of large companies which answered this question), products / services (82%), customers (72%), markets (57%), top management (53%), middle management (46%), and other employees (39%). The most frequently used financial measures of performance are costs (80% of large companies use this measure of performance), profit / loss (75%), revenues (74%), ROA (26%), and ROE (25%). Large Slovenian companies are tracking also nonfinancial measures, although only 8.6% of large companies actually implement or use formally modeled balanced scorecard. Nevertheless, all companies are tracking at least some nonfinancial measures. What is more, they find nonfinancial measures very important and indispensable when measuring and managing company's

performance. Mostly large companies are tracking the following nonfinancial measures: satisfaction of customers (72%), quality (64%), market share (59%), employees' capabilities (38%), flexibility (36%), the number of new products / services (33%), activities' running time (26%), and the number of innovations per employee (17%).

3.4. Discussion

Until recently, a very small number of Slovenian companies has undertaken implementation of CCMCs. TQM, continuous improvement, and JIT are best known among Slovenian companies, but it should be stressed that almost a quarter of Slovenian companies are still unfamiliar with them, although since the early 1980s these concepts have been intensively used abroad. CCMCs are implemented and used mostly by large companies. This is quite understandable given that the implementation of these concepts is connected with relatively high requirements for knowledge, resources, and time. However, there is a considerable pay-off, as we found out that companies using CCMCs on average perform better than those which fail to do so. We found out that the percentage of large Slovenian firms knowing and using CCMCs is larger than the percentage of small Slovenian firms knowing and using CCMCs. We believe that larger firms tend to know CCMCs better and use them more frequently than smaller firms because larger companies possess more financial and managerial resources, have greater production capacity, and attain higher levels of economies of scale. Large Slovenian companies are poorly acquainted with theory of constraints, life cycle costing, and activity-based management as we found out that only about a half of companies interviewed knew these tools. The best-known concepts among large Slovenian companies are TQM, JIT, and continuous improvement (around 75% of companies interviewed knew these concepts). In general, large Slovenian companies implement and use TQM, continuous improvement, and benchmarking. On the other hand, the least implemented and used concepts are life cycle costing, ABM, and balanced scorecard (although large Slovenian companies do track financial as well as nonfinancial measures of performance, considering that TOC is not being implemented or used at all).

Research also revealed some major reasons why companies fail to implement CCMCs. Six major reasons were identified: lack of top management buy-in (despite top management's awareness of the potential benefits of CCMCs, it is not willing to invest its own time or the funding needed to implement the project), lack of clear objectives, lack of employee involvement (employees are not involved in creating, implementing, and continuously improving CCMCs), lack of funding, lack of information technology support, lack of knowledge and training (the CCMC implementation team nor people using CCMC information are properly trained). The aim of our research was to find out what is the current situation as regards the number, size, and performance of Slovenian companies familiar and unfamiliar with CCMCs, especially those implementing or using these concepts. Reasons why particular types of companies use or non-use CCMCs will be defined in greater detail in our further research.

4. Conclusion

Present dynamic and uncertain business environment climate makes it hard for companies to meet stakeholder expectations. The proper use of different tools, directly or indirectly connected with cost management, provide managers with the critical information they need to make proper business decisions related to costs and profitability, so companies can remain strong and efficient when faced with global competition. It is important that companies learn about and actually start adopting CCMCs, presented in the paper. Each concept has some benefit to offer the company. Additionally, due to their complementary nature, when used in combination, these tools provide a beneficial synergy that greatly exceeds what the tabulation of the individual parts otherwise suggests.

Under normal conditions in the past, managers could often afford to be reactive. They could take actions that nested comfortably within their routine planning and control duties. But with a business moving into a turbulent business environment, demands for information and analysis become imperative and more challenging. For this reason it is important that companies learn about and start adopting CCMCs. The use of CCMCs in Slovenian companies for ensuring their effective performance is required due to the increasing complexity of economic processes and the system changes in Slovenian economy. This is the reason why sophisticated cost management is extremely important, especially for Slovenian companies, which frequently incur excessively high costs and therefore have a poor competitive position in the national and international market. We found out that many companies trying to succeed in transition economies and facing severe global competition tend to use traditional cost accounting, which does not provide a sufficient basis for effective cost management. Our recommendation to many Slovenian companies (and all other companies facing similar problems) is to tackle these barriers and try to overcome them by implementing at least some of contemporary cost management concepts, as they support better performance through improved decision making based on more accurate cost information. This results in improved profitability, better understanding of products and services, improved pricing decisions, improved budgeting and planning process, and elimination of waste.

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Matka Tekavčič[1]
Darja Peljhan[2]

PRIKAZ MENADŽERSKIH ALATA KORIŠTENIH U MENADŽMENTU TROŠKOVA U SLOVENSKIM TVRTKAMA

SAŽETAK

Globalni pritisci konkurencije prisiljavaju tvrtke da se sve više usredotočuju na menadžment troškova koji je oduvijek bio temeljna sastavnica uspješne poslovne strategije. Kao rezultat toga, veliki broj tvrtki primjenjuje novu filozofiju i tehnike upravljanja troškovima (u ovome se članku koristi skraćenica CCMS u značenju "suvremene koncepcije menadžmenta troškova") i napušta tradicionalne tehnike računa troškova. Svrha ovog članka jest istaknuti značaj uporabe CCMS u tvrtkama koje su suočene s brzim promjenama poslovnog okruženja, osobito u tvrtkama u tranzicijskim gospodarstvima. Članak daje rezultate temeljene na opsežnom istraživanju provedenom u 264 slovenskih tvrtki. Ovo istraživanje imalo je za cilj utvrditi da li u slovenskim tvrtkama postoji temeljno rzaumijevanje i korištenje CCMS-a i postoji li veza između veličine tvrke i uporabe CCMS-a, te na koji način uporaba CCMS-a utječe na uspješnost poslovanja tvrtki.

Ključne riječi: *menadžment troškova, račun tročkova, menadžment računovodstva, tranzicija, slovenske tvrtke*

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[1] Docent Ekonomskog fakulteta Sveučilišta u Ljubljani

[2] Asistent Ekonomskog fakulteta Sveučilišta u Ljubljani