

# Preface

One of the main aims of management accounting is to provide managers with accurate information in order to provide a good basis for decision-making. There is evidence that data provided by management accounting systems (MAS) is distorted and the occurrence of biases in accounting information is widely accepted among users of MAS. At the same time, the intensity and the frequency of use of MAS in order to retrieve information as the basis for managerial decision-making increase. Consequently, the quality of the provided information is critical. The effects of biases in the provided accounting information might range from disruptions in operations to organizational extinction. In order to react appropriately to biases in the provided accounting information, knowledge of the impact of distortions in raw accounting data on the quality of the provided information is indubitably necessary. This emphasizes the need of research on biases in MAS and interactions among them and the respective impact on the quality of the provided information.

This book investigates the impact of a set of input biases in raw accounting data on the quality of the provided information in the case of traditional costing systems. The focus of this simulation study is twofold. On the one hand, the impact of traditional costing system sophistication on error propagation in the case of a set of input biases is investigated. On the other hand, the impact of single and multiple input biases on the quality of the information provided by traditional costing systems is discussed. In order to investigate the research questions, a simulation approach is applied.

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