

Apply Activity-Based Costing Management System by Key Success Paths to Promote the Competitive Advantages and Operation Performance

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Abstract : Highly developed technology and highly competitive global market highlight the important role of competitive advantages and operation performances in sustainable company operation. Activity-Based Costing (ABC) provides accurate operation cost and operation performance information. Rich literature provide relevant research with cases study on Activity-Based Costing application, and yet, there is no research studying on cause relationship between key success factors of applying Activity-Based Costing and its specific outcomes, such as profitability or share market. These relationships provide the ways to handle the key success factors to achieve the specific outcomes for ensuring to promote the competitive advantages and operation performances. The main purposes of this research are exploring the key success paths by Key Success Paths approach which will lead the ways to apply Activity-Base Costing. The Key Success Paths is the innovative method which is exploring the cause relationships and explaining what are the effects of key success factors to specific outcomes of Activity-Based Costing implementation. The cause relationships between key success factors and successful specific outcomes are Key Success Paths (KSPs). KSPs are the guidelines to lead the cost management strategies to achieve the goals of competitive advantages and operation performances. The research findings indicate that good management system design may impact the good outcomes of Activity-Based Costing application and achieve to outstanding competitive advantage, operating performance and profitability as well by KSPs exploration.

Keywords : activity-based costing, key success factors, key success paths approach, key success paths, key failure paths

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