The effect of budget tightness and internal audit on the perceived usefulness of management accounting systems.

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Abstrack. The objective of this research is how to effect and measure the budget tightness and internal audit on the perceived usefulness of management accounting systems. Mail questionnaires were distrbuted to 149 stated-owned enterprise in Indonesia and than we have responcy rate of 85 Indonesia enterprise. Data validity and reliability of independent variable is valid and reliable. Hypothesis testing use regression analysis. The result show that positively effect of the budget tightness and internal audit on the perceived usefulness of management accounting systems. Base on research, characteristics of management accounting informations including of broadscope, timeliness, the level of aggregation and integrative nature can be support by the roles of implementation of tight budget and internal auditor's function.

Keywords: *Budget Tightness, Internal Audit, Information of Management Accounting, Perceived Usefulness of Management Accounting Systems, and The Role of Internal Auditors and Management Accountants.*

Preliminary

Management accounting provides information to the management (Garrison, *et. al.*, 2006). Management accounting information is in the form of financial and non-financial details which can be used for decision making, planning, and controlling, so that the company is expected to perform more preferably. Management accounting information is also used to coordinate product design, production, marketing, and performance assessment (Horngren, Datar, and Rajan, 2012).

Referring to the reports by management accounting committee on researches on management accounting, Atkinson, *et. al.* (1997) state that quality management accounting means management accounting that is able to assist management in the composition of planning, supervising, decision making, and problem solving; management accounting can provide a variety of information for management to built a range of initiatives to respond to changes in the external environment. Still according to Atkinson, *et. al.* (1997), management accounting also assists and supports risk management in managerial level, as well as in the corporate level in order to bear the characteristics of management accounting information in accordance with the needs of management.

Meanwhile, Chenhall and Norris (1986) describe the characteristics of quality accounting information as broad-scope, timeliness, aggregation, and integration. Such information can only be produced by superior management accounting as well (Belkaoui, 2002 and Horngren, Datar, and Rajan, 2012).