Dimensions of performance, that customers are expecting of companies, include followings:

- **Cost and efficiency** - Companies face continuous pressure to reduce the cost of the products they sell;
- **Quality** - Customers expect high levels of quality;
- **Time** - To increase the satisfaction of their customers, organizations need to meet their promised delivery dates as well as reduce their delivery times;
- **Innovation** - A constant flow of innovative products or services is the basis for the ongoing success of a company; and
- **Sustainability** - Companies are increasingly applying the key success factors above to promote sustainability, as sustainability is important for them for several reasons, as follows:
  - ✓ More investors care about sustainability;
  - ✓ Companies that emphasize sustainability find that sustainability goals attract and inspire employees;
  - ✓ Customers prefer products of companies with good sustainability records and boycott companies with poor sustainability records; and
  - ✓ Society and activist nongovernmental organizations, in particular, monitor the sustainability performance of firms and take legal action against those that violate environmental laws.

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Learning Objective 4 : Explain the Five-Step Decision Making Process and its Role in Management Accounting

The five-step decision making process is as follows:

1. **Identify the problems and uncertainties**;
2. **Obtain information** - gathering information before making a decision helps managers gain a better understanding of uncertainties;
3. **Make predictions about the future**;
4. **Make decisions by choosing among alternatives**, with company strategy as the vital guidepost in the decision making process; and
5. **Implement the decision, evaluate performance, and learn**.

Steps 1 through 4 are collectively referred to as *planning*. In these planning activities, management accountants aid by preparing **budget**, which is the financial representation of the plan. While, in step 5, management accountants aid by recording transactions and