This study is undertaken with the purpose of examining the relationship between management accounting system effectiveness (MAS) and organization performance (OP). Specifically, the research seeks to figure out what are the benefits derived from MAS that OP could have from what expected to be the main influences in MASE. Moreover, the research concentrates on MASE that resulted from contingent factors, organizational coordination and control requirements (OCCCR) and information quality IQ. In particular, examine the effect of MASE arising from OCCCR and IQ on OP with regard to individual impact (INIM) and in developing countries’ context, the case of Libya. More specifically, IQ as one of the MAS requirement and OCCCR which consist of information interdependence (INFIN), formalization (FO) and information inter-organization (INFORG) are the selected contingent variables, with MASE model as an intervening mechanism between these contingent variables, and OP. This study also looks for evidences about the effectiveness of suitability of MAS’ information from system users’ perspective (perceptions of MAS’s end users such as CEOs). Previous researchers have realized the contribution of information technology (IT) in improving the individual performance chiefly in terms of productivity and effectiveness (Ivari, 2005a). The study is beneficial and significant because it supports the need to consider individual and environmental factors together. The expected outcome of the research is that MAS that rose from the impact of the contingent variables has a direct positive impact on OP. Also the relation between system effectiveness and performance may effect by INIM. In addition, using users who work in companies that are working in a developing country, Libya, and have adopted sophisticated systems, those systems help exchange information between departments and other companies electronically as the population of this study is a useful for this research because of the fundamental changes that Libyan economic have especially after the lifting of the embargo on Libya which took place April 1999 when the UN Security Council had suspended the sanctions imposed on Libya and by 2003 the sanctions was terminated. This change has created a good environment for researchers to conduct studies because, recently, some of the current organizations have adopted advanced systems such as communication, banking and oil and gas companies (Twati, 2008, Leftesi, 2008), and hence the existence of the knowledge that individuals gained to evaluate these systems after they have got practical experience in both advanced and traditional systems. A quantitative approach was chosen for this study using items from previous studies. The result shows significant mediating effect of MAS effectiveness on the relationship between the chosen contingent variables and organization performance and the comprehensive measurement contributed in this study shows a satisfactory result. However individual impact shows weak moderating impact and the end user satisfaction and MAS usefulness show different impact on organization performance. In conclusion, this study is seeking to develop the above by reining on an existent established knowledge of the literature that studied both AIS and MAS’s variables (contingency perspective) and tools (Nicolaou, 2000, Chenhall and Morris, 1986, Rom and Rohde, 2007) and the contribution of this study was clearly recognised.

SMEs are considered as the backbone of most economic growth worldwide including Malaysia but their existence and importance as individual are frequently under estimated. SME’s individual environmental impacts seem to appear at a minimum level but environmental cases reported otherwise. Even though they should be equally accountable, little is known about SMEs’ initiatives in preserving the environment. Inspired by the above, this study decided to explore Malaysian SMEs’ involvement in environmental initiatives including environmental reporting. The motivations for environmental initiatives of SMEs in Malaysia are investigated to provide opportunities to encourage and to educate SMEs to implement the environmental initiatives and communicate their environmental information. This study used qualitative research methodology employing grounded theory approach. The data collection process included semi-structure interviews, content analysis of documents and observations and focused only on SMEs that are registered as members of FMM. Through interviews, observations and content analysis this study revealed that the SMEs did implement some environmental initiatives. Despite being said to be smaller in nature findings of this study indicated that Malaysian SMEs also demonstrated their responsibility towards the environment. These SMEs not only complied with the related environmental rules and regulations but they also committed their limited financial resources to implement several environmental initiatives. Among the non-mandatory initiatives implemented are environmental management system, waste management, energy conservations, tree planting and creating environmental awareness. It was identified that the SMEs did have environmental reporting as part of their environmental initiatives. They communicated to their stakeholders the companies’ environmental policies and objectives, their environmental friendly practices and the environmental initiatives implemented. However, it was also identified that the information was provided more on ad hoc basis rather than systematically and periodically and mostly did not convey the complete information of actual environmental initiatives implemented. Thoroughly, this study discovered the key motivating factors for environmental initiatives amongst SMEs by reviewing the ‘who’ could motivate from the lenses of the Stakeholder theory which give rise to a ‘stakeholder-driven factor’. Meanwhile, the Institutional theory is utilised to justify as to ‘how’ the SMEs are influenced to engage in environmental initiatives and it gives rise to ‘institutional-drive’. It was identified that regulators, customers, the environment through the nature of the business and owners-managers are the factors that could motivate the SMEs to implement the environmental initiatives. Without doubt, the findings of this study support the Stakeholder theory. The theory is further enhanced by providing thorough and in-depth explanation of the relation between the SMEs and its stakeholders. This has given rise to the discovery that not all the SMEs’ customers will become the motivating factors for them. There are only some categories of customers that can act as motivating factors. Meanwhile others cannot. SMEs’ Implementation of Environmental Initiatives Index is developed from the findings and can be utilised to identify the possibility for an individual SME to engage in environmental initiatives. Since this study has revealed that SMEs did implement environmental initiatives and practice environmental reporting, they should be motivated to present the information to the public. Environmental reporting could act as evaluation tools to assess the SMEs equally accountability towards the environment.