

Download Activity Based Costing Abc

Activity-based costing (ABC) is an accounting method that identifies and assigns costs to overhead activities and then assigns those costs to products. A subset of activity based management (ABM), it enables management to better understand (a) how and where the firm makes a profit, (b) indicates where money is being spent and (c) which areas have the greatest potential for cost reduction. Activity based costing (ABC) assigns manufacturing overhead costs to products in a more logical manner than the traditional approach of simply allocating costs on the basis of machine hours. Activity based costing first assigns costs to the activities that are the real cause of the overhead. It thenL'activity based costing (ABC) c'est-à-dire la méthode des couts par activité [1], ou méthode ABC, est une méthode de gestion de la performance qui permet de comprendre la formation des coûts et les causes de leurs variations.