

THE INCREASE OF PERFORMANCE OF AN ENTITY BY THE CONVERSION OF THE HIDDEN COSTS

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ABSTRACT: This article offers an intrinsic image of the hidden and identified costs at the level of an entity, including the causes and their ways of control. The main research instrument used here was the questionnaire and the results determined a better knowledge of the theoretical and methodological aspects necessary in order to identify the hidden costs at the level of an entity. Several aspects of the hidden costs are discussed, as well as their characteristics, evaluation, causes and generating sources. The connections between disfunctionalities, the generating factors of the hidden costs and their financial components are presented in theory and represented in graphics. The article closes with the authors' conclusions on the identification, determination, conversion and presentation in a situation of synthesis of the hidden costs of an entity, as well as the importance managers should grant to it.

Keywords: hidden costs, Activity-Based Costing, control, performance, opportunity costs.

JEL codes: M21, M41