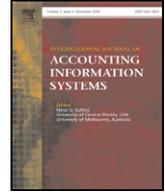




Contents lists available at ScienceDirect

International Journal of Accounting Information Systems



Extending AIS research to management accounting and control issues: A research note

Markus Granlund

Turku School of Economics, University of Turku, Rehtorinpellonkatu 3, FIN-20500 Turku, Finland

ARTICLE INFO

Article history:

Received 23 September 2009

Accepted 3 September 2010

Keywords:

AIS research
Management accounting
Management control
Theory
Methodology

ABSTRACT

The purpose of this commentary is to initiate discussion on the status of research on the interface between management control, especially management accounting, and information technology, and on how we could proceed to understand this relationship and changes in it. The commentary also points to the need for expanding the sphere of theories and methodologies applied in the accounting information systems field, if we want to explain and understand the complex and mutually constitutive nature of the relationship, especially how new technologies are actually designed and adapted to work in practice. The mainstream tradition tends to largely ignore the design and implementation processes and especially the struggles therein.

© 2010 Elsevier Inc. All rights reserved.

1. Introduction

Many authors have pointed out how diverse accounting information systems (AIS) research has been and obviously continues to be (see [Vaassen and Hunton, 2009](#), for a concise review). One striking observation in this regard is that AIS research has largely ignored the production of information for management control (MC) and partly decision making. This appears obscure as production of managerially relevant information is considered to be one of the core functions of corporate information systems (IS). Further, [Sutton \(2006\)](#) points out that the relationship between information technology (IT) and management accounting (MA) appears to be the most complex, penetrating and unpredictable in the field of accounting information systems.¹

Drawing on these insights, it can be argued that studying the interfaces between modern IT and management control is important in its own right for several reasons. If knowledge is power ([Markus and Pfeffer, 1983](#)) and modern IT, especially in terms of integrated IS, creates new knowledge, the importance

E-mail address: markus.granlund@utu.fi.

¹ On the other hand, it seems that the relationship between accounting and IT has been studied relatively little in general outside the AIS community. A recent literature review by [Efendi et al. \(2006\)](#) of four top-ranked U.S. academic accounting journals revealed that articles considering modern IT were practically non-existent in these journals.

appears obvious. In addition, there is probably no doubt any longer that IT, while still being fragile, produces transfers in management control. Finally, modern IT seems to propose integration all the time, even if it silences the fact that this may never realize totally. However, we have limited understanding of the forms, functions and outcomes of integration. Therefore, it is increasingly important to examine these issues, as they form the core in the whole field of modern management control. In this spirit, this commentary subscribes to the conclusion of [Dechow and Mouritsen \(2005, p.691\)](#) that "...control cannot be studied apart from technology and context because one will never get to understand the underlying 'infrastructure' – the meeting point of many technologies and many types of control" (see also [Lowe, 2004](#)).

This research note draws on an extensive literature review of major accounting, AIS and IS journals.² The analysis also facilitates several other sources of information. These include data collected for the author's earlier studies on IT and accounting and experiences gained in various expert projects. Dozens of discussions with specialists operating in the field, such as software consultants (e.g. from leading Enterprise Resource Planning Systems/ERPs, and other software vendors), and various technology users, such as CFOs, CIOs, controllers, production managers and logistics managers, have further clarified the picture of the developments in the area. Written material (incl. more than one hundred software product descriptions) and contacts obtained in in-house training, supervision of other empirical studies, and executive seminars have benefited the formation of a comprehensive picture of the issues dealt with in the following.

2. Reflections on recent developments in practice

Tight global competition forces companies to search for cost cuttings in all functions, including support functions. The call for better decision and control support (directly value adding) together with cost effective processes has led to outsourcing and the establishment of shared service centers; to more efficient, especially cost efficient, accounting processes in general. It is a fact that IT can help in realizing such objectives. Another question though is, does this also mean reduced decision times and more effective decision-making? This assumption is problematic, and it will definitely not flow automatically from enhancements in IT. Data warehouse technology and the rapidly increased supply of analytical package software (Data Warehousing, OnLine Analytical Processing, OLAP; Data Mining; Business Intelligence Portals; see [Berson and Smith, 1997](#); [Thomsen, 2002](#)) have empowered many enhancements in multidimensional analytical power and the efficiency of accounting processes, but obviously only to a limited extent. Modern IT has also enabled on-time and easy-to-use rolling forecasting and performance measurement systems for global companies. However, there exist indications that companies around the world are not using the analytical capability embedded in ERPs and other software packages to anywhere near its full potential (see [White, 2004](#)).

In general, internet-technology (including web-based standardization projects: XML and XBRL, see [Debreceeny and Gray, 2001](#); [Deshmukh, 2006](#)) combined with modern software package development (including Application Service Providing-technology/ASP, software rental over the internet; see [Harney, 2002](#)) has led to a situation where rehearsal of accounting and control is in principle independent of time and space.³ In multinational companies, modern IT has been used to create global information systems. At the same time, these developments have helped accounting in demonstrating functional efficiency. It is obvious that developments in IT have greatly enhanced routine accounting tasks and the process of closing accounts. However, at the same time it has appeared that the speed of these developments in general (e.g. web-invoicing and the paperless office) has year after year remained considerably lower than predicted by commercial research institutes. But why? Commercial surveys seem to suggest it is not that customers

² The starting point for selecting studies for the analysis was that they appeared in a major journal. A search in the accounting journals included in the SSCI revealed that only a few studies where IT has been an explicit concern have been published (notable exceptions are special sections in *European Accounting Review* in 2003 and in *Accounting, Organizations and Society* in 2005). After this, the search was directed towards AIS journals, especially *International Journal of Accounting Information Systems* and *Information and Organization*, and towards journals that are known to have published single articles in recent years on management accounting and IT. Altogether, studies examining the management accounting–IT interface were searched for in more than 20 journals (see Appendix 1).

³ Software as a service and open sourced software alternatives are fast growing markets and deserve further attention in academic circles, as well. Whereas these deliver certain benefits, they may also imply considerable risks to be controlled, for example as regards continued operation of the service providers.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات