

Management Accounting Change in Developing Countries

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Editorial

In recent years, investigations and debates regarding the changing nature of management accounting have aroused a tremendous amount of interest and concerns among academics. The debates have been supported by a wide array of contradictory research. On the one hand, some researchers [1-3] claim that management accounting has not changed but has remained a centralized function exercising formal controls dominated by external reporting. Yet, on the other hand, other researchers [4-11] argue that the management accountant's role has changed. The change is mainly in the tasks that management accountants undertake. Much more emphasis is being placed on strategy and decision-making roles, rather than the more traditional areas of costing and financial analysis. Between these two arguments others, for example Granlund and Malmi [12], concluded that there are moderate changes in management accounting and control procedures.

Currently, a growing literature exists on the drivers of management accounting change, change processes, resistance, and the consequences of change [13-14]. Management accounting change is not a uniform phenomenon. Consequently one might expect the causal factors of change to be varied. Drivers of management accounting change would frequently include both external (environmental) and internal (inter-organizational) factors. For example, it includes: changing business market conditions, organizational re-design, new managerial philosophies, increased business complexity, systems development, management technique innovations, human resource developments, champions of change and even myths created about the benefits of change. Other studies of management accounting change analyze organizational tensions, conflicts, and resistance toward change endeavors, or failures of change [15-17].

Although much attention has been paid to the management accounting change processes in developed countries, there is little research concerning this phenomenon in developing countries. Hopper [18] argued that management accounting practices are not universally uniform and cannot be understood without reference to the importance of cultural and economic factors in countries. At this juncture, yet more research needs to be undertaken in studying management accounting change processes in developing countries. Another research issue that needs to be explored is whether the success/failure of change in management accounting practices provides insight into the management control system characteristics.

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