

# Management Accounting Research: Primer, Predictions, and Pleas



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# Primer: What is Management Accounting Research?

- First understand what management accountants do **IN PRACTICE**:

-  Concerned with information useful **INSIDE** the firm

- Decision Facilitating
- Decision Influencing

- It's not about reporting the score of the game, it's about deciding how to play the game and making sure the team carries out the actions necessary.

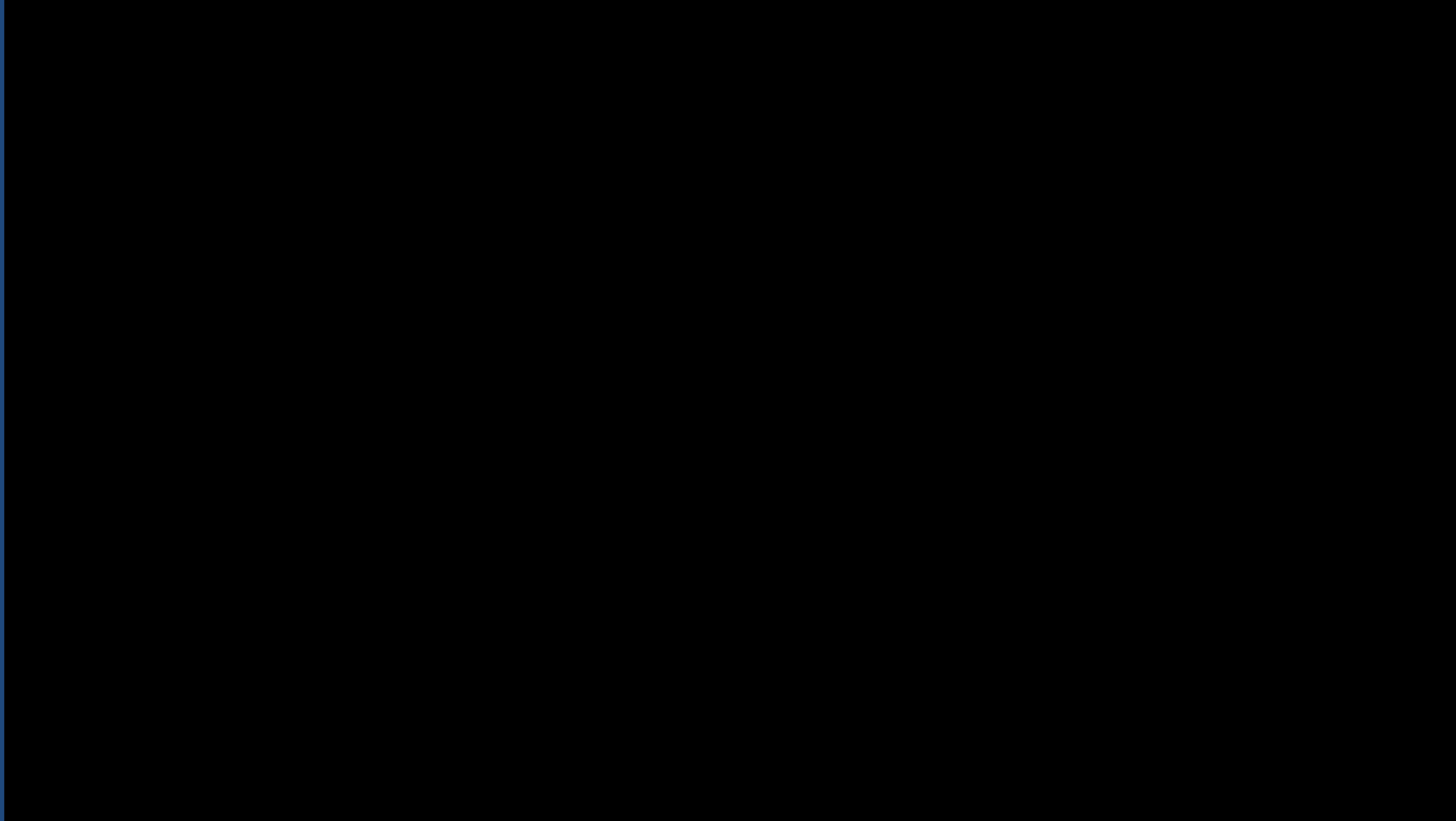
# Primer: Decision Facilitating



# Primer: Decision Facilitating

- 🏈 Management accounting information systems provide information that helps managers assess decision alternatives
- 🏈 Topic areas:
  - 🏏 Budgeting
  - 🏏 Costing systems
  - 🏏 Pricing
  - 🏏 Risk management
  - 🏏 Strategic Choice/Innovation
  - 🏏 Organizational structure/design

# Primer: Decision Influencing

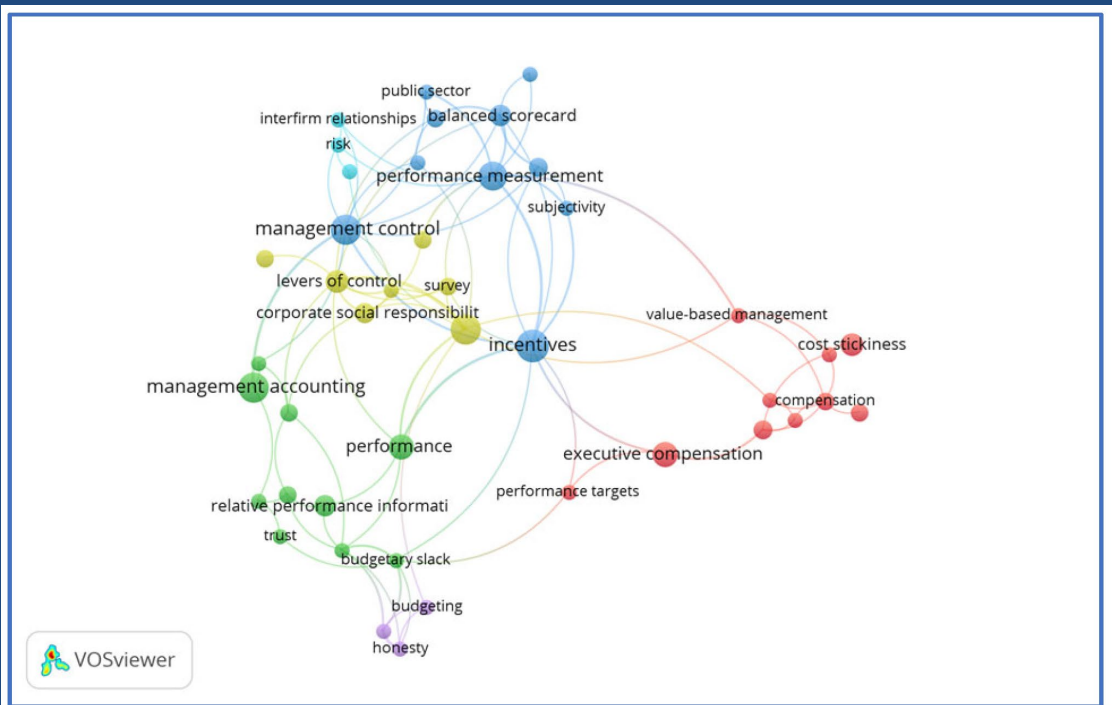


# Primer: Decision Influencing

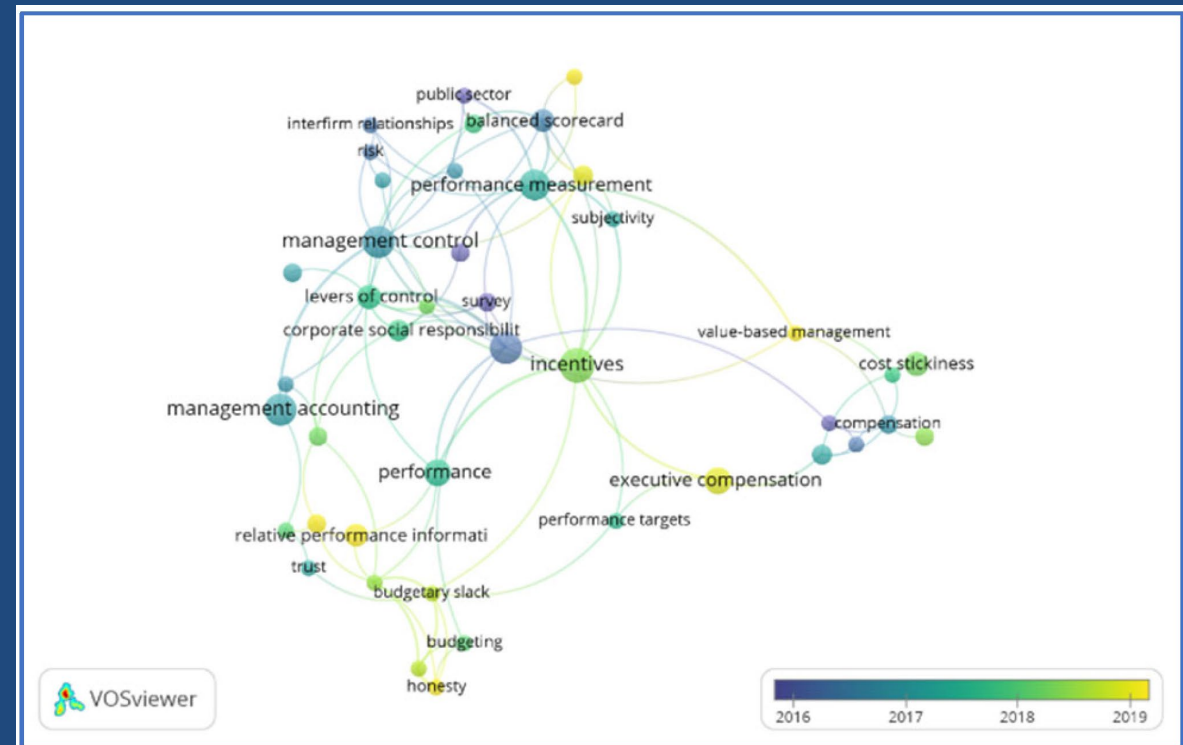
- Management accounting information used to motivate managers to take actions in the best interest of stakeholders
- Topic areas:
  - Management Control Systems
  - Performance evaluation
  - Incentive Design
  - Corporate governance
  - Subjectivity in evaluation

# Primer: Management Accounting Research

Source: Krisnadewi et al. (2023)



**Fig. 1.** Management Accounting Research Cluster, 2013 – 2022



**Fig. 2.** Overlay Visualization, 2013 – 2022

# Primer: Management Accounting Research

Source: Krisnadewi et al. (2023)

## ● Research methodologies

● Field Research

● Qualitative Research

● Experimental Research

● Survey Research

● Archival Research

● Analytical Research

Distribution of Article Publication based on Method (2018 – 2022)

Method	JMAR	MAR	Total
Archival	36.81%	22.89%	31.72%
Experiment	27.08%	28.92%	27.75%
Survey	15.97%	10.84%	14.10%
Field Research	4.17%	28.92%	13.22%
Bibliometrics/Conceptual/Literature/Critical Review	8.33%	3.61%	6.61%
Model Proposition	4.86%	4.82%	4.85%
Research Design	2.78%	0.00%	1.76%



# Data Sources

- Make your own!
  - Surveys, interviews, experiments
- Repurpose existing data
- Find innovative sources of data

# Traditional Data Sources

- Several “common” sources of archival data
  - Execucomp – “basic” information on the tabular compensation of top 5 executives
  - IncentiveLab – detailed compensation information (metrics underlying bonuses) for top 5 executives
  - BoardEx
  - Revelio Labs
  - Compustat
  - ESG Scores

# Repurpose Existing Data

- Drake, Engel, Martin (2023, RAST)
  - How are loss-firm managers rewarded?
  - It probably depends
    - Loss Expected (strategic growth/industry recovery expected)
    - Recovery uncertain/unexpected
  - How can we (as outsiders) know which it is?
    - Tax disclosure in F/S called value

***Amtrak Pays Executives Six-Figure Bonuses as Losses Continue***  
Some executives received payments of nearly half a million dollars as the rail service remained \$1.7 billion in the red and the new Acela program continued to face challenges.

CEOs Are Making Millions While Laying Off Thousands Of Workers And Filing For Bankruptcy

By [Jack Kelly](#),

# Innovative Sources of Data

- Explore what is out there!
  - Read articles from other disciplines (economics, psychology, etc.)
  - Use online data platform aggregator services



- Get creative!

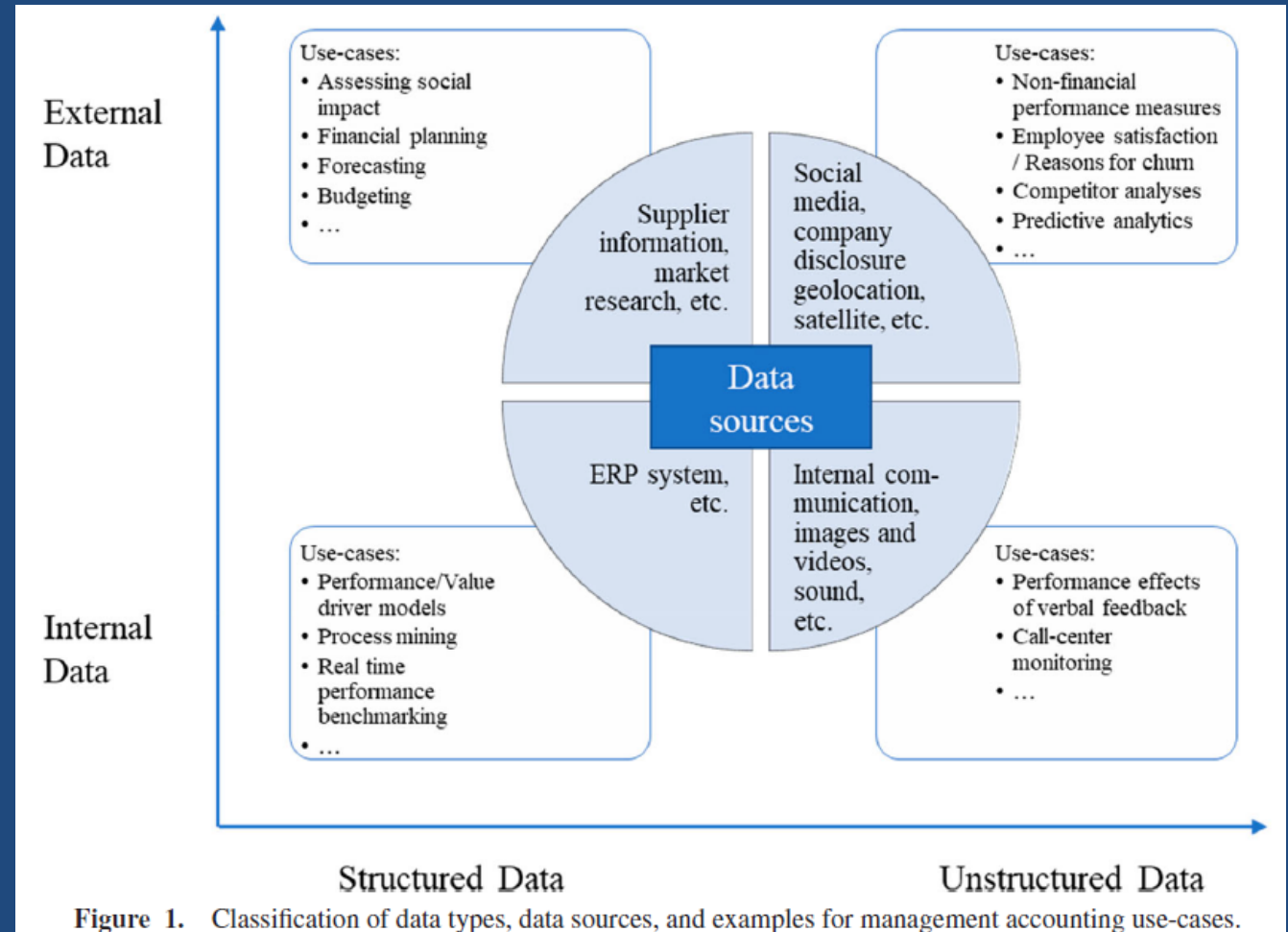
# Innovative Sources of Data

- Black & Vance (2021, MS)
  - How are promotion decisions made?
    - First impressions drive promotions
    - Updating with subsequent performance
  - Use data from professional baseball
    - Promotions within the minor league baseball system
      - Lots of available performance metrics
      - Original evaluations (draft position)



# Innovative Sources of Data

- Mahlendorf, Martin & Smith (EAR, 2023)
  - Identify use cases
  - Classify innovative data sources by type
  - Suggest unanswered research questions that may be suited to different data types



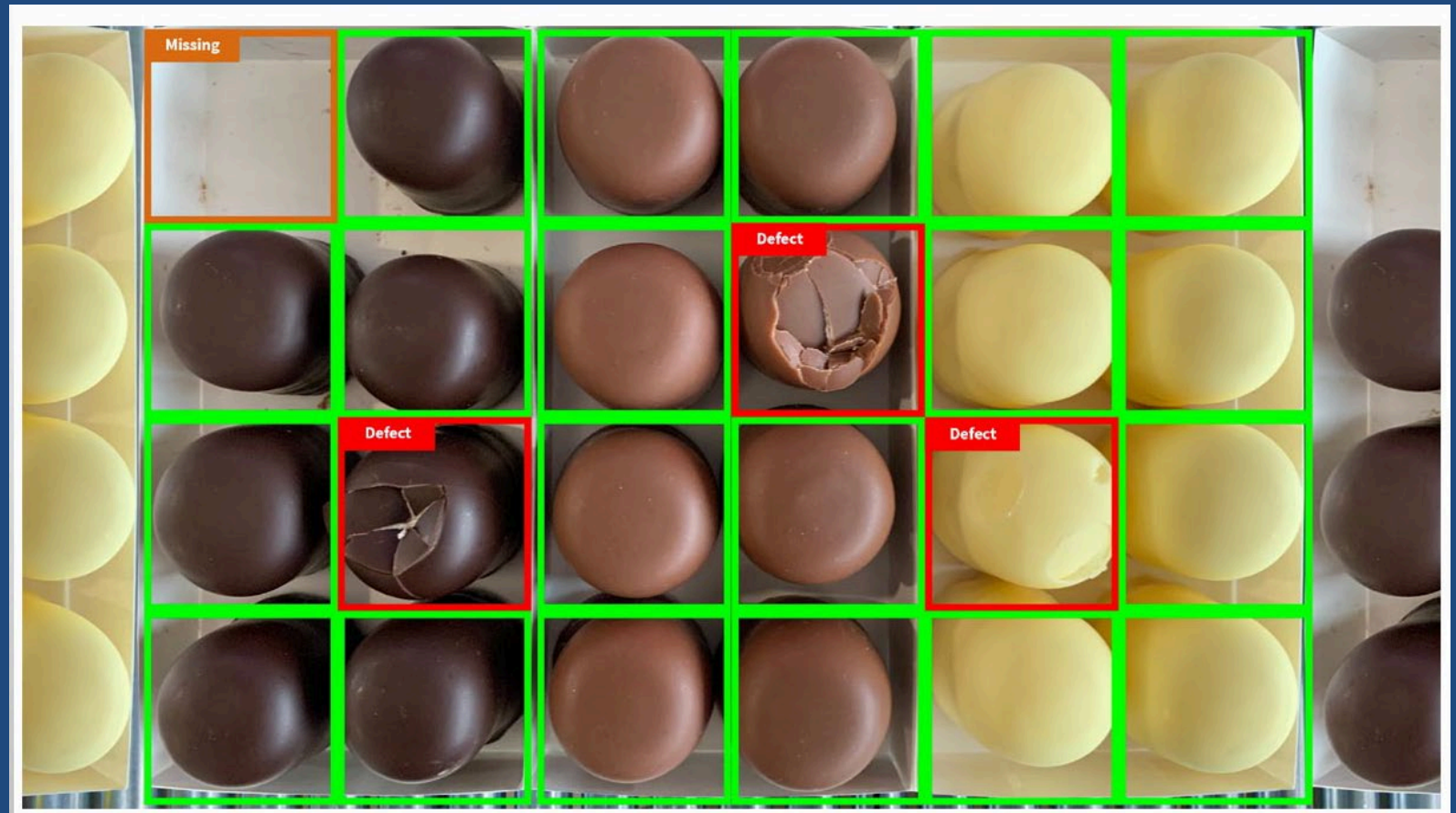
# Innovative Sources of Data (Examples)

Source: Davila & Guasch, JAR, 2022





# Innovative Sources of Data (Examples)





# Innovative Sources of Data (Examples)

The screenshot shows the InFeedo website. At the top, there's a navigation bar with links like 'Features', 'Pricing', 'Solutions', 'Resources', 'Partners', 'Blog', and 'Contact'. Below this, a green banner highlights a case study: 'Medallion Systems 80% of risk employees & employees like this with Ambot'. The main content area features a woman's illustration and text: 'Meet **Ambot**. She's an employee experience chatbot who chats with your employees and finds those who are unhappy.' There's a 'Get Started' button and a 'Download Case Study' button. At the bottom left, there's a 'Combinator' logo.



# Innovative Sources of Data

- Chen & Martin (WP)
  - Use data from NYC yellow cab trip logs
  - Identify all trips between public firm HQ and ISS
    - ISS is a firm that evaluates executive compensation practices
    - Highly influential
    - Firms WANT positive recommendations
  - Show that firms visiting ISS more likely to get favorable recommendation



# Predictions: Where are things headed?

- Role of “non-human” data sources
  - Decision facilitating
    - How do humans interact with emerging digital technologies to change their decision-making processes?
      - Accuracy
      - Reliance
  - Decision influencing
    - How do humans respond to controls/targets set by non-human sources?
      - Target setting based on algorithms
      - AI driven personnel decisions

# Predictions: Where are things headed?

- Shareholder vs Stakeholder focus
  - Decision facilitating
    - How are organizations structured to facilitate “ESG conscious” decisions?
      - Separate ESG group
      - ESG specialists integrated into each group
  - Decision influencing
    - How do organizations incentivize stakeholder preferred outcomes?
      - Decrease incentives for financial performance
      - Create incentives for ESG performance (but what data is needed to measure)
      - Create a culture shift within the organization

# Pleas

- Partner
  - Management accounting can help to understand phenomena across all topical areas
    - Incentives of financial analysts
    - Promotion processes in audit firms
    - Corporate implementation of tax policy
  - Talk to your peers in the area (or in other areas if this is you)

# Pleas

- Practice
  - Try to connect your research to practice
    - Use connections
    - Use plain English summaries
    - Use AI
  - Talk to practitioners to figure out what problems they are wrestling with
  - Make your research accessible and digestible to practice



PERFORMANCE



# Pleas

- Pedagogy
  - Use management accounting techniques to make your classroom better
    - Decision facilitating
    - Decision influencing
  - Bring your research into the classroom
    - Even at very basic levels

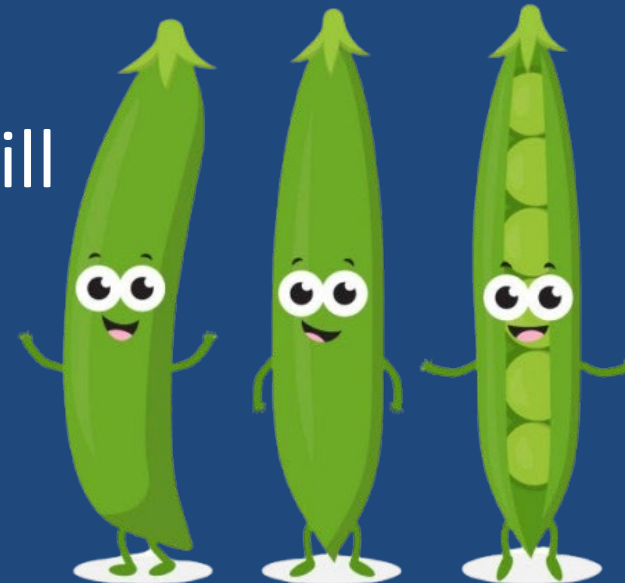


# Pleas

- Persevere
  - This is a TOUGH (but amazing) profession
  - In 2018 I received 6 rejections in 7 days (TRUE STORY)
    - Learn to find the good in failure
      - Lots of referee reports
      - Lots of presentations (conferences and workshops)
      - Importance of co-author relationships
    - All are now published in Top journals
  - Keep writing and pushing on good projects
    - Learn to prioritize

# Conclusion

- Management accounting is an exciting field!
  - Decision making is tied to any topic you are interested in
  - Think about how you can add some insights from management accounting
- This is ultimately what most of your students will be doing (working inside a corporation)
  - SO EMBRACE IT!
- Partner, Practice, Pedagogy, & Persevere



Good Luck!!!

