2008 Distinguished Contribution to Management Accounting Award Winner – John Shank

This year’s Committee to select the recipient of the Lifetime Contribution to Management Accounting Award was faced with an unusual problem when we met to select this year's recipient. One of the nominees had recently unexpectedly passed away. We were aware that the award was intended for a living individual. Faced with this dilemma and recognizing the merits of the nominee, we proposed to the Section’s Operating Committee a new award whose criteria for selection would be as rigorous as those of the Lifetime Contribution Award.

We also proposed restrictions that would prevent the award from becoming anything but one awarded under unusual circumstances. Indeed, it is our hope that we have created a unique award. The Section’s Operating Committee looked favorably on our request and established The Distinguished Contribution to Management Accounting Award. The recipient of this award is the late John Shank.

John Shank was exactly the kind of academic who could have answered the AAA’s question: “How can we make our research more relevant to practice?”. A creative researcher and a brilliant teacher, John found synergy in the two by searching out research issue that were germane to managements activities and then translating the answers into books and cases so they were accessible to managers and other teachers.

John’s interest in management accounting was centered on issues of measurement. What data do managers need to make decisions and how can we, as accountants, better meet their needs? While this question took many forms, by far the most well known was his work with Vijay Govindarajan on Strategic Cost Management. They won the Management Accounting Section’s Outstanding Contribution to Literature Award in 1995 for their book, Strategic Cost Management. The essence of their contribution is the recognition that management accounting data have an impact that extends beyond short run decisions and we must recognize this in our data.

How impactful is this contribution? A search on Google Scholar using the full phrase “strategic cost management” generates nearly 2,000 “hits” across wide range of sources.

As a teacher, John was at home at any level; and always brilliant. I could offer the testimonials of others, however, what brought his classroom performance home to me – and it was a performance in the truest sense of the word – was watching him at one of our Accounting Round Tables. He held 50 top financial officers in the palm of his hand while he presented his material. They were busy individuals with many things on their minds and schedules. But not one left until John had answered the last question. I can assure you that it was not out of courtesy.
Management Accounting lost one of its most creative minds and a brilliant teacher when John passed away. This award is a way of recognizing his contribution.