

Minutes Management Accounting Section 2012 Mid-Year Executive Committee Meeting (Houston, 7 January 2012, 3:15pm – 4:45pm)

Conducting: Joe Fisher

Attending: Joe Fisher, Theresa Libby, Kip Krumwiede, Wim Van der Stede, Mary Ellen Carter, Michael Williamson, Ella Mae Matsumura, Mina Pizzini, Margaret Shackell-Dowell, Ann Gabriel, Ramji Balakrishnan, Andrea Drake, Leslie Eldenburg, Nick Fessler, Joanna Ho, Raef Lawson, Kim Langfield-Smith, Henri Dekker, Anne Farrell, Murray Lindsay, Christine Denison

Excused: Wayne Bremser, Alan Webb, David Otley, Marc Wouters, Ali Sedaghat, Tim West, Maria Leach, Marty Stuebs, Anne Lillis, Jan Bouwens, Brian Mittendorf, Don Moser, Dan L. Heitger, Michal Matejka, Naomi Soderstrom, Margaret Woods

Meeting started at 3:15pm

1. Report on *JMAR* – Ella Mae Matsumura and Ramji Balakrishnan

- Ramji began by reporting that *JMAR* has been indexed in Scopus and the 2011 issue is going out
- He expects a total of 8-9 paper acceptances for the next issue (including 2-3 more by June)
- On the topic of multiple issues, he said he can only get 8-9 acceptances for the year. He said the key challenge facing *JMAR* is marketing the journal. There needs to be a sustainable marketing plan we can all commit to. People feel it is a good journal but it “doesn’t count.” But authors can always expect a turnaround time of less than 120 days. Through discussion we generated the following ideas:
 - Get speakers to write up their talks.
 - Point-counter-point paper on the use of participant “deception” in experiments.
 - Marc Wouters’ idea for joint session at international conferences in Europe.
 - Post cards (or email) marketing the journals to all AAA members.
 - Table of Contents email alerts to all AAA members, including both accepted and published manuscripts.
 - Now that we are in Scopus, let’s send out announcements about this news.
 - Survey Section membership about *JMAR*.
 - Offer senior faculty a “fast-track” review process with one round, yes or no (similar to *CAR*). Others thought junior faculty might benefit more from this option. *Action item: Joe asked Ella Mae to consider this idea in the Publications Committee.
 - *JMAR* reception at the AAA Annual Meeting (or the APLG meeting).
 - Ella Mae said we all need to encourage and support *JMAR* by submitting articles, talking it up, etc.).

- Ramji proposed that he, Joe, and Ella Mae co-sign a letter and send out to all chairs.
 - Still pursuing SSCI approval although it is a “black box” process.
2. Confirmation of the OC Minutes (Denver) and EC Minutes (Atlanta) – Joe Fisher. Unanimously approved without discussion or comment.
 3. Matters Arising from the Minutes – Joe Fisher. None brought up.
 4. Consent Agenda Items – Joe Fisher
 - Andrea Drake reported that a new AAA-wide platform is coming that will make it easier for her to update the Section website. The Commons area is getting a new “skin.” Currently it is hard to use and find things.
 - Mina Pizzini reported the AAA Annual Meeting in Denver went well. There were more submissions, reviewers, and discussants than previous meetings. She also mentioned that so-called “Discussion Sessions” had been discontinued but without effect on the Section’s overall share of papers and representation on the overall meeting program.
 - Joe reported that Section membership currently stands at 1,453 members (up from 1,258 on Aug. 1st). This number should be the “correct” number following the AAAHQ systems update/cleaning on how members are recorded. Joe noted that although historical comparisons are difficult (because of the AAAHQ systems update), the Section membership number seems very healthy and high by historical levels.
 5. Report on Section Financials – Kip Krumwiede
 - Kip reported that the Section is in good shape financially. Revenues are up due to higher membership dues, Midyear meeting registration fees, journal submission fees, and annual meeting lunch tickets. In addition, expenses for mailing/postage are down, presumably due to more online subscriptions to *JMAR*. On the other hand, some other expenses have increased such as for Hotel-Audio Visuals (much of this is driven by having laptops and projectors in all concurrent sessions), speaker expenses, travel, and awards.
 - The much higher ending fund balance as of May 31, 2011 also reflects the \$62,500 restricted fund contribution by the IMA as a pledge for the Doctoral Consortium over the next five years.
 6. Nominating Committee Election – Wim Van der Stede
 - Wim explained the procedure to form the next Nominations Committee. He then proposed the following names to join the Nominations Committee: Annie Farrell, Christine Denison, Leslie Eldenburg, and Henri Dekker. There was a move to accept this list, which was seconded. Unanimously approved.
 7. Report on 2012 Mid-Year Meeting and IMA Doctoral Colloquium—Mary Ellen Carter and Henri Dekker
 - Mary Ellen Carter reported that this meeting was the first where non-Section members were allowed to designate \$15 of the additional registration fee to sign up for Section membership, and this option appeared to be a success. As for the concern with FARS

scheduling their Midyear meeting at the same time as our Midyear meeting, Mary Ellen was relieved to report that 273 members still registered for our Midyear meeting, which is great attendance, but certainly would have been higher if some potential attendees would not have had the conflict with the FARS meeting. Indeed, some did decline offers to serve as discussants due to the FARS meeting. Mary Ellen also did report some challenges in working with the AAA staff, who were stretched with the two meetings taking place at the same time. The next Section midyear meeting will be in New Orleans in January 2013.

- Henri Dekker reported that the Doctoral Colloquium went very well. There were 59 attendees (down slightly from 62 last year). There were, however, many applications that came in after the deadline (possibly because some wanted to attend after they had heard of acceptance of a paper in the main conference). A survey after last year's colloquium indicated the strongest feedback for the research method sessions and the session on how to review/discuss papers.

8. Changes to Operating Manual due to Section Council Member position – Joe Fisher

- Joe reported that the AAA has decided to alter the membership of its Council, with the new Council Member representing the Section to serve a 3-year term on the AAA Council (see attached). Joe said that because this change is required by the AAA, it is a correction to the bylaws rather than an amendment requiring a vote by two-thirds of the members voting. The AAA-required changes require very few changes to the bylaws (only two items on pp. 4-5; see attached). After due discussion, the EC voted unanimously that this is a correction and not an amendment.
- Action item: Joe will send email notifying Section members of the mandated correction (and Andrea will post on website).
- There was some further discussion about the point being added to the Procedures Manual, namely that, "if practical, the Section's Council Member be a Past President." There were no serious concerns with this item or any of the other changes.

9. Section name change (Consultation Paper attached) – Joe Fisher

- Joe presented the background on the proposal to change the name of the Section to the Management Section of the American Accounting Association (see attached).
- Wim Van der Stede discussed the Strategy Advisory Board's support of the name change and read an email from David Otley who discussed how the proposed name better reflects what the Section is doing.
- Murray Lindsay asked about calling it the Management Accounting and Control section, but Wim pointed out that that would exclude some things such as risk management. Wim also argued that the SAB wanted the name to be rather robust in time and not subject to change as topics come in and out of vogue.
- Raef Lawson commented that the IMA also faced the same issue and changed its tag line to accounting and financial professionals for business.
- Other views expressed that the term management accounting is not used in practice. There was also further discussion of pros and cons of a name change.

- In a straw vote of interest in the proposed name, all but one person voted in favor.
- An official vote on whether to send the proposal to the membership for a vote was unanimous.
- Action item: Joe will send out an email within the next month and conduct an email vote in late Spring.

10. SAB initiatives – Joe Fisher

- None mentioned.

11. Other business

- Proposal from Marc Wouters for parallel sessions in collaboration with the Section at international accounting conferences in Europe This proposal was mentioned, but due to time constraints not discussed further at this meeting.
- On behalf of Ken Euske, Leslie Eldenburg was asked to remind the EC of the Midyear meeting’s “hub airport” policy. Wim replied that the Section’s Operating Manual has a clause on this which is expected to be, and has been, followed in the spirit intended.
- Murray Lindsay reported that the CMA-Canada MAP guidelines will be posted soon for access by Section members.

Meeting adjourned at 5:02 pm.

Action Items:

- Joe asked Ella Mae to consider a “fast-track” review process idea in the Publications Committee.
- Joe will send email notifying Section members of the mandated correction to the bylaws regarding the new Council Member position (and let Andrea know so she can post on website).
- Joe will send out an email to all members of the Section presenting the proposal to change the name of the Section to the Management Section of the American Accounting Association in due course and conduct an email vote in late Spring.

**Proposed Changes in *Operating Policies and Procedures Manual*
Necessitated by Changes in AAA Council**

The AAA has decided to alter the membership of its Council. The new Council will be smaller, and it is anticipated that it will have a greater role in the AAA's governance. Under the new structure, Council representatives will serve a three-year term. These terms will be staggered so that the entire membership of the Council does not change in any one year. Under the transition agreement, the Section's first AAA Council Representative, Wim Van der Stede, is serving a one-year term.

The change in the AAA Council term structure was done to provide greater continuity. In the past, short Council Member terms resulted in a lack of experience. It is hoped that a smaller, more "nimble" Council combined with the new term structure will mitigate some of the "learning curve" issues and allow the Council to have a greater voice in the AAA's governance.

The change in the AAA Council necessitates the following changes in our Section's Manual:

- Page 4 Delete A8; Add Council Member to Executive Committee
- Page 5 Delete B6
- Page 7 Add Council Member to Operating Committee
- Page 10 Delete Spring Council Meeting
- Page 10 Add:
 - As needed, select the Section's AAA Council Member
 - The Section's Council Member serves a three-year term commencing in August
 - If practical, the Section's Council Member be a Past President
- Page 11 Delete Spring Council Meeting

Add to Section Positions:

Section's AAA Council Member

Tasks, Duties and Responsibilities

- Attend AAA Council meetings. These meetings will be held quarterly. One meeting is typically held in conjunction with the AAA Annual Meeting in August.
- Attend Section Business Meetings to report on issues confronting the AAA with emphasis on those items that affect the Section.
- Ability to advocate the Section's position regarding relevant issues.
- Ability to anticipate potential consequences of AAA policies for the Section.

Meetings

January: Executive Committee Meeting at Section's Midyear Meeting

August: Operating Committee Meeting at AAA Annual Meeting

Quarterly: AAA Council Meetings

Strategy Advisory Board – AAA Management Accounting Section

CONSULTATION PAPER (September 28th 2011)

Proposal to change name of Section

This document presents the view of the Strategy Advisory Board on the issue of the Section's name.

Background

It has been suggested that the term 'Management Accounting' has become dated and has little meaning to those outside academia. More importantly, the term 'Management Accounting' may not fully represent the interests and activities of many Section members anymore.

- (a) In the business world, the term 'management accounting' and job title 'management accountant' have fallen into disuse. With many alternatives such as financial analyst, business analyst, and performance manager being used, few practitioners are now described as management accountants. This puts the Section's title in danger of becoming meaningless to practitioners.

For example, participants at Harvard's *Driving Corporate Performance* executive education course—which essentially deals with topics that most would consider to be solidly within the scope of what we traditionally call 'management accounting'—job functions and titles are as varied as CFO, Finance Manager, Director Corporate Control & Business Analyst, Director of Corporate Performance & **ERM**, Head Strategy & Performance Management, Head **Strategic Planning**, Six Sigma Project Leader, Head **Project Planning**, VP **Operations**, Head of **Quality**, VP **Market** Management, and VP **Sales**. This suggests not only the non-use of the term 'management accounting', but also, as emphasized in bold, *that management accounting is practiced by individuals throughout organizations, not all of whom have accounting backgrounds*.

- (b) The teaching and research interests of Section members now encompass a wide range of activities including the development and use of nonfinancial performance measures, the development and use of risk metrics and risk management systems, issues of organizational design (such as in the specification of responsibility centers and the allocation of decision rights), studies of incentive and compensation systems, and wider issues of corporate governance and strategy execution. The term 'management *accounting*' does not seem to naturally evoke these areas.

For these reasons, it is thought that a name change for the Section could be considered. The current **branding initiative** of the AAA provides an impetus to make such a change now, so that the new Section branding identity can be used from the start to publicize the new name. (See Appendix.)

Possible alternative names

That said, it proved remarkably difficult to come up with a succinct name that represents the broad range of interests and topic areas covered by the Section. Three possibilities were identified, as follows:

- (a) **Accounting for Management.** This is thought to avoid the issues around professional job titles and covers the same area as the original title. The implied emphasis, however, is on the 'accounting' part. As such, it does not deal with the second set of issues around the increasingly broad scope of Section members' activities. Moreover, this variation takes on the form of a 'description' rather than a 'name'.
- (b) **Accounting and Management.** This option allows for wider scope, especially if it is interpreted as representing the set of activities covered by *both* 'accounting' and 'management' rather than just the intersection of the two. Also, the use of the connective 'and' addresses the issue that management accounting is, as appears to be the case, practiced by individuals throughout organizations, not all of whom have accounting backgrounds. However, this variation still has the downside that it seems to imply that non-accounting topics, or related topics, such as those of organizational design, risk management, or corporate governance, are excluded.
- (c) **Management.** This was originally suggested by the AAA Branding consultants as they tried to simplify the names of the segments of the AAA. When the Section leadership first saw this rather unexpected alteration of our Section name, it seemed too broad, but equally, after a (remarkably small) pause and some further reflection, it seemed to quickly grow on them. Furthermore, it is important to emphasize that 'management' will be presented in the context of the Section being the Management Section of the American *Accounting* Association. (See Appendix.) On balance, then, it has the advantage of covering many of the wider areas in which Section members are active, and it would not date rapidly.

Recommendation

Having discussed the various possibilities, the Strategy Advisory Board sees option (c) as the most suitable and recommends that the name of the Section be changed to the Management Section of the AAA. Indeed, the Section is often referred to in meetings as the 'Management' Section already. Given that the context is always that the Section is a segment of the American Accounting Association, it is not thought that such a designation would cause any confusion.

What this would *not* imply

This proposal entails *a change in the name of the Section only*. The names of the journal and of awards are not intended to change.

All told, the proposed '*Management* Section of the American *Accounting* Association' still captures *management accounting's* two constituent terms, only more inclusively so than with the current Section name, as it allows to encompass everything pertinently related to the management of organizations in the realm of the AAA whose purpose it is to further the discipline and profession of accounting. As we have argued though, the 'profession' of *management accounting* increasingly extends beyond just accounting by accountants.

Appendix

1. Management Accounting Section of the American Accounting Association



**American
Accounting
Association**

**Management
Accounting**

2. Management Section of the American Accounting Association



**American
Accounting
Association**

Management