

The 36th annual MARG conference: The state and future of management accounting held at London School of Economics

The first theme of the 36th annual MARG conference held on 16 April 2015 was “The state and future of management accounting”. The first speaker, Professor Mark Wouters, spoke on whether knowledge about management accounting resides to a great degree outside management accounting practice and research. He provided evidence, both practice based and from academic research, that this is arguably the case.

The next speaker, Adrian Ryan, discussed changes in the finance function. He provided illustrations of IT's growing impact on finance and raised the question of whether finance professionals need to extend their skills including considering raising their systems expertise and investing in understanding social media and big data to a greater extent. He regards finance as not contributing leadership in this area at present. He also indicated that there are gaps in Finance's understanding of the potential of shared services and business partnering.

Stephen Ibbotson, Rick Payne and Phillip Smith discussed business performance management. They reviewed the business literature pointing to past and ongoing tensions relating to organisational settings and information provision. They discussed in depth two case studies both pointing to the need to heighten the focus of existing performance measurement systems. They offered extensive insight on the need for organisations to assess the propriety of their performance measurement variables on an ongoing basis.

The second theme of the conference was “Management accounting principles”. Naomi Smith discussed CIMA's Global Management Accounting principles focused on influence, relevance, trust and value to help enterprise extract value from the rising volume of information. She offered pointers to the value of the principles in practice.

Professor Teemu Malmi then gave an academic view on management accounting principles. He noted the need to focus not just on decision making but also on control. He noted that the four principles should be “self-evident” to management accounting practitioners.

The conference continued with participants discussing management accounting principles in break out groups. The groups discussed opportunities and challenges presented by principles. There was support for the principles especially among practitioners attending the conference. Professor Michael Bromwich ended the conference by thanking CIMA and ICAEW who have both kindly supported the conference for many years and then added his reflections on management accounting change prior to a well-attended buffet dinner for participants.