A Contingency Framework for Effective MAS Design in the New Economy

In management accounting research, researchers still use the traditional definitions of technology initially developed by Woodward (1965), Thompson (1967), and Perrow (1970) when they examine management accounting systems design (MAS), while technology has changed dramatically over the last decades. A more modern description is now necessary to reflect the environment in which today’s firms operate. For instance, e-Business applications for B-to-B and B-to-C transactions affect to a great extent the design of MAS. The present paper proposes a framework involving several contingency variables associated with effective MAS design in the new economy. The framework is clear and provides guidance for future research.

The framework suggested aims to enhanced and reinvigorated traditional contingency models used in management accounting research. The objective of the paper is not only to conduct an analysis of relationships but also to propose a theoretical framework aiming to explain how these relations manifest.