

### **Lecture week 9\_Workshop: The origins of Management Accounting**

Please read, discuss and critically review the below quotation. In addition, based on your understanding of the Kaplan' (1984) paper, answer the following questions. Prepare your answers on paper to present and discuss with your classmates.

“Virtually all of the practices employed by firms today and explicated in leading cost accounting textbooks had been developed by 1925. Despite considerable changes in the nature of organizations and the dimensions of competition during the past 60 years there has been **little** innovation in the design and implementation of cost accounting and management control systems. Therefore, it is not only appropriate but necessary that we understand the sources of today’s practices, reflect on the new demands for planning and control information and develop a (new) research strategy to meet these new demands [...].” (Kaplan, 1984, p. 390)

#### Questions:

1. According to Kaplan 1984, why have there not been any MAJOR innovations in the Management Accounting practices after 1925? What possible explanations could be proposed?
2. What makes an innovation in MA little or major?
3. What “history” is Kaplan proposing? Why is it relevant, if at all? What message is Kaplan trying to deliver?
4. Is this the only possible “historical explanation”? Do you know any other possible “histories”?