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Workshop 12: Management Accounting Change & Risk Management

Please read, comment and discuss quotation from the Miller & O'Leary's (2008) paper. In addition, answer the following questions. Be prepared to present and discuss your answers with your classmates.

> "Hybridising is a continually inventive process, in which proliferation and multiplication is the norm. We have argued for a broader definition of hybrids, one that extends beyond organizational forms to include hybrid practices, processes and expertise. We have drawn attention in this essay to the importance of hybrids in both the public and private sectors, and across the boundaries of these increasingly overlapping domains. […]. Accounting is central here, as are the interactions between accounting information and other types of expertise, whether in the form of engineering, marketing, design, medicine or whatever. The hybridising of the calculative practices of accounting remains one of the most influential ways of rendering uncertainty and risk visible. We need to know more about the ways in which accounting interacts with, and at times, hybridises, as a result of encounters with other types of expertise. Even competing firms engage in continuous and frequent information exchange on a much larger scale than commonly acknowledged, and information transfers of varying types may work well without vertical integration. Much of this information is accounting-based, albeit modified to deal with the often localised nature of the information transfers" (Miller & O'Leary, 2008, p.961-962)

Questions

1. Analyse how hybridisation can take place. Can you identify the mechanisms through which hybridisation occurred in one of the examples reported by Miller & O'Leary? Can you represent these mechanisms & dynamics in a diagram?

2. Analyse how and to what extent management accounting metrics can be involved in the hybridisation processes? What role did accounting played in the context of Health Reforms in the Finland context?

3. How and to what extent is accounting involved in the process of making risk manageable? What are the implications of this process of rendering risk manageable?