

Chapter 2

Management Accountants' Skills and Competencies: How Business Analytics Tools Reshape the Future

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ABSTRACT

Information technology has profoundly disrupted the world as we know it. Advances in technology have enabled management accountants to gain access to an unprecedented amount of information, through the use of business analytics and machine learning tools. This research delves deeper into the above described context, in an attempt to collect empirical data on how business analytics tools have reshaped the modern day accounting profession and how they will continue to shape the future, according to management accountants themselves. In an effort to investigate the topic, several semi-structured interviews were conducted with management accounting professionals. Through the qualitative analysis of their contributions, the authors draw conclusions on how business analytics tools have affected their professional career, how they expect their future to be shaped, and to what extent they believe technology has allowed them to become more efficient.

DOI: 10.4018/978-1-6684-8386-2.ch002

1. INTRODUCTION

Management accountants (or controllers) are often described as critical partners and employees of businesses due to their beneficial role in supporting various managerial decisions (Goretzki, 2013). However, the abovementioned role demands higher skills outside the scope of traditional management accounting competencies (Karlsson et al., 2019). Therefore, management accountants must continuously evolve and improve to support the management decision system with prosperous and forward-looking skills and information from an array of new topics such as sustainability and digitalization (Ascani et al., 2021; Baldvinsdottir et al., 2009; Giacosa et al., 2022). There is literature that highlights the importance of the aspects mentioned earlier, and it empathizes that employers hire management accountants that possess, besides the traditional accounting skills, the necessary competencies to address today's new challenges and promote the company's long-term resilience and survivability (Budding et al., 2022; Lepisto & Ihtantola, 2018).

Additionally, the literature discusses the importance of management accountants' aptitude for business partnering (Karlsson et al., 2019) since they must conform to their company's cultural norms and attitudes (Endenich, 2014). Controllers operate in social networks within various dimensions of a business; thus, their soft skills became central to their role alongside their technical knowledge (Weber, 2011). Furthermore, this is particularly relevant given today's business structure and decentralization (Giacosa et al., 2023; Hyvonen et al., 2015). The business mentioned above requires skills that aid the management accountant, such as solid communication skills but, most importantly, the capability to understand the various operations that might be present within the different units and dimensions of the organization in which they operate (Dolce et al., 2020). Moreover, management accountants must possess the necessary skills to properly utilize business intelligence tools and technologies to support decision-making and performance evaluation (Rikhardsson & Yigitbasioglu, 2018). Therefore, it becomes necessary to address the fluidity and encompassing role under which modern management accountants must operate since they must be able to diagnose and adapt their skills and competencies to every situation in which they might operate, as well as diagnose it properly to provide upper management with the necessary information to make a meaningful decision which benefits both short and long term of firms, as well as other dimensions such as its corporate social responsibility (Nnorom & Olagbaju, 2020).

Consequently, the literature tailors the management accountant position as one that goes beyond scorekeeping and reporting professional, which focuses on the financial information of one's business (Oesterreich & Teuteberg, 2019). Part of the literature describes the controller as a business partner engaging in management-oriented decisions and as an internal consultant (Nnorom & Olagbaju, 2020; Karlsson et al., 2019). Therefore, if the management controller is defined as a business partner, it becomes an operational actor of sorts by strengthening the bond between financial and operational information and the decision-making process by enhancing the interactions with other components of the business, such as operational managers (Oesterreich & Teuteberg, 2019). Moreover, empirical evidence further suggests that presenting the figure of the controller as a business partner it helps improve workers' ability to resolve conflict resolution and engage in activities such as team building, motivation enhancements, and negotiation with both internal and external stakeholders and actors (Dolce et al., 2020).

Even with the abovementioned empirical findings, the complete set of skills and capabilities requested from managerial accountants remains to be seen (Karlsson et al., 2019). Moreover, as far as the authors are concerned, there needs to be more research concerning how management accountants assess and evaluate their competencies to remain attractive to businesses as professionals (Karlsson et al., 2019).

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