

CIMA research initiative

Relevance regained?

2012 marks 25 years since the publication of *Relevance Lost* in which Johnson and Kaplan alleged that management accounting information needs had become subservient to financial reporting requirements with the result that managers often did not receive the best quality information for decision making. It will also mark 20 years since Kaplan and Norton first promoted the Balanced Scorecard.

The world was a very different place 25 years ago: the Iron Curtain had not yet fallen, the internet had not been invented, Europe did not have a single currency, and Enron was admired as a success story. Since then, we've had corporate scandals, the dot-com bubble and the sub-prime debt crisis. The more obvious response each time has been to increase the emphasis on the integrity of financial reporting, risk management and good governance with a variety of codes and statutes. Finance functions have also experienced a relentless pressure to increase their efficiency, to provide better management information and an increasing expectation that they should become more engaged in performance management and make a greater contribution to their organisation's governance and, therefore, success. With these underlying trends, the emphasis on the roles of management accountants seems to have shifted from reporting and controlling through planning and analysis, to proactive performance management so that management accountancy is more relevant than ever.

To celebrate these anniversaries, CIMA intends to fund performance management related research and launch the results at a special event in 2012. This call seeks to answer such questions as:

- Which companies/organisations exemplify best practice in performance management today, what are they and what are the lessons for management accountants?
- What lessons are to be learned from the most successful adaptations of the balance scorecard for performance measurement systems of the future?
- Although the Balanced Scorecard has evolved to meet changing needs is it still relevant today and what is next for performance management if companies/organisations are to improve their competitive position?
- For most businesses, financial measures are about outcomes rather than the drivers of value, so they need to be balanced by other metrics. In the public sector the budget is still an essential tool to ensure value for money and to provide a form of management control in the short run. Therefore, the need for non-financial measures is greater. What is best practice here?

Case study based research proposals with a remit addressing this call are invited, though other methodologies may also be considered.

The output from this project must be ready for publication in August 2012, therefore projects with timeframes longer than 12 months are unlikely to be successful.

For this initiative, CIMA is prepared to consider funding to research already in progress.

Grants are typically between £5,000 and £40,000 depending on the scope of the project and its outputs.

Applying

Applicants are strongly advised to read CIMA's research strategy prior to application. Details and application forms can be obtained at <http://www.cimaglobal.com/research>

The closing date for applications is 1 May 2011 and shortlisted applicants will be invited to present their proposals to a CIMA review panel on 24 May 2011.

The review panel will be chaired by Alasdair Macnab FCMA, Director of the Royal Botanic Garden Edinburgh.

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