

Contents

Preface	vii
Acknowledgements	ix
1 Introduction	1
2 Emerging Issues	7
Historical development	7
Management accounting research	9
3 Performance Measurement and Analysis	14
Strategic management accounting	15
Objectives	19
Situation audit (SWOT analysis)	20
Benchmarking	53
Resource-based view of the firm	57
Performance measurement alternatives	60
4 Strategy Alternatives	64
Creative thinking	65
Developing an innovation culture	68
Evaluation	75
5 Product and Customer Profitability	86
Accounting system implications	86
Product profitability	87
Customer profitability	89
Customer relationship management	103
6 Know Your Processes	108
Cost behaviour: random variation and interdependent events	108
Activity-based costing	112
Operationalizing activity-based costing	115
Target costing	130
Activity-based management	132

Innovation and the activity-based management trade-off	141
Operationalizing activity-based management: the time dimension	144
Value-added management	160
7 Know Your People	168
Total quality management	168
Operationalizing total quality management	170
Overcoming total quality paralysis	179
Control: the missing link of total quality management	181
Total employee involvement	184
Strategic internal control	190
Employee empowerment	206
8 Management Information Systems	224
Non-financial indicators	224
The balanced scorecard	238
Measurement challenges for the not-for-profit sector	250
Challenges of technological innovation	253
9 Financial Modelling	255
Forecasting methods	256
Delphi methods	257
Heuristic methods	257
Probabilistic simulation	258
Time series analysis	259
Regression analysis	261
Discriminant analysis: failure prediction and corporate turnaround	262
Risk measurement	268
Risk analysis	270
Value-based management	278
References	285
Index	296