

The in information technology have been noted as

[Business](#), [Accounting](#)



The first environmental changes is advanced information technology. During the past two decades the use of information technology (IT) to support business activities has increased dramatically and the development of electronic business communication technologies known as e-business, e-commerce, or internet commerce have had a major impact on management accounting. Advances in information technology have been noted as a key force in changing management accounting (Scapens et al, 2003; Dechow et al, 2007).

Enterprise resource planning systems (ERPS) is one of the advanced application that has a considerable impact on business information. An ERPS comprises a set of integrated software applications modules that aim to control all information flows within a company. It helps the management accountants to do their job more efficiently by breaking down barriers between business units. The introduction of ERPS has the potential to have a significant impact on the worker of management accountants.

In particular, it substantially reduces routine information gathering and the processing of information. Instead of managers asking management accountants for information, they can access the system to derive the information they require directly and do their own analyses.

Developments in information technology have enabled management accountants to build Cost-Volume-Profit (CVP) computerized models. Cost-Volume-Profit (CVP) analysis is a managerial accounting technique that is concerned with the effect of sales volume and product costs on operating profit of a business. Managers can now consider alternative plans by keying

the information into a computer, which can quickly show changes both graphically and numerically.

Thus, managers can study various combinations of changes in selling prices, fixed costs, variable costs and product mix and can react quickly without waiting for formal reports from the management accountant.

Moreover, another information technology that give impact on management accounting is cloud computing. In simple terms, we can think of cloud computing as a utility like water or electricity in that computing resources are available on demand, anytime, anywhere, at a relatively low cost. A business may be driving cost savings, and thus explore cloud computing as an option, and no doubt a management accountant may be involved providing impact assessments and cost estimates. Cloud computing may even be used for key financial reporting and management information systems. The way in which management accountants and managers interact to make decisions may even change as a result of the ubiquitous ease of access to information. However, these are all suppositions that need to be fully researched and were the key rationale for this exploratory project.