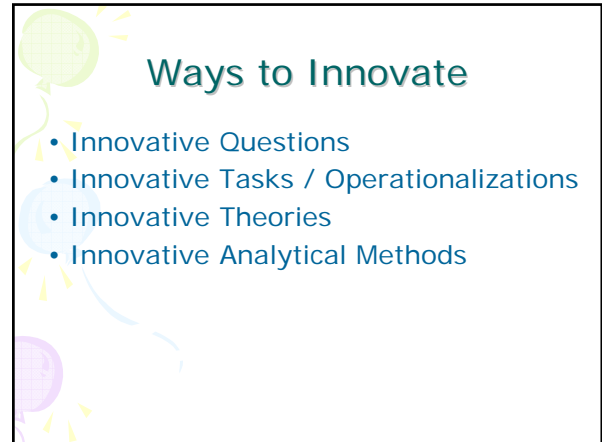




Fun & Games with Managerial Accounting

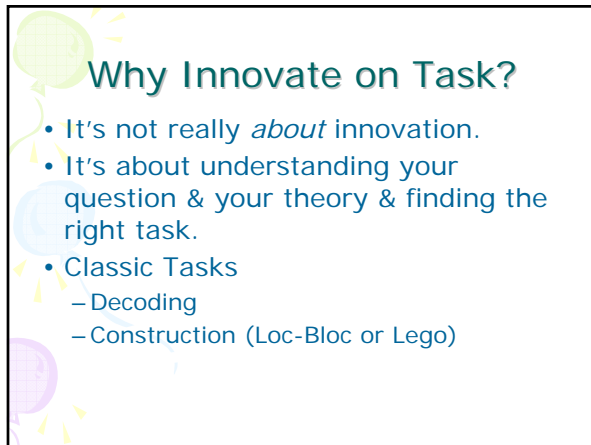
ABO Conference, 2008

Kristy L. Towry
Emory University



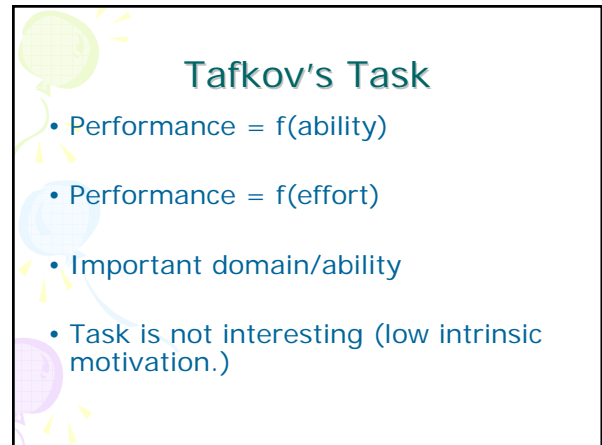
Ways to Innovate

- Innovative Questions
- Innovative Tasks / Operationalizations
- Innovative Theories
- Innovative Analytical Methods



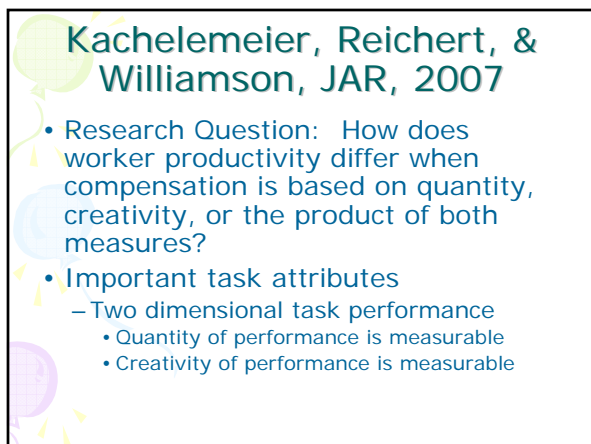
Why Innovate on Task?

- It's not really *about* innovation.
- It's about understanding your question & your theory & finding the right task.
- Classic Tasks
 - Decoding
 - Construction (Loc-Bloc or Lego)



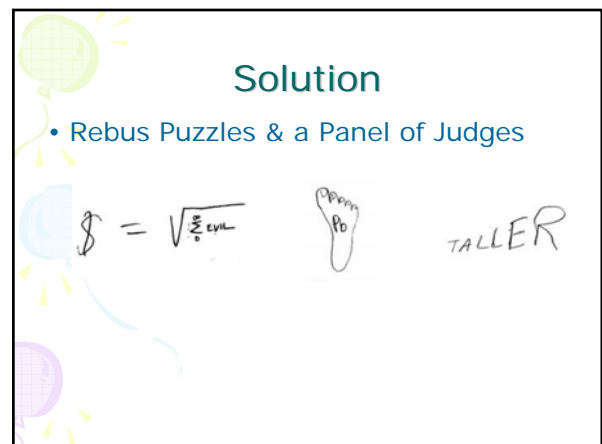
Tafkov's Task

- Performance = f(ability)
- Performance = f(effort)
- Important domain/ability
- Task is not interesting (low intrinsic motivation.)



Kachelemeier, Reichert, & Williamson, JAR, 2007


- Research Question: How does worker productivity differ when compensation is based on quantity, creativity, or the product of both measures?
- Important task attributes
 - Two dimensional task performance
 - Quantity of performance is measurable
 - Creativity of performance is measurable



Solution

- Rebus Puzzles & a Panel of Judges

$$S = \sqrt{\sum_{i=1}^n EVIL}$$



TALLER

Fessler, JMAR, 2003

- Research Question: How does task attractiveness moderate the relation between monetary incentives and performance?
- Important Task Attributes
 - One dimensional performance
 - Range of attractiveness

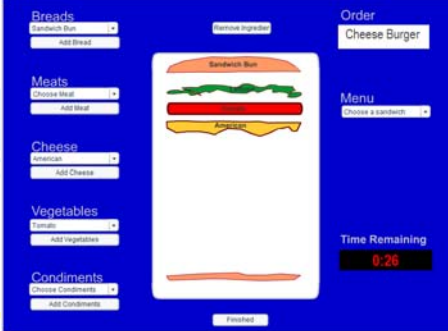
Solution

- Water Jug Problems
 - A mother sends her son to the well to get 3 liters of water. She gives him a 5-liter jar and an 8-liter jar.
 - How can the boy get exactly 3 liters of water using only these containers and not guessing the amount?
 - Solution
 - Fill the 8-liter jar, and then pour out enough to fill the 5-liter jar.

Farrell, Kadous & Towry, CAR, 2008

- Research Question: How do incentives on forward-looking performance measures affect far-sighted actions?
- Important Task Attributes
 - Two types of effort (short-sighted and far-sighted)
 - Interdependencies across periods (short-term vs. long-term performance tradeoffs)

Solution



<http://www.bus.emory.edu/ultisurlew/procidemo/ProductivityV2/assemble/Demo.html>

Choi, Hecht, and Tayler, almost a WP, 2008

- Research Question: To what extent (and how) do managers replace strategies with measures? (strategy surrogation)
- Important Task Attributes
 - Immersion in strategy implementation
 - Clear distinction between strategic construct and measures
 - Abstract setting, to prevent influence of priors

Solution



Immersion in strategy implementation

Spore: Creature Creator



Multiple strategic construct

Spore: Creature Creator



Multiple measures for each strategy

Summary

- Innovative tasks in managerial accounting research aren't just for fun.
 - (though they are fun)
- They are necessary for theory testing.
- What are the important task attributes for testing your theory?