

Collected Abstracts: Full Parallel Sessions

AIS

**Accounting
and Information Systems**

Code: AIS 001
Abstract ID: 0410

Day: **Thursady**
Time: **11.00-12.30**
Room: **Q004**

Management control for ERP organizational integration

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ERP is one of the last mechanisms of Organizational Integration (OI thereafter), understanding OI as the way in which different organizational processes and functions interact for forming an entire whole. In this context, we could classify it into two kinds: 1. Operational integration where the sequential set of activities and value chain are considered; and 2. Functional integration which refers to management of processes and functions, mainly accounting and human resources. The aim of this paper is to show how both types of integration can imply different efforts level in its implementation and, doing so, difficult its management control. Resting on a previous theoretical model and a sample of 101 firms from different countries, we develop an econometric translation whose results statistically support our hypotheses. Particularly, our findings really show that both sorts of OI require different effort degrees: irrelevant to functional and significant and stronger to operational. However, if both integrations are implemented together, the functional integration reduces the global effect level. The data's robustness is proved by different models and controlled by several exogenous variables as sector, firm characteristics and the experience of implementers. We also consider several moderator effects as the people involved in the implementation process or differences in frames of reference.

Code: AIS 002
Abstract ID: 0905

Day: **Wednesday**
Time: **16.00-17.30**
Room: **Q012**

The degree of ERPS adoption and the influence on the decision making process of the individual: Survey-based evidence

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Using the framework of Galbraith (1973) this paper investigates the impact of enterprise resource planning systems (ERPS) on the information processing activities of the individual. By taking into account the number of ERP-modules installed, we control for the extent of adoption of an ERPS in an organization. On the basis of extant literature a structural model is developed which tries to capture the direct and indirect effects of the degree of ERPS adoption on the decision making activities of the individual. The structural model was estimated with the use of a PLS path model. The presence of an ERP system in an organization had always a direct impact on decision making. An indirect effect was not always present. The results revealed further that behavioural aspects, such as user implementation satisfaction, have an influencing role in the actual use of the ERPS information for decision making. The data for this study were obtained through a survey sent to the 150 largest companies in Belgium. This group consisted of companies having an ERP system and companies which have not adopted ERP systems. The presence of this control group allowed us to check the generalizability of the results obtained from the study of the group of ERPS-adopters. This comparative analysis confirmed the results of the path analysis and indicated that individuals perceive the information available from an IS-system as being more timely and of a higher quality, when an ERPS is present in the company.

Code: AIS 003
Abstract ID: 1075

Day: **Wednesday**
Time: **16.00-17.30**
Room: **Q012**

Value implications of investments in information technology

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The year 2000 countdown provided a uniquely visible instance of spending on information technology by U.S. companies. With public attention riveted on potential Y2K malfunctions, managers were forced to evaluate their IT and make decisions whether to modify or replace existing systems. In the aftermath of Y2K, critics charged that the problem was overblown and that companies overspent on IT. In contrast, we posit in this paper that efforts companies made to renew and upgrade their IT may have positioned them to take advantage of new e-business applications. Y2K provided an opening for managers to invest opportunistically in IT that could enable them to connect with customers and suppliers in new ways. Contrary to the alleged overspending, we find that firm value increased on average with Y2K spending by Fortune 1000 companies. In particular, higher firm value and subsequent earnings were associated with Y2K spending for firms in industries where IT was considered to have a transforming influence – altering traditional ways of doing business by redefining business processes and relationships. We also test whether the positive association between firm value and Y2K spending diminished with Y2K spending by competing firms but did not find support for the relative investment hypothesis.

Code: AIS 004
Abstract ID: 0437

Day: **Thursday**
Time: **11.00-12.30**
Room: **Q004**

Exploring enterprise systems and management control in the information society: Developing a conceptual framework

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Society is evolving from the industrial society towards the information society where information technology plays a crucial role. Few IT innovations have had as much impact on business organizations in the past years as enterprise systems (ES). These systems affect most functions in the organization as they support and standardize business processes, integrate data, can integrate external business partners into business processes and influence management activities such as planning and control. The main objective of this paper is to add to the limited body of knowledge of the relationship between ES and management control. We describe the changes taking place in companies operating in the information society, describe and define management control and review existing research on the relationship between management control and enterprise systems. We criticize existing management control frameworks for not recognizing the significance of information, communication and risk control in today's operating environment. Finally, we propose a framework for viewing management control in the information society.

Code: AIS 005
Abstract ID: 0906

Day: **Withdrawn**
Time:
Room:

Survey-based evidence of the (degree of) ERPS-adoption on the (perceived) efficiency of the performance measures

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Using the framework of Galbraith and agency theory, this paper investigates if and how the introduction of an Enterprise Resource Planning System (ERPS) changes the information available for performance measurement. By taking into account the number of ERP-modules installed, we control for the extent of adoption of an ERPS in an organization. On the basis of the extant literature a structural model is developed which tries to capture the direct and indirect effects of the degree of ERPS adoption on the (perceived) efficiency of the information available for performance measurement. The structural model was estimated with the use of a PLS path model. We also try to gain insight into elements that favour or prohibit a successful impact. Previous literature mentions to a large extent user (implementation) satisfaction, the quality and timeliness of the information requested and the perceived complexity (of information retrieval). As ERPS are characterized by a centralized structure, their introduction may also bring about changes to the degree of centralization, which on his turn may affect the information available for performance measurement. The data for this study were obtained through a survey sent to the 150 largest companies in Belgium. Findings confirm the direct, but negative, relation and indirect positive relationships between (the degree of) ERPS adoption and (the efficiency of) performance evaluation.

Code: AIS 006
Abstract ID: 1052

Day: **Thursday**
Time: **11.00-12.30**
Room: **Q004**

The influence of national culture on the relationship between the managerial use of information and managerial performance: An exploratory study

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Due to the ongoing harmonization of business practices, there is growing interest in cultural specificities. Such interest stems from reports about corporate practices indicating that globally standardized information systems are not effective in every culture. One explanation for this observation is that information use practices vary among cultures. The focus of the study is to analyze the relationship between information use and managerial performance in three countries. As a first step, this study describes information use practices in different countries. Second, the relationship between managerial information use and individual performance is examined using structural equation modeling in LISREL. Finally, an effort is made to examine how national culture moderates the relationship between information use and individual performance. Data was collected within a multinational company. A questionnaire was completed by managers in 3 subsidiaries (Germany, South Korea, and the USA). 117 questionnaires were received, yielding a high average response rate of 83.6%. The sample was thoroughly matched with regard to important contextual variables. The findings reveal that information use practices do not differ between countries as long as they are determined by technical necessity. The implications of different types of information use on performance are strongly dependent on the cultural environment. Our results show that 2 cultural dimensions affect the relationship significantly.

Code: AIS 007
Abstract ID: 0549

Day: **Thursday**
Time: **14.00-15.30**
Room: **Q107**

Developments in financial reporting: XBRL ... a model open source development?

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Extensible Business Reporting Language (XBRL) is being adopted by European regulators more rapidly than anywhere else in the world. The stated intention of XBRL International is that the 2.1 specification will provide a stable platform for the development of taxonomies and software products. The expanding interest and project readiness places XBRL at a critical juncture. This paper examines the approach of XBRL International to the XML-based data standard's development and diffusion. We theorise the developments using concepts drawn from a model designed to identify the features of successful open source software projects. We highlight differences between the development of XBRL and the open source model and the consequent issues. Topics identified and discussed include; whether XBRL International should try to maintain control over regulators' taxonomies through a due process review; the impact of the lower profit incentive on the speed of software development; the effect on successful diffusion of the restricted nature of participation in the project and the dominant adoption by regulators; and the effect on adopters' expectations of the uncontrolled advocacy claims made by consortium members.

Code: AIS 008
Abstract ID: 0452

Day: **Thursday**
Time: **14.00-15.30**
Room: **Q107**

Internal Control Risk and Suggested Safeguards Related to the Use of XBRL in ERP Systems

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The rapidly increasing use of the Internet for financial and business performance reporting purposes is contributing to increased demands not only for better reporting of traditional financial statement information, but also for more performance reporting. Furthermore, in the USA, the Securities and Exchange Commission (SEC) has allows its registrants to furnish their financial reports in the XBRL format as an attachment to their traditional SEC filings. The XBRL related documents will be considered "furnished", not filed, and there is limited liability relief for these documents. (Derby 2005) Each of these require reporting of industry and firm performance indicators that may well be facilitated by the use of the Extensible Business Reporting Language (XBRL). This XML-based standard is becoming widely adopted around the world as a de-facto standard for the reporting of business performance. While XBRL data can be prepared in specialized tools or generated from spreadsheets, many producers of information coded in XBRL may wish to generate this information directly from their accounting systems. Some of these Enterprise Resource Planning (ERP) accounting systems, such as Great Plains, SAP, Navision, and ACCPAC, are providing functionality to create information coded in XBRL. Whether the information is generated directly in the ERP system or through use of other tools, there are a number of challenges for maintaining internal controls. Maintenance of internal controls is vital for the quality of XBRL information and as the need for assurance on such information grows.

Code: AIS 009
Abstract ID: 1105

Day: Thursday
Time: 14.00-15.30
Room: Q107

The role of artificial intelligence in democratising XBRL instance document creation

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This paper discusses an end-to-end method for extracting information from tables embedded in documents, specifically from the accounting tables present in financial statements, independently of which GAAP the statement is produced under. We call it IntelExtra. We begin by outlining the importance of our research for the accounting community and accounting information users, especially to the wide array of institutions that compile company data, but also for companies themselves who have to supply similar information to all its users. We also place the potential contribution of our research on the assumption of an XBRL-based financial reporting world. We then proceed to describe the two main components of IntelExtra. To be able to adapt to different jurisdictional accounting realities, IntelExtra incorporates document analysis components, which can locate tables and combine the reading of their every cell, irrespective of language or context. The results of this process are then analysed and validated in light of the relevant XBRL jurisdictional taxonomy. We will see that the addition of this contextual information will not only allow inferring the accuracy of the overall extraction process but also contribute to actually improving its quality. This addition is made in a plug-in/out manner, such that the overall method maintains its operability in different contexts.

Code: AIS 010
Abstract ID: 0347

Day: Friday
Time: 14.00-15.30
Room: Q106

An Experimental Comparison of Computer-Mediated and Face-to-Face Group Performance in Hidden Profile Accounting Tasks

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Prior research in information systems has examined whether teams using GSS can effectively discover “hidden profiles” wherein unique information critical to problem solving is dispersed among team members. In such situations, the team must effectively share and process this information in order to reach the optimal decision. This study extends this line of research by experimentally examining the effectiveness of computer-mediated communication relative to face-to-face communication using a realistic “hidden-profile” task in an accounting context. Unlike prior research using hidden profile tasks, the present study uses a real-world business-oriented task and established teams rather than ad hoc teams. The results revealed that computer-mediated teams were less successful at processing information and discovering the hidden profile than face-to-face teams. Implications for the design of GSS to facilitate the discovery of hidden profiles are discussed.

Code: AIS 011
Abstract ID: 1114

Day: Friday
Time: 14.00-15.30
Room: Q106

Trust transfer in the Web: A multiple case study of Web trust seals

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Traditionally, trust has been one of the basic values of relationships among a community’s members, particularly, in business activities. In e-commerce, characterized by a virtual, global and rapidly changing environment, trust appears to be even more important than in “bricks and mortars” world. Concerns about trust and security have been identified as significant barriers to such businesses’ success and to the growth of these transactions. Web Trust Seals (WTS) are one of the mechanisms of transferring trust in e-business, as they significantly increase purchasing likelihood and reduce consumers’ concerns about privacy and transaction integrity. This paper is an exploratory multiple case study research of the most common WTS used in Spain and Portugal. It has three aims: expand the theoretical understanding of the trust transfer process in the web, in the specific context of a WTS, explore the relationships between WTS process attribution, provider type, branding, validity, price, scale, scope, language and customer type, and deepen the knowledge about this emergent market. The research contributes for business practice by helping web vendors in their choice of WTS, based on giving them objective and comparative information about this market and its consumer’s perceptions. Moreover, it may also help consumers, government departments concerned about trust and security issues and the civil society, to better understand the meaning and purpose of WTS available in the market.

Code: AIS 012
Abstract ID: 1022

Day: Friday
Time: 14.00-15.30
Room: Q106

Professional acceptance of electronic accounting systems. Findings from a survey in Finland

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Emerging trends in information technology are believed to be fundamentally altering the way accounting records are managed. However, previous research has indicated that the use of new technology is dependent on perceptions about and acceptance of the systems. This study examines the factors influencing Finnish accountants’ and auditors’ acceptance of electronic accounting systems. A research model was developed based on the Technology Acceptance Model (TAM) and the Theory of Reasoned Action (TRA). The model was tested with a survey sample (n = 156). Multiple regression analyses were performed and the tests provided significant support for the regression models constructed. The findings indicate that a number of factors influence acceptance of electronic accounting systems. In line with TAM, perceived usefulness and perceived ease of use were found to have significant impact on attitude. Perceptions about compatibility with existing informal institutions in accounting and trust in technology were found to be significant factors underlying usefulness and ease of use, whereas, contrary to previous research, organisational factors appear not to be significant. Moreover, perceived usefulness as well as perceptions of economic resources and social pressure appear to exert a significant influence on the intention to use electronic accounting systems.

