

## Top management impact on management control

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Received: 25 December 2013 / Accepted: 25 December 2013  
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Management control systems—defined by [Simons \(1990\)](#) as formal, information based routines and procedures managers use to maintain or alter patterns in organizational activities—have been the basis of a long-standing and popular research stream to which the *Journal of Management Control* is committed. In the last decades, a considerable amount of contingency-based research focused on rather “technical” issues regarding the development, adoption, use and impact of MCS. These studies tend to argue that organizational and environmental contingencies determine the design and use of MCS. In contrast, the upper echelons approach of strategic choice ([Hambrick and Mason 1984](#); [Carpenter et al. 2004](#); [Finkelstein et al. 2009](#)) notes that organizations do not make choices, but key actors—such as CEOs and CFOs—do. So far, theoretical insights and empirical findings about the relevance of top executives in designing, perceiving and using MCS are still rare. Notable exceptions include recent studies which analyzed for example the relationship between individual CFO characteristics and the usage of innovative management accounting systems ([Naranjo-Gil et al. 2009](#)) or the impact of leadership style on senior management’s use of planning and control systems ([Abernethy et al. 2010](#)). The related question of how top management characteristics relate to the organization and management of the Finance Function also remains largely unanswered. Last but not least, we find it a worthwhile avenue for research to investigate in how far findings from an American management setting hold in continental European countries. Differences in culture, management philoso-

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phy, managerial discretion and management accounting and control practices indicate that there might be significant limits to an unreflected transferability of results.

With such thoughts in mind, we embarked on this special issue and were happy to see that our call for papers triggered a huge number of submissions from all over the world. The very rigorous peer review process at the *Journal of Management Control* eliminated the larger part of these submissions and left us with three high quality papers from Austrian, German and Italian authors.

Hiebl's short survey paper gives an insightful overview of research in the field of management accounting and control that is inspired by upper echelon theory. While the author is able to identify some areas of consistent findings and a seeming consensus in the literature—younger and shorter tenured CFOs and top managers with a business background are associated with more innovated and sophisticated systems—he also shows that the need for further upper echelon inspired work in the field of management accounting and control clearly exists since results on less intuitive relations and in particular on CEO and top management team characteristics are sparse as well as partially contradictory.

The paper of Kleine/Weißenberger follows this avenue and contributes to mobilizing upper echelon theory for the field management control systems research. The authors analyze the process of creating organizational commitment of middle and lower-level managers and examine how the leadership style of CEOs and business heads interacts with formal and informal management control systems in this process. Based on a sample of almost 300 German companies they are able to show that the relation between the leadership styles of initiating structure and consideration on the one hand and organizational commitment on the other hand is partially mediated by the use of informal management control elements, more specifically personal and cultural controls. Interestingly, the hypothesized effects of an initiating structure leadership style and formal management control systems on the organizational commitment of middle and lower managers were not supported.

Finally, Morelli/Lecci bring upper echelon and institutional studies together. In the interesting case study setting of an independent Italian hospital, the authors analyze the interaction of top management team characteristics and internal as well as external dynamics in the change process studied, and they derive four propositions to be tested by future research.

We hope that our readers enjoy this special issue and share our confidence that the future of research on top management impact on management accounting and control has just begun.

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