The complementary use of IS technologies to support flexibility and integration needs in budgeting
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Abstract

The central departing point of this dissertation comes from a review of academic and practitioner publications. It is depicted that the academic contribution on how IS technology is used to support budgeting is few. Most available research concentrates on the ERP system. It does not mention other IS technologies like business intelligence (BI) and spreadsheets which are also significant to support budgeting process. A review of practitioner publications shows that in practice the ERP system, BI and spreadsheets are commonly used to support a budgeting process. A further review of modern budgeting literature indicates budgeting to characterise both flexibility and integration functions to accomplish decision-making. This is contradictory to the traditional belief that budgeting requires the integration function alone. From these indications, this dissertation aspires to describe and explain how IS technologies can be complementarily used to support the flexibility and integration domains in the budgeting process. The first part of the dissertation, formulated after the research question one (RQ1), examines business controllers’ perceptions toward IS technologies used in budgeting through the concept of human agency shown in structuration theory (ST). It is concluded that business controllers acknowledge that IS technologies enable and constrain them to comply with flexibility and integration needs in budgeting. Therefore, they select IS technologies suitable for tasks undertaken. The second part of the dissertation formulated after the research question two (RQ2) moves to inspect how IS technologies are used or not used to support budgeting based on the concept of contradiction in ST. It is concluded that each IS technology is contradictory to the budgeting process; therefore none is sufficient in its own right to support budgeting. As a result, business controllers must complementarily use the three IS technologies (ERP, BI and spreadsheets) to support the budgeting process. The aforementioned insights generated are employed to construct a theory for explanation, which frames a complementary existence among these IS technologies in budgeting in relation to specific budgeting activities.