

techniques and practices, but that they will undergo change in line with how they and other managers believe they can be most effective. Such forays into new markets via technological innovations have many financial implications which management accounting tools can help assess. Scapens notes that: The accountants' analytical skills, supplemented by extensive knowledge of the business, can put the management accountant in a position to recognise the more strategic impacts and value creation potential of decisions taken in the individual areas of the business. Consider, for instance, the Oculus Rift, a virtual reality headset produced by the company Oculus VR. Facebook's CEO Mark Zuckerberg paid \$2 billion for the company in 2014 to help Facebook's mission to 'make the world more open and connected' (Zuckerberg 2014) by tying in to Oculus VR's mission 'to experience the impossible'. Big Data analysis is altering the value creation possibilities that are increasingly open to companies and, as a consequence, the opportunities for management accounting practitioners to process different forms of data in diverse ways for managerial use. Entirely new markets are emerging for products and services and avant-garde innovative firms are reaping significant benefits. [tumblr.com/post/80827337212](https://www.tumblr.com/post/80827337212)) identifies Facebook's value creation possibilities from the Oculus VR acquisition: Between head and iris tracking, in-game data, and Facebook's incredible systems – there will be a plethora of information to mine. Strategic decisions and management accounting Many organisations seek to be more expansionist, entrepreneurial, risk taking and innovative as a conscious move away from inwardly focused management techniques. Such a role for the management accountant is crucial for the organisation as it helps to integrate the various activities and functions of the business. Of particular relevance is the growing contribution which management accountants make to strategic financial management information production and analysis and to strategic management action itself. Consider also the service of M-PESA, which is operated by Safaricom – Kenya's largest mobile operator. Research reveals that companies that emphasise creating long-term value for shareholders are likely to outperform those that focus on preserving shareholder value in the short term. There is evidence that, in many organisations, accountants are regarded as 'hybrid accountants' who combine the skills of business managers with those of accountants. (2006, p. 339) Management accounting's primary purpose is to enhance value creation within both private and public sector organisations. M-PESA is used by more than a quarter of the country's population to 'zap' money via mobile telephones from one location to another. The management accountant must make use of a sound body of knowledge as well as abide by ethical guidelines (discussed in the appendix of this chapter). Companies whose primary focus is on internal control and value preservation do not increase their stock market valuations as effectively as those that look outside for opportunities to create. Zuckerberg says of the headset 'When you put it on, you enter a completely immersive computer generated environment, like a game, or a movie scene or a place far away. Customers can convert real money into 'e-float', which is credited to a person's mobile-money account. E-float can be used to make purchases or it can be converted into cash by M-PESA agents. The system has altered significantly the economics of trading. Peter Berkman (www.peterberkman.us) used as a way to make Facebook more revenue. Facebook will know where you're looking, what you're doing, and how long you do it. When they cross-reference that with all the other information they already have on a billion people, the data is actively. The incredible thing about the

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