IT in Management Controls

Abstract:
Information technology (IT) has a tremendous impact on management control through new ways of retrieving and processing information about performance deviations and control effectiveness. This paper explores the role of IT-enabled management controls on the example of information systems for Governance, Risk Management, and Compliance (GRC IS). We apply a grounded theory approach to structure value drivers of GRC IS into a framework. We relate the value drivers to existing theories to understand the impact of IT on management controls. We argue that IT serves as catalyst for more effective management controls by enabling managers to exploit and explore richer data about performance deviations and potential shocks. We structure the catalyzing effects as value drivers of IT in a balanced control model. This paper uses the lens of management theories on GRC IS and establishes a research agenda for understanding the catalyzing function of IT for management controls by suggesting links between previously separate theories.

Intellectual Contribution:
Discipline-based Research