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BUILDING BLOCKS OF ACCOUNTING–MARKETING INTEGRATION IN UK FINANCIAL SERVICES ORGANISATIONS

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ABSTRACT

This paper reports the results from a research on the accounting-marketing integration and its antecedents in UK financial services organisations. The research was based on 162 responses, consisting of dyads from the accounting and marketing functions of the responding firms. Following a composite integration approach for the main construct our research identified the role of a number of antecedent factors, reflecting the type of managerial action required to achieve the required integration between accounting and marketing. The results of our study direct attention to the need for managerial interventions that capitalise on both the cultural fabric and the climate or structural properties of the firm. Our paper concludes with an appreciation of the theoretical and practical implications of this research and associated directions for further research.

1. INTRODUCTION

It is widely accepted that marketing oriented companies can sense changes in their customers' behaviour faster than other firms and as such adapt their offer so that they can generate superior customer value (Guenzi and Troilo 2006), which warrants sustainable competitive advantage. However, from sensing such changes in the market place to the development of attractive to customers value propositions, significant ground needs to be covered, which in recent years has been acknowledged as requiring involvement by the whole of the organisation (e.g. Le Meunier-FitzHugh and Piercy 2007; Zinkhan and Verbrugge 2000) rather than few functional areas. This is very much in line with the essence of marketing orientation, where interfunctional coordination is critical in the ability of the firm to sense and translate market based learning into new products/services and complete value

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propositions that attract customer attention, facilitate buying behaviour and of course encourage long-term loyalty to the firm.

Within this tradition, while marketing's relationship with other departments/functions for instance, R&D, manufacturing, production and sales, and associated performance benefits is illuminated in literature (Parry and Song 1993), the relationship of marketing with the accounting function of the firm remains largely neglected.

This is quite peculiar mainly for two reasons. First, successful value propositions from a marketing perspective are reflected in product/service offers that capitalise on a unique set of the firm's capabilities and resources that allow the firm to a) claim competitive advantage, b) charge prices that create strong/superior value perceptions in their target market and c) charge prices that allow the firm to make and maintain a healthy stream of profits from its value propositions. Given the interplay of costs and benefits, areas primarily perceived under the influence of accounting and marketing respectively, the need for integration between the two functions is obvious. Second, despite the unquestionable need for integration between the two functions, considerable problems in the accounting/marketing interface have been flagged (Barker 2008; de Ruyter and Wetzels 2000). Therefore, the need to study and appreciate the nature of the accounting/marketing interface has been postulated by many authors (e.g. Langfield-Smith 2008; Wilson 2000; Zinkhan and Verbrugge 2000).

Responding to such calls for more research on this topic our study investigates the dimensions of accounting-marketing integration and their antecedents in financial services organisations of the UK. This distinction is motivated by the fact that integration relevance may be interface dependent, and identifying the key integration dimensions and interface features of various integrating mechanisms is essential (Griffin and Hauser 1996) for theory and policy development in this critical area of managerial activity. The study makes three unique contributions in the theory and practice surrounding current research debate as regards the accounting/marketing integration.

First, our study identifies a pool of managerial activities that can be used to enhance integration between accounting and marketing, and establishes their combined effect upon integration. In doing so it complements extant literature in that not only lists factors underlying integration but also their interrelationships.

The second contribution of our research lies in the recognition that both cultural and structural managerial interventions are required to achieve integration. In this context, top management support, formalisation and physical proximity figure highly in the agenda of firms that have achieved higher integration than their direct competitors.

Finally, our study highlights cultural differences between accounting and marketing and directs away from popular practices of role flexibility and rotation of employees within the two functions. On the basis of the three contributions the study draws clear managerial recommendations in order to achieve a higher degree of integration between accounting and marketing.

Below, we review the literature underlying our theoretical framework and hypotheses. This is followed by presenting the research methods used to test this framework alongside analysis. Finally, we draw conclusions and implications for theory and practice.

2. Theoretical Framework and Hypotheses

2.1. Integration and Integrating Mechanisms

As it was mentioned earlier several authors have identified a number of problem areas related to the accounting/marketing interface. These problems, classified in table 1, reflect attitudinal, cognitive, and organisational differences in the perceptions accounting and marketing have of their own and each other's role in the overall function of the firm.

As elaborated by Wilson (2000) accounting neither understands nor meets, in an accurate and timely manner, the information needs of the marketing function. Illuminating information sharing between marketing and accounting, Barker (2008:325) notes: "accountants view both the quality of shared information and its acceptability to the marketers and other recipients to be high", while "marketers see more contradiction in the information they receive, which raises quality concerns". Accounting has failed to firmly embrace the '*marketing concept'* and the direct implication is misdirection of marketing effort.

In addition to role shortcomings, the marketing/accounting interface is plagued by information sharing problems.

Table 1. The typical problems of the accounting/marketing interface

Classification of Problems	Definition of Problems
Cognitive	1. Accountants lack understanding of marketing principles and concepts. 2. Accountants lack understanding of marketing policies, problems, practices and 'marketing concept'.
Attitudinal	3. Inadequacy of accountants to identify and classify costs, and ineffective financial analysis of customers and distribution channels. Failure to understand information needs 4. Inaccurate and untimely accounting reporting 5. Accountants do not accept marketing as a distinct and separate managerial function 6. Accountants tend to over-emphasise cost control and are Production oriented 7. Lack of minimum acceptable goal criteria
Organisational	8. Inadequate informal communication between accountants and marketing decisions makers. 9. Multiple reporting responsibilities of accounting, leading to priority assignment prejudicial to marketing. 10. Information sharing problems
General Assessment	11. A general ineffective integration between the accounting and marketing functions, 12. Failure of accounting to understand the Marketing function. 13. Failure of Accounting to measure up to the information requirement of Marketing 14. There are serious integration issues between Accounting and Marketing

Source: The authors.

Integration, an essentially ‘symbiotic interrelation’, is the ‘strategic linking’ of functionally specialised groups, for corporate success and may be likened to a ‘symphony orchestra’, whose melody hinges on team blending (Plakoyiannaki and Tzokas 2002; Tzokas *et al*. 2004). Three typologies of integration have been identified in literature that is, ‘Interaction’ (Griffin and Hauser 1996), ‘Collaboration’ (Le Meunier-FitzHugh and Lane 2009; Le Meunier-FitzHugh and Piercy 2007), and ‘Composite Integration’ (interaction plus collaboration) (Guenzi and Troilo 2006; Parry and Song 1993).

In this study we approach integration as a three dimensional composite reflecting Information Sharing, Unified Effort, and Involvement.

The Degree of Information Sharing (DMIS) is the extent to which the departments’ information sharing culture reflects: 1) firm awareness of the information need of each party, 2) timely and accurate information exchange, 3) use of understandable (not too technical) language, 4) awareness of the ‘Marketing Concept’, and 5) information sharing patterns that reflect common goals between the functions.

The Degree of Unified Effort (DUE) is contextualised to include 1) mutual support of each other, 2) give and take attitude, 3) openness to criticisms from each other, 4) swift resolve of conflicts, and 5) few disagreements in the strategic marketing efforts.

Finally, *the Degree of Involvement* (DINV) includes 1) direct involvement across the stages of the strategic marketing process, 2) open discussion of opposing views, 3) cross-functional role performance, 4) joint involvement in defining strategic marketing priorities, and 5) joint involvement in responding to market changes.

Substantial empirical insights exist about the antecedents of marketing’s integration with other departments (see Le Meunier-FitzHugh and Piercy 2007; Parry and Song 1993; Xie *et al*. 2003, *inter alia*). With focus on the accounting-marketing interface, the hypothetical discussion draws largely from marketing-R&D literature, given the lacuna of accounting-marketing literature on antecedents of their integration. While we acknowledge activity contingency in integration (Garrett *et al*. 2006), this theoretical adaptation is methodologically valid, given that interfunctional relationships are: (1) based on interdependence relationships, and (2) driven by the need for goal congruity (Xie *et al*. 2003) towards corporate success. Based on this literature we identify the following building blocks of integration.

2.2. Building Blocks of Integration between Accounting and Marketing

2.2.1. Communication and Accounting/Marketing Integration

Though *communication* is critical in social systems as it enables focus and unity of purpose, facilitates interfunctional relationships, and enables better decision making, *communication gaps* are known to exist between accountants and marketers (Wilson 2000). Empirically, communication problems hinder marketing-R&D integration (Parry and Song 1993) and sales-marketing integration (Le Meunier-FitzHugh and Piercy, 2007). Communication barriers to R&D/Marketing integration (Song and Parry 1993) include inaccurate information, lack of communication, and too little information exchange. To optimise effectiveness (Lam and Chin 2005), information communication must be timely, accurate, and purpose-tailored to support role function, and to avoid collaboration conflict.

Extrapolating these findings to the accounting/marketing integration we provide the following hypothesis.

H1 (CG): The higher the communication gap between accounting and marketing the less accounting/marketing integration will be achieved.

2.2.2. Formalisation and Accounting/Marketing Integration

Formalisation is the extent to which explicit rules, regulations, policies and procedures govern organisational activities. Such 'organisational norms' (Shipilov and Danis, 2006) specify norms for decision making and performing tasks and enable achieved integration.

Empirically, the impact of formalisation on integration remains blurred, especially in the R&D-marketing literature. The sales-marketing perspective (Dewsnap and Jobber, 2002) supports the no significance evidence, but Parry and Song (1993) disagree that formalisation hinders achieved R&D-Marketing integration. Song and Parry (1993), reinforced by Mollenkopf *et al.* (2000), suggest the opposite. Interestingly, the marketing and logistics samples of the latter pictured negative and positive associations respectively.

However, a degree of formalisation has been found necessary for exercising meaningful managerial action and leadership in contemporary firms. Therefore, we expect that efforts to instigate a higher degree of integration between marketing and accounting will be relatively easier within organisations that have developed clear structures and therefore a degree of formalisation. As such we develop the following hypothesis.

H2 (FO): The higher the level of formalisation in an organisation, the greater the achieved level of accounting/marketing integration will be.

2.2.3. Top Management Support and Accounting/Marketing Integration

Research underlines *top management support* as a core cross-functional integration predictor (e.g. Le Meunier-FitzHugh and Lane 2009; Parry and Song 1993; Xie *et al*. 2003). No such evidence exists about the accounting-marketing integration.

However, we expect that top management support will enable cross-functional integration because such support provides focus and purpose in integration activities within the organisation. Moreover, as integration is a resource consuming activity requiring the devotion of time, energy and effort from employees in different function, top management support is imperative for channelling such resources, legitimising and encouraging such activity in the firm. On that logic, we offer the following hypothesis.

H3 (MS): The more top management supports accounting/marketing integration, the more the achieved integration between the functions will be.

2.2.4. Culture and Accounting/Marketing Integration

Different professions have *different cultures* (Wilson, 2000), and these influence their integration. Three core departmental differences that is, culture, perception, and orientation, shape interfunctional integration. Inter-firm relationship literature (Jaspers and van den Ende 2006) lends support to the view that cultural similarity aids higher integration.

Accounting/marketing interface literature suggests cultural differences between accountants and marketers. According to Wilson (2000), accountants' introspection differs from that of marketers in many ways. Barker, (2008) noticed that tension exists between accounting and marketing departments and that this situation may be attributed to cultural differences which cultivate interfuctional rivalry and misunderstandings.

Tension in teams made up of colleagues from different functions diminish the team interests thus culminating in ‘goal incongruity’, which hinders integration (Xie *et al.* 2003:242). Given the preceding discussion, we develop the following hypothesis.

H4 (COD): The more the perceived cultural differences between marketers and accountants the less the degree of achieved integration will be.

2.2.5. Role Flexibility and Accounting/Marketing Integration

Role flexibility, the movement of personnel beyond their functional domain, shapes interfunctional integration (Xie et al. 2003). Integrating partners would benefit from role flexibility, gain contextual knowledge (Jaspers and van den Ende 2006) for understanding why decisions are made (Griffin and Hauser 1996; Garrett et al. 2006), while comprehending each other’s information needs. Therefore, we propose the following.

H5 (RF): The more the role flexibility between accounting and marketing personnel, the more the achieved accounting/marketing integration will be.

2.2.6. Physical Proximity and Accounting/Marketing Integration

Team work psychology theory presents *physical proximity* as a cross-functional integration facilitator. Spatial nearness facilitates interaction (Jaspers and van den Ende 2006), information transfer (Griffin and Hauser 1996), increased communication and performance (Xie *et al*. 2003; Dewsnap and Jobber 2002), and enables regular informal interactions (de Ruyter and Wetzels 2000).

Physical proximity enables ‘*socialisation*’, a concept (Gupta and Govindarajan 2000) that refers to the level of interaction between, and communication of, various actors that leads to the building of personal familiarity, improved communication, and problem solving. Physical nearness of integrating functions will induce regular informal interactions, an outcome that promotes goodwill (Adler and Kwon 2002; Shipilov and Danis 2006). This should increase mutual understanding of common purpose and value thus helping to enhance integration. Therefore we propose the following.

H6 (NDP): The more the physical proximity of accounting and marketing, the more the integration between accounting and marketing will be.

The hypothesised relationships in our study are depicted in figure 1.

3. METHODOLOGY

The hypothesised relationships were tested on UK financial services organisations by means of a mail questionnaire. The measures used to tap the constructs were adapted from past studies. Scale development was refined through a pilot-testing with key informants, involving the use of exploratory, in-depth interviews and the actual testing of the questionnaire. After revision, the finalised questionnaire was mailed to the Accounting and Marketing heads of UK financial services organisations. To enhance response rate, a personalised letter, and a stamped, addressed reply envelope, were mailed along with the questionnaires.

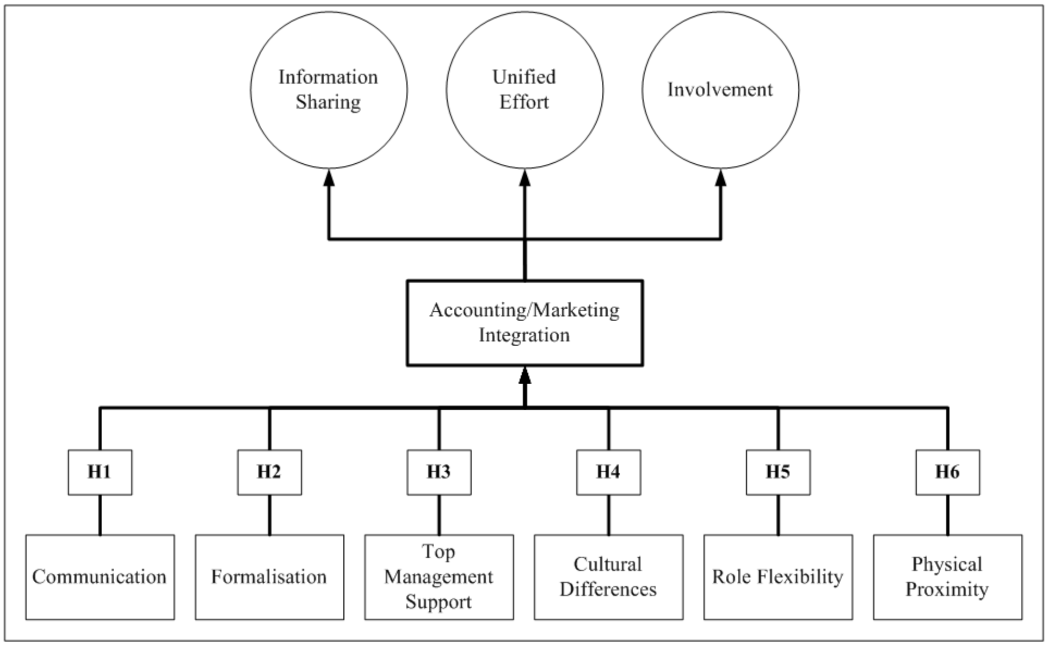

Figure 1. Accounting marketing integration and its antecedents.

3.1. Survey Sample and Response Rate

Participating companies (large/medium) satisfied the following criteria that is: (a) have separate accounting and marketing departments, (b) engage in strategic marketing activities, (c) operate in a competitive market, (d) have at least 100 employees, and (e) have their stock traded on the Stock Exchange market.

From the sampling frame of 1000 companies, collated from the 'FAME' Database, 320 companies were randomly sampled. 640 questionnaires were mailed out (proportionately dyadic distribution).

After three follow-up mailings, 162 (84 from marketing departments and 78 from accounting departments) questionnaires, reflecting 75 dyads, were eligible for further analysis. Compared with previous studies in inter-departmental relationships (e.g. Barker 2008), the response rate for the present study, standing at 27.34%, is acceptable.

Table 2 presents the sampled and respondent firms' distribution, while Table 3 shows the respondent managers' profile and employee statistics per department. For non-response bias test, statistical analyses were performed on annual turnover, operating profit, total number of employees, and total assets.

All t-tests for differences in respondent and non-respondent means as well as early and late respondents were not significant at the 10% level of confidence.

Table 2. Industry Sector representation and the Response Sample

	Numbers of Firms		
Industry Sector	Sampled	Participated[1]	Participated[2]
Insurance	100	30	24
Auditing and Accounting	50	16	11
Brokerage	40	15	13
Risk Assessment and Asset Management	60	21	14
TOTAL	320	99	76

Note: 1. At least one of the marketing and accounting managers participated. 2. Both marketing and accounting managers participated.

Table 3. Demographic profiles of respondents

Average		Marketing	Accounting
1	Age	41	45
2	Total work experience (Years)	22	23
3	Work experience with present company	15	12
4	Years worked with this company in present role	8	10
5	Bachelors Degree	75%	79%
6	MBA	2%	1%
7	Masters Degree	8.3%	7.4%
8	PhD Degree	1%	None
9	Accounting related Qualification	2.6%	82%
10	Marketing related Qualification	80.6%	1.4%
11	A member of a professional society	20.40%	46%
12	Associate Chartered Accountant	None	25%
13	Chartered Management Accountant	None	10%
14	Fellow Chartered Accountant	None	7%
15	Chartered Marketer	28.7%	None

3.2. Reliability of Constructs

Table 4 confirms reliability and validity of constructs. Principal axis factoring and Cronbach's alpha estimation was used for reliability, and exploratory plus (subsequently) confirmatory factor analyses for validity. These analyses produced satisfactory results, confirmed the first and second order nature of the variables used in this study and allowed us to progress with the application of multivariate analysis of variance (MANOVA) to test for the hypothesised relationships.

4. Findings and Discussion

Multivariate analysis of variance (MANOVA) was used to explore Figure 1. The regression statistics largely support our hypotheses (see Table 5).

The variance in achieved degree of accounting/marketing integration explained by the regression model was 49% [*Degree of Involvement*], 34% [*Degree of Unified Effort*], and

31% [*Degree of Mutual Information Sharing*]. For *Integration Total* (DINTTOT) 71% variance was explained, and five statistically significant relationships were found. More specifically for *Integration Total*: *Communication Gap*, and *Top Management Support*, had the most significant influence, at (beta = -.421; p<.000) and (beta = .208; p<.000) respectively; *Formalisation*, *Cultural Differences*, and *Physical Proximity* also showed significant levels. However, *Role Flexibility* was non-significant.

Table 4. Reliability and Validity Statistics for Factors

Factors	Factor Reliability Indices				Exploratory Factor Analysis Results		Model fit Summaries				
							Baseline Comparisons Stats			GFI Stats.	SRMR Stats
	Ite-ms	α	Mean	Std. Dev.	Eigen-value	Cumm. Var. Exp.	NFI	IFI	CFI	GFI	SRMR
Dependent											
DINTTOT		.71					.92	.95	.95	.88	.051
DINV	4	.90	3.71	0.94	3.1	26.19%	.97	.97	.97	.96	.027
DMIS	4	.93	4.05	0.92	2.8	23.39%	.98	.98	.98	.96	.023
DUE	4	.87	4.06	0.88	2.6	21.99%	.99	1.00	1.00	.99	.010
Independents											
CG	4	.92	2.87	0.96	3.2	80.99%	.99	.99	.99	.99	.010
FO	4	.86	4.26	0.94	2.8	70.60%	.92	.92	.92	.93	.060
COD	4	.89	4.04	0.96	3.0	76.91%	.96	.96	.96	.95	.042
MS	4	.92	4.13	0.96	3.2	81.19%	.98	.98	.98	.97	.019
RF	4	.81	2.31	0.96	2.6	66.06%	.95	.96	.96	.95	.065
NDP	4	.92	3.74	0.97	3.2	81.34%	.98	.98	.98	.97	.025

Table 5. Multivariable Regression Coefficients and Significance for Achieved Integration (Pooled sample. N = 162)

Variables	DINV		DUE		DMIS		DINTTOT		Collinearity Stats	
	Std. *B*	Sig.	Std. *B*	Sig.	Std. *B*	Sig.	Std. *B*	Sig.	Tolerance	VIF
CG	-.27a	.00	-.13	.15	-.39a	.00	-.42a	0	.5	2.0
FO	.08	.23	.04	.58	.10	.16	.12b	.01	.81	1.2
COD	-.06	.42	-.17c	.04	-.00	.95	-.12c	.03	.64	1.5
MS	.29a	.00	.022	.78	.07	.36	.21a	.00	.71	1.4
RF	-.03	.64	-.117	.11	.06	.42	-.04	.36	.82	1.2
NDP	.08	.27	-.258b	.00	-.07	.36	-.13b	.02	.67	1.5
R^2	.49		.34		.31		.71			
Adjusted R^2	.49		.29		.26		.69			
Regression F-Value	12.88 (.00)		7.14 (.00)		6.25 (.00)		33.73 (.00)			

Note: a. Correlation is significant at the .001 level (2-tailed). b. Correlation is significant at the .01 level (2-tailed), c. Correlation is significant at the .05 level (2-tailed).

As regards our hypotheses testing they are as follows:

H1 is confirmed reflecting a negative relationship of Communication Gap to achieved Integration (Total). This underscores once more the important role of communications amongst people from different functions.

H2 is supported showing that Formalisation correlates positively to achieved integration. Again this is in line with previous findings with a degree of formalisation creates platforms for communication and mutual appreciation of responsibility. This result reinforces Parry and Song (1993) who stated that if processes are formalised, the possibilities of ambiguities concerning tasks and role fulfilment and overall organisation procedures would be eliminated, thus aiding collaboration, through meaningful communication and appreciation of roles.

H3 is confirmed revealing a positive association of Top Management Support on achieved integration. This outline once more the need for orchestrated managerial action which is above and beyond structure. Indeed it reflects the need not only of resources to enable communication but the creation of a culture and climate which is motivated by top management's support towards integration and interfunctional coordination.

H4 is supported showing that the higher the Cultural differences the lower the level of integration. It is not surprising to find out that in cases where accounting and marketing exhibit considerable cultural differences the degree of integration is low. Once again this adds to the notion that perceptions of each other's roles, activities and contributions to the firms' overall objectives are important determinants of the degree of integration encouraged and attained.

H5 was not supported since Role flexibility has no significant relationship with achieved integration. It is important to note here that although insignificant, the Role Flexibility estimates may suggest that such a practice is not a feature of accounting-marketing integration. Strange as this finding may seem, it highlights the very sharp, water-tight boundaries that very often exist between accounting and marketing. An inspection of cross-functional role performance measures, and cross-functional knowledge backgrounds, suggests a strong functional dichotomy which is perpetuated by the knowledge background and associated views of the "business world" endemic to either accounting or marketing.

H6 was supported reinforcing a negative link between Physical proximity (distance) and achieved integration. In our study integration was lower in cases of firms with physically dispersed and distant accounting and marketing functions, whereas integration was at the highest in cases where both functions were situated closely to each other and as a minimum in the same building.

5. Conclusion, Implications and Directions for Further Research

This study's results support the views of Hatherly (2013) who has attributed the current financial crisis to, among other things, the lack of a close alignment between the accounting principles and practices used in financial institutions and their overarching business model. Indeed, the need for the accounting function of contemporary firms to understand the foundations of the business model used by the organization is paramount. In doing so the accounting function can inform, enable, monitor and report not only the performance of the firm as a whole but that of individual programmes and activities, thus safeguarding fit of practices and their close alignment to the objectives as well as the values of the organization as a whole. By the same token marketers in the marketing function, which is responsible for the identification, development and commercialization of products and services that fulfil customer needs while achieving organizational objectives, may be able to test their ideas and their influence upon the revenue streams of the organisation and their sustainability.

Our study reinforces the literature on integration in that it highlights once again the difference between accounting and marketing (Griffin and Hauser 1996). Indeed there are *Cultural and Orientation Differences* between accounting and marketing and these differences have a negative impact upon the integration of the two functions. Therefore, it is extremely important to identify the practices that can be used by researchers and managers alike to develop the building block that enhances integration.

5.1. Theoretical Implications

In researching the building block of integration between accounting and marketing our study confirmed the influential role of communications. Indeed where there is a communications gap between accounting and marketing the level of integration is reduced and problems of misunderstanding, misalignment of practice and unfocused joint effort emerge in the organisation making it difficult to develop and support a clear value proposition. Such misalignment and lack of integration can indeed have considerable consequences for the organisation as regards its internal fabric, its competitive posture as well as its image in the market place. While the negative consequences on the organisation's competitive posture and its image in the market place are easily understood since lack of integration affects performance, consequences on the internal fabric of the organisation need further attention. Indeed lack of inter-functional coordination can affect employee morale, give rise to antagonistic environments within the organisation and diminish trust and commitment to an internal services structure.

To avoid such negative effects, our study directs attention to the fact that the problems are embedded in cultural and orientation differences of the accounting and marketing function. However, this need not be the case as our research outlines clear practices that management can use to reduce the communications gap and facilitate mutual understanding between the two functions, thus strengthening integration between accounting and marketing. To this end our study shows that top management support coupled with a degree of formalisation that encourages and rewards communication and integration is an absolute must for organisations wishing to overcome the above mentioned problems. However our study underscores the fact that top management support and formalisation should be accompanied by a structure that facilitates interaction. In other words the closer the physical proximity of the two functions the more the chances that people will work closer with each other and develop closer working relationships.

It is important to outline once more that our study did not find role flexibility as contributing to higher level of integration. As it was explained earlier, this may be attributed to the fact that the two function not only have different world views of business but also a different portfolio of tools, practices and models they use to develop and test their hypotheses and outcomes of their activities. Cross-fertilisation of models in the two disciplines such as the balanced scorecard (Kaplan and Norton, 1996) or using real option in marketing (Adner and Levinthal, 2004) may alleviate some of these problems.

5.2. Practical Implications

From a practical perspective our study directs attention to the following issues.

First, it is encouraging to notice that there are specific blocks of managerial activity that can enhance integration among accounting and marketing despite cultural and orientation problems. Our study has revealed a portfolio of activities managers can use to develop and safeguard a level of integration among the accounting and marketing functions.

Second, our study reminds managers that their effort to enhance integration should be directed to both the culture and climate of their organisation. A culture-driven message is reflected in the top management support for integration as this will not only legitimise and authorise the use of resources for this purpose but also create an element of trust and credibility in the eyes of the employees thus enhancing its penetration in the organisational fabric. A climate-driven element is reflected in the degree of formalisation of integration practices and the physical proximity of the two functions in the organisation. We believe that culture and climate complement and reinforce each other in that they provide not only the impetus for integration but also a level of responsibility, ownership, and capability (resources) for achieving it.

Overall, therefore, our study conveys the message that managers wishing to enhance integration of accounting and marketing in their organisation they should be using a holistic perspective of its building blocks. This obviously provides them with a larger portfolio of intervention practices and as such it increases their chances for success.

5.3. Limitations and Further Research Directions

As a snapshot of financial organisations in the UK, our study has valid context specific limitations which reduce our ability to extrapolate our findings to other sectors in the UK or elsewhere in the world. As such more research seeking to replicate our study in other parts of the world and industries will help establish the application of our suggestions in different contexts. Such research will benefit from establishing factors critical to the implementation of the above mentioned managerial activities. Obviously this will require more qualitative research and preferably of a longitudinal nature to identify how managerial interventions towards integration of accounting and marketing change the culture and structure of the organisation leading to elimination of communication gaps and closer collaboration. Finally, a unique way to assess the efficiency and effectiveness of any integration structure is to feed specific critical pieces of information about the market and it customers in the accounting and marketing function and research how these pieces travel through accounting and marketing as well as how, in the course of this travel, they change to become managerially useful. The extent to which such changes can be traced back to accounting and marketing resources may help establish the degree of integration achieved in the organisation.

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