

## **Editorial: Artificial Intelligence and Cost Management**

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Emerging technologies like Artificial Intelligence (AI) and Big Data are transforming how businesses around the world operate (Moll & Yigitbasioglu, 2019). Recent advances in AI open up new ways that AI can be used in organisations and enable a wider range of organisational actors to make use of AI in their activities (Kerr, Smith & Smith, 2025; Ranta, Ylinen & Järvenpää, 2023).

This issue presents a series of two articles regarding the implications of AI in cost management. Ratnatunga (2025a) examines the issue of food ingredient reformulation and discusses how AI can potentially be used in dynamic costing of food ingredient. Ratnatunga (2025b) discusses the potential applications of autonomous AI agents in business operations and the need for organisations to adapt their cost management practices to properly recognise and manage costs associated with applications of AI agents.

A common theme of the two articles is the need of changes in cost management practices to cope with transformative impacts of AI to organisations. Technological changes have long been known as a key determinant of the suitability of management accounting practices to organisations (Bruggeman & Slagmulder, 1995). To ensure the management accounting practices in organisations are fit for purpose in the Age of AI, a better understanding the impacts of different AI applications on management accounting practices and how AI could be incorporated into management accounting practices are essential. Collectively, the two articles presented in this issue are a timely contribution to knowledge of the relationships between AI and cost management.

## References

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