

PSPSD01

Chair : Jonathan Tyler

Room : **amphi 6****Budget Forecast Deviations In Municipal Governments: Determinants And Implications**

Discussant : Tagesson Torbjörn

Author : MARIA-DOLORES GUILLAMON, MURCIA UNIVERSITY

EA = Empirical Archival

Co-authors : Francisco Bastida, UNIVERSITY OF MURCIA
 Bernardino Benito, UNIVERSITY OF MURCIA
 Ana Ríos, UNIVERSITY OF MURCIA
 Cristina Vicente, UNIVERSITY OF MURCIA

The credibility of policy decisions depends on reliable budgets that are consistently enforced. This paper empirically analyses the determinants of Spanish municipalities' budget forecasts quality. The aim is to draw conclusions that can be useful to decision makers and legislators. We show an opportunistic behaviour influenced by the electoral cycle. Specifically, we identify two manipulation strategies. First, incumbents overestimate revenues, which allows them to spend more as they match budgeted revenues to budgeted expenditures. In a second step, actual expenditures exceed budgeted expenditures to get more popularity and electoral support. These budget deviations may imply that legislation stipulating a balanced budget ought to be reassessed in light of the tools politicians use to manipulate the budget. Legal punishments should be enacted to prevent budget deviations aimed to manipulate. Finally, our results suggest that the budget forecast procedure should be made transparent and externally audited/monitored.

PSPSD01

Chair : Jonathan Tyler

Room : **amphi 6****Changing Perceptions On Ppp Games: Demand Risk In Irish Roads**

Discussant : Frode Mellempvik

Author : RICHARD BURKE, WATERFORD INSTITUTE OF TECHNOLOGY

CF = Case / Field Study

Co-authors : Richard Burke, Waterford Institute of Technology
 Istemi Demirag, Hull University

This study is based on three Irish operational toll road Public Private Partnership (PPP) case studies including interviews with 38 key stakeholders. Our findings show that the Irish Government's treatment of risk and its transfer to the private partner in PPPs are changing over time. The goalposts in Irish PPPs are changing in favour of the private partner at the expense of the taxpayers who are the losers in the PPP game: the Government are willing to step in if projects experience financial difficulty, and the Special Purpose Vehicle (SPV) assumes that this may occur in their bid for the PPP project. Pricing of demand risk also differs from the Government's rhetoric that it is being priced realistically. In practice, we find that it is priced aggressively by the SPV in order to win PPP contracts. The paper discusses the possible implications of these findings for Value for Money (VFM) and ultimately tax payers.

PSPS02

Chair : Louise Kloot

Room : **P508****Determinants Of Central Government Budget Disclosure**

Author : ANA MARIA RIOS-MARTINEZ, MURCIA UNIVERSITY

EA = Empirical Archival

Co-authors : Francisco Bastida, University of Murcia
 Bernardino Benito, University of Murcia
 María-Dolores Guillamón, University of Murcia
 Cristina Vicente, University of Murcia

This paper attempts to evaluate the socio-economic, political and institutional determinants of central government budget disclosure, both through the Internet and other media. We build budget disclosure indicators based on the International Budget Partnership questionnaire for 93 countries. Our findings show that Internet penetration, education level, central government relative size, budget surplus, administrative culture, political competition and incumbents' ideology determine central governments' budget disclosure. A cluster analysis finds three groups of countries: high, medium and low budget disclosure level.

PSPS02

Chair : Louise Kloot

Room : P508

Metamorphoses Of Valuation Practices In An Ephemeral Mega-Project Organization: The Case Of The European Capital Of Culture "ruhr.2010"

Author : CHRISTIAN HUBER, UNIVERSITY OF THE FEDERAL ARMED FORCES HAMBURG

IC = Interdisciplinary / Critical

Co-authors : Lukas Crepaz, ruhr.2010 gmbh
Barbara Junne, helmut-schmidt-university
Tobias Scheytt, helmut-schmidt-university

This paper discusses valuation as organizational practice. We focus on the case of a professional, complex, hybrid and fast developing organization that had, however, a short operational life of just five years: the RUHR.2010 GmbH. This organization was the host for the European Capital of Culture Campaign that took place in the German Ruhr Area in 2010 and hence institutionally bound to diverse orders of value: that can be called cultural, artistic, aesthetic, technical, political, and economic. Empirical research on the decision processes within the organization reveals that the management often chose a pragmatic, or nondogmatic, ways of re-valuing issues on those different orders of value in order to keep 'balance' between the manifold interests that numerous actors within and around the organization showed in the organization's work and the overall campaign. We interpret these results against two contending strands of valuation research: Wendy Espeland and colleagues' (Espeland & Stevens, 1998; Espeland & Sauder, 2007; Sauder & Espeland, 2009) work on the tendency of modern organizations towards commensuration of multiple orders of value, and David Stark's (2009) work on the heterogeneity of multiple co-existing evaluative principles. We conclude that neither of these theories can fully grasp our empirical results. Rather, we argue that an approach combining elements of both theories is suitable for understanding empirical valuation processes as those we observed.

PSPS02

Chair : Louise Kloot

Room : P508

Explaining Efficiency In The Provision Of Public Cultural Facilities

Author : MARIA DEL ROCIO MORENO ENGUIX, MURCIA UNIVERSITY

EA = Empirical Archival

Co-authors : Maria Del Rocio Moreno Enguix, University of Murcia
Bernardino Benito López, University of Murcia
José Solana Ibañez, University of Zaragoza

Recent years have seen a wealth of studies on Cultural Economics, in line with the importance of the economic performance of the public sector. In this context, the two-stage double bootstrap procedure of Simar and Wilson (2007) has been used to estimate the efficiency determinants of Spanish local entities in the management of culture oriented public infrastructures, given the limited financial resources available to these entities. The final sample comprises 1,159 municipalities. In the first stage, technical efficiency is estimated by Data Envelopment Analysis (DEA) and, based on a truncated-regression, the resulting efficiency estimates are regressed on a group of 10 selected environmental variables in a second stage. We have also considered the influence of a dummy categorical variable –the political sign of the governing party– on the efficient provision of the facilities under study. The results show the existence of a significant relation between efficiency and all the variables except two: unemployment rate and political strength. Our results also show that municipalities governed by conservatives parties are more efficient.

PSPS04

Chair : ANNE ROBBESTAD

Room : P508

Social Motives For Revenue Management - An Empirical Study

Author : JONAS HEESE, MAASTRICHT UNIVERSITY

EA = Empirical Archival

Co-authors : Ranjani Krishnan, Michigan State University
Frank Moers, Maastricht University School of Business and Economics

Considerable research in accounting has explored earnings management by firms to meet a desirable income threshold. We explore a distinct type of revenue management that (a) does not increase costs, (b) does not reverse in future years, and (c) is driven by social motives. We use data from the hospital industry and examine revenue management via "upcoding", i.e., classifying an ailment as more severe than it actually is to earn higher revenues without incurring commensurate costs. We identify two social motives for the use of revenue management by upcoding. These social motives include charity care and medical education. In addition, we also control for the traditional pecuniary motives to manage revenues, i.e., to meet an income benchmark, and to obtain additional incentive compensation. Archival analysis based on 1,438 hospital-year observations for the period 1999-2007 finds systematic evidence of variations in upcoding based on social motives.

PSPS04

Chair : ANNE ROBBESTAD

Room : P508

The Role Of Accounting In Reframing Health Care Organizations – Two Case Studies Of Patient And Process Orientation

Author : GUSTAF KASTBERG, LUND UNIVERSITY

CF = Case / Field Study

Co-authors : Sven Siverbo, Karlstad university

During the last decade, attempts to patient and process orient health care organizations have become more common. Based on Callon's theorizing on framing and overflowing, we argue that these attempts are expressions of reframing. We argue that earlier research has failed to show how attempts to reframe (manage overflows) are affected by accounting and how various actors' interests and professional values and identities affect what is perceived as an overflow and what is not. Therefore, the aim of this paper is to show how accounting affects and is affected by an attempt to reframe HCOs. Two longitudinal case studies are presented. We conclude that in both cases actors regarded accounting as useful tools and a lot of effort was put into the development of two-dimensional visualizations of the processes. However, we also conclude that the two-dimensionalization through accounting in our two cases did not lead to a general support for the patient and process orientation. In both cases the attempts to reframe caused discussion within the hospitals about prioritizations. In these discussions, the alliance of enrolled actors and accounting information did not give stronger arguments than other actors' judgments about medical priorities. In fact, over time in the City Hospital case, accounting weakened rather than strengthened the network of actors that propagated for patient and process orientation.

PSPS04

Chair : ANNE ROBBESTAD

Room : P508

The Effects Of Budgetary Constraints On The Prescribing Practices Of Hospital Professionals

Author : AUDREY PATERSON, HERIOT-WATT UNIVERSITY EDINBURGH

CF = Case / Field Study

Co-authors : William Jackson, Heriot-Watt University
 Christopher Pong, Nottingham University Business School
 Simona Scarparo, Deakin Graduate School of Business

In recent years substantial research effort has been applied to the study of the introduction of accounting logics into medical practice, but little of that effort has been applied to the area of the prescribing of medicines, especially in the hospital setting. This paper uses the sociology of the professions as a lens to analyse how policy and managerial initiatives promoting cost and budgetary concerns have affected medical jurisdiction and prescribing practice within the setting of Scottish acute hospitals. Findings suggest that the introduction of accounting logic is shrinking medical jurisdiction and stratifying the profession within the hospital setting.

PSPS01

Chair : Toomas Haldma

Room : P507

The Joint Effect Of Auditor Tenure And Auditor Type On Audit Quality In The Governmental Nonprofit Organizations

Author : BELEN GONZALEZ-DIAZ, UNIVERSITY OF OVIEDO

EA = Empirical Archival

Co-authors : Roberto García-Fernández, University of Oviedo
 Belén González-Díaz, University of Oviedo
 Antonio López-Díaz, University of Oviedo

Over the last few decades the relationship between auditor tenure and audit quality has been constantly debated by researchers and thus far the topic has still not been fully. This paper provides fresh empirical evidence which adds to the debate as it explores whether or not there is a relationship between different auditor characteristics which may affect audit quality, measured as the likelihood of an auditor issuing a qualified opinion. Specifically, we investigate whether there is an interaction effect between auditor type and auditor tenure. The paper also examines whether audit quality is influenced by additional factors. In order to carry out the research, different logistic regression models were estimated using a sample of 211 audits of Spanish Governmental Nonprofit Organizations (GNPOs) over the years 2003 to 2009. The results do not suggest such a relationship to exist but they indicate the influence of auditor tenure on audit quality. In this respect the research reveals that the longer auditor tenure in GNPOs lasts, the lesser the likelihood that their audit reports will give a qualified opinion. Additionally, it also be concluded that opinions received by GNPOs in their audit reports from the previous year plus sector and year are all relevant factors in audit quality.

PSPS01

Chair : Toomas Haldma

Room : P507

Motivation And Financial Rewards In Public Administration – Why The Boss Matters

Author : KATRIN HUMMEL, UNIVERSITY OF ZÜRICH

SU = Survey

Co-authors : Peter Rötzel, University of Stuttgart, Germany

This paper responds to recent calls for research on the integration of the manager into a framework of public work motivation (e.g., Terry, 1995; Van Wart, 2003). For a sample of 364 public-sector employees, results from covariance structure modeling show a positive and significant effect of boss satisfaction on satisfaction with financial rewards, job satisfaction and work motivation. Our results indicate a strong impact of boss satisfaction on public work motivation via satisfaction with financial rewards which might explain contrary results of previous studies. In a second analysis we include job and boss characteristics into our model thereby providing new insights into the direct and indirect impact of these characteristics on public work motivation. In particular, we show that boss characteristics such as 'participation of employees' and 'commitment' have a positive impact on satisfaction with financial rewards which in turn affects public work motivation. Our results are valuable for researchers and practicing managers alike as they do not only close a gap in public-service motivation research but also emphasize the importance of certain boss characteristics for the effects of financial rewards on public work motivation.

WEDNESDAY

11:00-12:30

PSPS01

Chair : Toomas Haldma

Room : P507

Accountability For Infrastructure Assets Of Local Government: The Influence Of Stakeholders

Author : PAVITHRA SIRIWARDHANE, RMIT UNIVERSITY

SU = Survey

Co-authors : Dennis Taylor, RMIT University

This study contributes to evidence on the how an organisation's rendering of alternative dimensions of accountability is affected by managements' perceptions of the salience of different stakeholder groups. Specifically, the study examines the relationship between the emphasis placed by the key management players in local government authorities (LGAs) (namely the Mayor and CEO) on their LGA's accountability for infrastructure assets and the degree of salience they accord to different stakeholders of these infrastructure assets. A mail survey was carried out among 420 LGAs across all jurisdictions in Australia and 200 usable responses were received. Confirmatory factor analysis is conducted on the responses to multi-item scales of the organisation's accountability for infrastructure assets. Three dimensions of accountability – public, managerial and political – are obtained. The results from regression models find support for the positive effects of public stakeholder salience and managerial values on the emphasis given to all three dimensions of accountability as well as overall accountability. Salience of higher-tier government shareholders is non-significant. Finally, the Mayor rates the LGAs emphasis on accountability significantly higher than the CEO. The implication for various stakeholders is that gaining salience with key management does result in enhanced accountability.

WEDNESDAY

14:00-15:30

PSPS03

Chair : Jukka Pellinen

Room : P507

Institutional Logics And The Historical Contingency Of Public Sector Accounting Change: The Finnish University Sector In Years 1980-2010

Author : JAANA LATVANEN, UNIVERSITY OF JYVASKYLA

HI = History

Co-authors : Jukka Pellinen, Jyväskylä University School of Business and Economics

From the beginning of 2010 universities in Finland have been either independent corporations under public law or foundations under the Foundations Act. The long journey from the state agency position to an independent entity and a change of ideology began 1983, when a working group set by Ministry of Education and Culture (MEC) published its preliminary report of plans of a new legislation concerning the development of higher education in Finland. We found altogether 24 reports of MEC and 21 of Ministry of Finance (MF) dealing with management by results (MBR) and its ramifications in universities in Finland between years 1980 and 2010. Both ministries have had a very important role in the developing of MBR of universities in Finland. While MEC has concentrated on developing models to evaluate university performance, cost accounting, funding formula and the issues dealing the independency and autonomy of universities, MF has had a significant role in decentralization of power, clearing the role of ministries in MBR, and financial management of public sector organizations. Reports indicate the strong position MF has taken in developing normative theory of public sector accounting. Our study seeks institutional explanations to the adoption of performance measurement practices in university sector in Finland by studying the reports of both ministries in years 1980-2010. The relationship of ministries with university sector and changes in it is important in trying to better understand the mechanisms behind this development. The present situation of accounting and financial management of universities as a result of past development is a combination of activities of MF, MEC and universities.

PSPS03

Chair : Jukka Pellinen

Room : **P507****Evaluation And Re-Design Of Public Education Networks: A Centralized Analysis**

Author : LAURA LOPEZ TORRES, AUTONOMOUS UNIVERSITY OF BARCELONA

EA = Empirical Archival

Co-authors : Diego Prior Jimenez, Universitat Autònoma de Barcelona

The vast number of studies on school efficiency confirms that it is a topic of interest for researchers. While existing literature has focused on determining the features of educational centers and environmental factors that influence students' results, this study aimed to assess and re-design a sample of schools in the public education network in Catalonia (north-eastern Spain) based on post-New Public Management, through the use of non-parametric frontier techniques. The results indicate that the network could be improved to redistribute the budget devoted to the education optimally. The study also provides useful information for accountability and decision making regarding the implementation of improvement programs in public schools.

MONDAY**17:45-19:15****PSRF02**

Chair : Hans-Ulrich Küpper

Room : **P504****Efficiency Analysis And Benchmarking: A Quantitative Approach To Compare The Performance Of Voluntary Organizations**

Author : MARCO ANTONIO F MILANI FILHO, MACKENZIE PRESBYTERIAN UNIVERSITY

EA = Empirical Archival

Co-authors : ,

Voluntary organizations face the challenge of fundraising and fulfilling their organizational missions in an efficient way. In this article, I compare the production efficiency of 42 voluntary organizations that provide specialized housing for elderly people in Sao Paulo, Brazil. I also test whether the dependence level of these organizations on public resources is significantly related with their efficiency level calculated using the Data Envelopment Analysis. Capital and labor were used as input data, while operational performance indicators were used as output data. The results pointed out benchmarks for inefficient entities and indicated that no significant relation exists between dependence level on public resources and production efficiency level.

MONDAY**17:45-19:15****PSRF02**

Chair : Hans-Ulrich Küpper

Room : **P504****The Austrian Health Care System – Introduction Of A New Reporting System For Hospitals**

Author : BARBARA SCHALLMEINER, VIENNA UNIVERSITY OF ECONOMICS AND BUSINESS

AM = Analytical / Modelling

Co-authors : Magdalena Kuntner, Vienna University of Economics and Business

The Austrian health care system is characterised by a high density of health care facilities. In 2010, a total of 266 hospitals were available for inpatient care. Total annual health care expenditure amounts to approximately EUR 30.3 billion, which is 11 % of the gross domestic product. The major funders of the Austrian health care system include the social health insurance funds and the Federal Government. In 2009, a majority of the expenditure on hospitals was borne by these two parties. In order to ensure an efficient allocation of resources, the Federal Ministry of Health established a reporting system for hospitals in 2010 with the aim of supporting decision-making processes on the federal and provincial level and particularly providing reliable data for effective decisions in connection with the ongoing health care reform debate. The reporting system consists of five components which give an overview of the structure and the maturity of the hospitals' assets and capital, the composition of equity, revenues, receipts and expenditures and the origin and composition of allowances. The aim of the paper is to describe the individual components of the reporting system in detail and to outline their informative value and their decision usefulness. Based on this description, the paper identifies items which are of major importance for the hospitals' capital and cost structure and proposes possible decision-useful management ratios.

PSRF02

Chair : Hans-Ulrich Küpper

Room : P504

The Impact Of Financial Transparency On Electoral Cycles: Evidence From Spanish Municipalities

Author : FRANCISCO BASTIDA, MURCIA UNIVERSITY

EA = Empirical Archival

Co-authors : Bernardino Benito, MURCIA UNIVERSITY
 María-Dolores Guillamón, MURCIA UNIVERSITY
 Ana Ríos, MURCIA UNIVERSITY
 Cristina Vicente-Oliva, MURCIA UNIVERSITY

The aim of this paper is to assess the impact of financial transparency on local political budget cycles. We employ a panel sample of the Spanish largest municipalities for 1999-2009. Although the impact of transparency on the electoral cycle has been investigated at the international and regional level, no previous studies have explored its effect at the local level. We find an electoral cycle in total spending in low financially transparent municipalities, whereas such an electoral impact on total spending does not appear in high transparent municipalities. Our results also show that the magnitude of the electoral cycle in capital spending and taxes does not diminish when financial transparency rises. In other words, incumbents increase capital spending and reduce taxes before elections, regardless of the degree of financial transparency.

MONDAY

17:45-19:15

PSRF02

Chair : Hans-Ulrich Küpper

Room : P504

The Effect Of Government R&d Incentives On International R&d Trade

Author : CARMEN BACHMANN, AUGSBURG UNIVERSITY

EA = Empirical Archival

Co-authors : Martin Baumann, University of Augsburg

In the past years, the awareness of the importance of business research and development for the economy has grown significantly. In order to encourage businesses, governments are increasingly providing tax incentives or grants to companies conducting R&D. Despite the vast literature proving the efficiency of these incentives, the impact of these incentives on international trade in R&D services has been ignored so far. An empirical analysis indicates that R&D incentives have opposing, time variant effects on international R&D trade. The findings indicate that government decisions on R&D incentives should also take the scale of R&D incentives of its major trade partners into consideration.

MONDAY

17:45-19:15

PSRF02

Chair : Hans-Ulrich Küpper

Room : P504

Financial Determinants For Improving Public Sector Accountability: A Meta-Analytic Study

Author : LAURA ALCAIDE-MUÑOZ, UNIVERSITY OF GRANADA

EA = Empirical Archival

Co-authors : Manuel Pedro Rodríguez Bolívar, University of Granada
 Raquel Garde Sánchez, University of Granada
 Antonio M. López Hernández, University of Granada

The economic crisis has highlighted the need to pay close attention to the disclosure of financial information by public administrations; this is an element contributing to control, accountability and responsibility and thus to achieving greater financial stability and sustainability. Although the disclosure of public financial information has traditionally been linked to financial variables, chief among which are financial condition and inter-governmental transfers, published results in this respect have been somewhat inconsistent, and conclusive evidence has yet to be provided regarding these factors and their influence on the level of disclosure. The present paper applies a meta-analysis statistical method to reveal the existence of a statistically significant association between certain financial variables and the disclosure of public financial information, although the strength and sign of this association will depend on the context under analysis. The results obtained reveal a variable degree of predisposition among public managers to adopt policies aimed at enhancing the disclosure of public financial information.

PSRF04

Chair : Halina Waniak-Michalak

Room : P504

Develop A New Management Control System Within Public Organizations: Roles Of Technological Controversies

Author : BENJAMIN DREVETON, POITIERS UNIVERSITY / IAE MANAGEMENT SCHOOL

CF = Case / Field Study

Co-authors : ,

This research analyzes the implementation process of a balanced scorecard in public organizations. The study is based on a research-action realized over a period of two years with a public organization (the national center for distance learning). The research used the translation theory. This framework allows to study the human issues of the implementation process. Specifically, based on a case study, this research analyzes the role played by objects in the sharing process of individuals. The analysis of a technological controversy that appeared during the BSC construction allows to involve the introduction to a real process that allows the structuration of the device and to illustrate the creation of a new social space that gradually brings the managerial innovation within the organization.

MONDAY

16:00-17:30

PSRF04

Chair : Halina Waniak-Michalak

Room : P504

From Cash Accounting To Accrual Based Ipsas In A Non-Profit Organization – Perceived Benefits And Challenges

Author : JING LI, UNIVERSITY OF BRADFORD

SU = Survey

Co-authors : Lajpatroy Samaroo,

Public sector organizational and managerial reforms of the past two decades quickly caught the attention of non-profit organizations (NPOs) and intergovernmental organizations (IGOs). It is generally considered that accounting reform in the public sector by moving from cash to accrual accounting is the key to the success of all other reforms. While the literature is rife with the experiences of the public sector, very little has been documented on those of the NPOs. Using a questionnaire survey, this paper examines the benefits and challenges of implementing IPSAS in a world leading NPO (a charitable organization) perceived by professionals involved in the implementation process and others within the organization whose work is significantly affected by the process. The findings are generally consistent with those found for the public sector organization that the adoption of accrual based IPSAS is generally perceived to have its benefits of improving transparency and enhancing accountability. An interesting view that was brought out is the benefits to the employees through the adoption given that IPSAS is now extensively used in the public sector. Challenges are also identified such as time and resources required to ensure a smooth and successful transition. Staff training is one of the most often mentioned in the comments and the suggestion is to have more hands on training and training for local and regional offices.

MONDAY

16:00-17:30

PSRF04

Chair : Halina Waniak-Michalak

Room : P504

Towards A "new Generation" Of Participatory Budgeting? Evidences And Reflections From The Italian Experience

Author : LUCA BARTOCCI, UNIVERSITY OF PERUGIA

SU = Survey

Co-authors : Damiana Lucentini, Perugia University

Citizens' participation is considered, in many approaches, as one of the main elements qualifying the new cultural models that interpret the evolutions of the ways in which the public sector can be administrated, with a special reference to the paradigm of public governance. This study aims to verify if the resort to the participatory practices – especially citizens' involvement in budgeting – has a significant effect – and not merely rhetorical – considering the existence of a positive correlation between civic participation and improvement of the accountability. The work is supported by an empirical section, based on a survey carried out on a panel sample of Italian experiences. The repetition with time of this research (twice in three years time) let us show the development trends of the phenomenon. From this study it emerges that the adoption of participatory budget is often related to political aspects and finds hard to remain stable with time, although it is well appreciated by the management in charge and by the citizens. In those cases in which participatory budget is still operational, a change of the conceptual model at the base of the operational techniques is occurring, with a shift from the South American to more hybrid models. Generally speaking, the search for a "participatory structure", where the participatory budgeting becomes a symbolic instrument, is leading to the beginning of a process in which the Municipalities analyzed are getting more accountable.

PSRF04

Chair : Halina Waniak-Michalak

Room : P504

Ipsas Awareness By Brazilian Municipalities

Author : RICARDO CARDOSO, FUNDAÇÃO GETULIO VARGAS

SU = Survey

Co-authors : Andre Aquino, Universidade de São Paulo

It is an exploratory analysis on how Brazilian municipalities are aware about the implementation of the International Public Sector Accounting Standards (IPSAS). We assessed IPSAS awareness on two perspectives: directly asking the accountants responsible for each municipality about their involvement and efforts dedicated to understand IPSAS's principles and requirements; and indirectly, assessing the accounting policies adopted by individual municipalities associated to Accrual Financial Reporting (Guthrie, 1998). Data were collected through a survey applied to every 5,564 Brazilian municipality. The questionnaire was structured as a maturity matrix based on Guttman scale - inspired by Elwyn et al. (2004), Rhydderch et al. (2006), National Audit Office (2009a; 2009b). We find that Brazilian municipalities are poorly aware about the convergence process, and financial accounting policies are (still) highly biased by compliance with budgetary and fiscal rules. Results can be useful for policy makers and watchdogs that care about the compliance with standards enacted by accounting and fiscal authorities; as well as, for auditing firms, software developers and other professionals that offer services on accounting information for local governments. The academic audience may benefit from this study on adjusting governmental accounting curricula and developing further research on Accrual Financial Reporting.

PSRF04

Chair : Halina Waniak-Michalak

Room : P504

Balancing School Performance Management: An Evidence From Estonian Public Schools

Author : TOOMAS HALDMA, UNIVERSITY OF TARTU

SU = Survey

Co-authors : Kristi Ploom, University of Tartu

This study investigates ways in which the performance management at different school management levels contributes to the performance of public schools in the Estonian general education system. The study is based on the balanced performance management approach and focuses on performance management patterns in Estonian general education schools. At the individual, operational, and strategic performance management levels, the primary performance determinants are analysed. The study uses empirical survey data gathered from 164 Estonian public secondary schools. The research shows that a pupil's academic performance as the most common indicator of a school's performance influences individual goals, such as satisfaction with the quality of education and teaching in the school and the pupils' further choices and opportunities in education. The satisfaction of other interested parties such as teachers, parents, board members and school council members is influenced by the school's strategic as well as operational performance management measures. Therefore, a school's performance management system must operate as a balanced system integrating the individual, operational and strategic performance management levels of the school. The paper contributes to the limited knowledge about the implementation of performance management practices in public schools.

PSRF06

Chair : Ricardo Cardoso

Room : P504

The Impact Of Functional Decentralisation And Externalisation On The Transparency Of Local Governments

Author : BEATRIZ CUADRADO-BALLESTEROS, UNIVERSITY OF SALAMANCA

EA = Empirical Archival

Co-authors : Isabel-María García-Sánchez, UNIVERSITY OF SALAMANCA
José-Manuel Prado-Lorenzo, UNIVERSITY OF SALAMANCA

The aim of this paper is to extend the little empirical evidence there is concerning the relationship between the modes of public services delivery and transparency in local governments. For this purpose, we have selected a sample of the 110 most important Spanish cities, for which "International Transparency Spain" has published information regarding their level of transparency for the years 2008, 2009 and 2010. The results show that the introduction of the private sector (externalisation and mixed companies) does not affect the level of transparency of Spanish municipalities, as well as the fact that functional decentralisation has a positive effect on this transparency. Precisely, the most transparent municipalities prove to be the most decentralised in public service delivery through the creation of public companies and foundations. In addition, the less corrupt governments as far as corporative information and their relationship with the citizens are concerned, have created more autonomous organizations for the delivery of local public services.

PSRF06

Chair : Ricardo Cardoso

Room : P504

Content Analysis In Senate Estimates: A Review Of Expenditure, Operations And Activities?

Author : CIORSTAN SMARK, UNIVERSITY OF WOLLONGONG

EA = Empirical Archival

Co-authors : Graham Bowrey, University of Wollongong, Australia
Ted Watts, University of Wollongong, Australia

One of the key financial accountability processes in the Australian system of government is the budget estimates hearings of the Senate Legislation Committees. The estimates hearings of these committees' focus on the examination of the proposed annual expenditure, outlined in the Appropriation Bills, of government departments and authorities as well as provide an opportunity for Senators to question senior public sector managers about the effectiveness and efficiency of the delivery of government services. This paper will, through the application of content analysis and thematic analysis, examine the Hansard transcripts of a government organisation to explore the extent which the hearing covers the proposed expenditure as well as the operations and activities of the government organisation. Due to the limited scope of this study inferences can not be drawn and extrapolated across the entire public sector. However this study will highlight the use of content analysis and thematic analysis as appropriate methods to examine the financial accountability process of the estimates hearings of Senate Legislation Committees.

PSRF06

Chair : Ricardo Cardoso

Room : P504

Politicization, Banking Experience And Risk In Savings Banks

Author : JUAN PEDRO SANCHEZ BALLESTA, MURCIA UNIVERSITY

EA = Empirical Archival

Co-authors : Emma García Meca, Universidad Politécnica de Cartagena

During the global financial crisis, criticism of the politicization and lack of professionalization of the savings banks has taken a central position in the political debate. The aim of this article is to analyze if the political presence of governing bodies in Spanish savings banks has been reflected in their various risk-taking behaviors before and during the financial crisis. We will also analyze whether the influence of the chairman's banking experience matters. The results do not provide evidence that the composition of the boards of savings bank, or even their politicization, have played a role. However we show that savings banks run by a chairman with previous banking experience are likely to be significantly more solvent and less volatile.

PSRF06

Chair : Ricardo Cardoso

Room : P504

Financial And Non-Financial Factors Motivating Individual And Institutional Donors To Support Public Benefit Organizations

Author : HALINA WANIAC-MICHALAK, LODZ UNIVERSITY

EA = Empirical Archival

Co-authors : Ewelina Zarzycka, University of Lodz,, Accounting Department

Activity run by the public benefit organizations differs from the operations of business entities in terms of results achieved and stakeholders expectations. However, donors may expect measurable effects, thus contributing to a more effective use of the funds they donate. The study aimed to find out how PBOs' financial data affect donations received by them and if the donors use financial and non-financial information to donate. The question is even more important if we consider specific conditions of operating PBO's in Poland and history of the Polish PBOs. In order to reach the goal, we used different methods of research: quantitative research (the econometric model) and qualitative research (the laboratory test and the survey). The research allowed us to draw the conclusion, that Polish donors make very limited use of PBOs' financial statements in this process. This is mainly due to their low opinion on the statements' usefulness, as they either lack the necessary information or provide an overwhelming amount of data. The research has also found that non-financial information plays greater role for donors in making charitable decisions. This article fits into the scope of world research on the PBO's and uses institutional theory to understand better factors motivating individual and institutional donors to support public benefit organizations.

PSRF01

Chair : Carolyn Cordery

Room : P503

Corporate Governance In Not-For-Profits: The Board, The Ceo And Directors' Liabilities

Author : LOUISE KLOOT, SWINBURNE UNIVERSITY OF TECHNOLOGY

CF = Case / Field Study

Co-authors : Grainne Oates, Swinburne University of Technology

This paper examines the roles and relationships of directors and CEOs in not for profit (NFP) organisations. It considers these roles in the light of three recent school board problems, and a recent Australian court case which has highlighted board due diligence and directors' skills, and increased directors' duties and accountabilities, with the possibility of criminal liability for corporate failures. The research uses an interpretivist methodology interviewing directors of NFPs. The paper explores how directors and CEOs interact when directors attempt to acquire the information essential for their work. The recent court ruling highlighted that directors must be financially literate and must seek and understand information: they cannot rely on others to provide that information. The research finds that the experience, knowledge and expertise of directors and their willingness to challenge the CEO is crucial in determining the outcomes of NFPs. Inexperienced or inept CEOs can expose directors to significant risk if the directors do not take action to improve organisational outcomes. Directors need to be mindful of the onerous civil and criminal liability that follows appointment as a director, even when acting in good faith. This also applies to voluntary unpaid directors in large and small NFPs.

WEDNESDAY

9:00-10:30

PSRF01

Chair : Carolyn Cordery

Room : P503

The Private Finance Initiative (pfi) In The English National Health Service (nhs): Power (im)balance And Mutual (in)dependence From A Resource Dependence Perspective

Author : ZLATINKA GOUGOUMANOVA, UNIVERSITY OF ESSEX

CF = Case / Field Study

Co-authors : Iqbal Khadaroo, University of Essex
Ricardo Malagueño, University of Essex

This research studies the Private Finance Initiative (PFI) in the English National Health Service (NHS) from a resource dependence theory (RDT) perspective (Pfeffer and Salancik, 1978, 2003). It also examines the approximate configurations of power (im)balance and mutual (in)dependence between the public and private sectors in operating acute NHS PFIs (intra-PFI and inter-PFI relationships). Additionally, the issue of how these relationships become more power balanced and more mutually dependent is examined. The study uses mixed methods of research – semi-structured interviews with managers involved in the NHS PFI across England and quantification of interview data in the form of dependency dyads. The study concludes that intra-PFI dependency configurations are more diverse than inter-PFI dependency configurations. The relationships examined may become more power balanced and more mutually dependent via standardisation of PFI contracts, via simplification of the PFI processes, and via negotiation, among others.

WEDNESDAY

9:00-10:30

PSRF01

Chair : Carolyn Cordery

Room : P503

The Disclosure Of Information About Sustainability At The Regional Governments And Influencing Factors: The Case Of Spain.

Author : FRANCISCO JOSE ALCARAZ QUILES, UNIVERSITY OF GRANADA

CF = Case / Field Study

Co-authors : Andres Navarro-Galera, Universidad de Granada
David Ortiz-Rodriguez, Universidad de Granada

In line with developments in the private sector, public bodies must improve their practices to disseminate information about the sustainability of their actions. Currently, the lack of doctrinal works and the small number of public entities that issue reports about sustainability, justify the opportunity and interest to conduct empirical research on government behavior in this matter. This paper examines the sustainability information disclosed by the 17 regional governments (RG) in Spain and analyzes ten factors that can play a key role in the publication of this information. Based on the GRI guidelines, we developed a questionnaire consisting of 61 items, structured in four blocks. Given the growing importance of the Internet as a means of communication between the government and the various stakeholders, and the contribution of the Internet to promote government methods to improve the availability of information, we examined the sites web of 17 (RG) Spanish verifying the information revealed by these web sites based on the questionnaire developed. We used ten possible explanatory variables for which we explained, the main reasons that have led us to think about the possibility of exercising influence on the publication of information on sustainability. Then, taking the percentages of disclosure obtained by each RG and for each blocks, we performed a cluster analysis to identify the impact of possible explanatory variables in the information disclosure on sustainability by RG.

PSRF03

Chair : David Spearritt

Room : P503

Translation Of National Health Care Accounting Norms Into Local Health Care Accounting Norms: The Constitutive Role Of Actants

Author : ANNE ISABELLE ROBBESTAD, STORD/HAUGESUND UNIVERSITY COLLEGE

CF = Case / Field Study

Co-authors : ,

Using Actor Network Theory (ANT), the aim of the empirical study is to describe and analyze the translation process of national health care accounting norms into local health care accounting norms in order to provide explanations for its outcomes. The study can be summarized in two findings. The first finding deals with complexity and organizational knowledge. The second finding deals with the constitutive role of nonhuman elements. Nonhuman elements (described as actants) play a central role in the translation of national health care accounting norms for two reasons. The first reason is that nonhuman elements, defined as inscriptions, erase the macro/micro levels and enable control at a distance. As such, the study shows that the use of multiple inscriptions can be assimilated to black boxing (Bonner and Chiasson, 2005). Inscriptions as black boxes condition organizational members to produce financial information in a pre-determined manner according to the central agency information needs and goals. The second reason is that, according to previous ANT empirical accounting studies, actants have the capacity to transform the behavior and identities of organizational members (Skærbæk, 2009; Skærbæk et al., 2007; Lowe, 2001 and 2000). However, in this study, actants, both transform organizational actors and are transformed by these actors.

WEDNESDAY

14:00-15:30

PSRF03

Chair : David Spearritt

Room : P503

The Roles Of Accounting In The European Mentality Of Government

Author : FABRIZIO PANOZZO, UNIVERSITY OF VENICE

IC = Interdisciplinary / Critical

Co-authors : ,

This paper looks at the European mentality of government from an accounting angle. It explores the roles of one particular calculative practice ("Public Internal Financial Control" - PIFC) in shaping the process of accession of candidate countries to the European Union. It tries to fill a research gap by connecting the political programmes of creating and reinforcing European institutions to their technical dimension. The distinction between programmes and technologies suggested by Rose and Miller (1992) and picked up by Power (1997) is the framework used. In this vein, the mentality of the PIFC model is inscribed within an encompassing narrative, a narrative of self-improvement via purposeful self-control and conscious self-management. The predominant logic rising from processes of regulation at national and transnational level seems to be the construction of subjects as responsible, rational and self-controlling entities, responsible also in the sense of having responsibility for their own destinies and being both able and obliged to turn themselves into 'successful' achievement. This mentality of government depends on the constitutions of individuals, professionals, organisations, agencies and indeed central government bureaucracies as sites for the exercise of 'responsible autonomy' that can be indirectly regulated through new kinds of accounting standards.

WEDNESDAY

14:00-15:30

PSRF03

Chair : David Spearritt

Room : P503

Dissemination And Institutionalization Of Public Sector Accounting Reforms In Less Developed Countries: A Comparative Study Of The Nepalese And Sri Lankan Central Governments

Author : SUMOHON MATILAL, UNIVERSITY OF EXETER

CF = Case / Field Study

Co-authors : Chamara Kuruppu, Vestfold University College, Norway
Adhikari Pawan, Essex University, Essex Business School

One of the major issues in the developing world today is the alleviation of poverty and it is acknowledged that public sector accounting has a key role to play in this through the effective allocation of resources. Implementing public sector accounting changes in developing nations has been a key agenda of international organizations since the 1980s. This study, drawing on the ideas of neo-institutionalism, strives to explore the implementation of public sector accounting reforms in two less developed countries (LDCs), namely Nepal and Sri Lanka. The empirical findings of the study demonstrate that, while internationally propagated public sector accounting reform ideas have not gone beyond the trial/proposal stage in Nepal, colonialism has bequeathed on Sri Lanka the promotion of accounting education and training, enabling the country to implement some of these reform ideas. However, increasing resistance to accounting changes at the lower administrative level, witnessed in both countries, indicates a need to understand the contexts of LDCs and to fulfil basic preconditions prior to disseminating/embarking on reforms there. Key words: Institutional theory; international organizations; less developed countries; public sector accounting.

PSRF03

Chair : David Spearritt

Room : P503

Hospital Accounting And The Insoluble Problem Of Health Expenditure

Author : FLORIAN GEBREITER, ASTON UNIVERSITY / ASTON BUSINESS SCHOOL

HI = History

Co-authors : ,

Amid discourses on ageing populations and increasingly costly medical technologies, the problem of health expenditure is perceived as one of the most significant socio-economic challenges facing Britain and other developed societies. The "need" for ever more elaborate hospital accounting systems is often expressed with reference to this problem. This paper aims to further our understanding of the problem of health expenditure, and of its relationship with hospital accounting, by examining the conditions under which it emerged. Drawing on textual data from government reports and professional journals, the paper argues that the nationalisation of the British health services, the compilation of national health accounts and changing conceptions of the nature of disease transformed perceptions of health expenditure in the mid-20th century – from a "profitable" investment in the productive capacities of the nation to an "insoluble" socio-economic problem threatening to bankrupt the country. The paper furthermore links this transformation to the introduction of the first national hospital costing system in 1957. Building on these suggestions, this paper proposes that present day concerns regarding health expenditure are not an inevitable consequence of demographic and technological change but contingent upon conceptions of the nature of disease as well as healthcare funding and accounting arrangements which emerged in the mid-20th century.

PSRF03

Chair : David Spearritt

Room : P503

Critical Realism In Accounting Research: An Illustration

Author : STEWART SMYTH, QUEEN'S UNIVERSITY BELFAST

IC = Interdisciplinary / Critical

Co-authors : ,

Purpose: To illustrate the benefits of critical realism as a philosophy of science to the development of accounting research. The paper illustrates a range of critical realist ideas with the aim of opening out a new terrain for accounting research that recognises the limitations in both positivist-inspired and interpretivist-inspired accounting research; and bolsters the critical accounting research project. *Methodology:* The data is drawn from a larger research project into the changing accountability relations in social housing in Britain, based on intensive case studies. *Findings:* Critical realist ideas allow for a comprehensive analysis/explanation of how change in social phenomena occur, generates new insights (into accountability relations), and provides a number of examples of potential innovative accounting research projects. *Limitations/implications:* The use of context specific case studies means that generalisations need to be developed with care. There is a danger with philosophically-based papers that the discussions they generate descend into incommensurability. By providing a comprehensive illustration of how critical realist ideas could be used, the paper seeks to inspire future accounting research using these ideas. *Originality:* Critical realism has been used previously to bolster individual points made by accounting researchers, there has to date been no comprehensive exploration or illustration of critical realist ideas as adopted in this paper.

PSRF05

Chair : Torbjorn Tagesson

Room : P503

Indonesian Local Government Financial Reporting Compliance: Java Dominates

Author : JOHAN ARIFIN, CURTIN UNIVERSITY OF TECHNOLOGY

EA = Empirical Archival

Co-authors : Greg Tower, Curtin University
Stacey Porter, Curtin University

Using isomorphic institutional theory this study examines the level of mandatory disclosure within financial statements of Indonesian local governments. Indonesia is the world's largest Muslim country that has recently undergone major state financial reform. Examining the entire data set of 200 local government financial statements, the findings reveal there is a moderate level of compliance with key mandatory disclosures (69.6%). The highest level of communication is on issues relating to Financial Statement Items (91.5%) whereas the lowest level is for Non Financial Information issues (44.5%). Regression analysis shows that the mimetic (jurisdiction) and normative (political influence) isomorphism variables are positive and significant predictors of the extent of mandatory disclosure. In addition, local governments which have a higher Human Development Index and Financial Independence score have more intensive communication.

PSRF05

Chair : TorbjornTagesson

Room : P503

Amateur Sports Clubs: Capacity And Finances

Author : CAROLYN CORDERY, VICTORIA UNIVERSITY OF WELLINGTON

AM = Analytical / Modelling

Co-authors : Dalice Sim, Victoria University of Wellington
Rachel Baskerville, Victoria University of Wellington

Many amateur sports clubs struggle financially and their ongoing operations are threatened. Some cut expenditure to meet cash resources, preferring to reduce dependence on external resource-providers; others reduce vulnerability to environmental fluctuations by seeking new sources of funding (Miller, Veltri, & Combs, 2002). Nevertheless, financial capacity does not of itself ensure sustainability. In order to develop financial, human resource and structural capacity, sports organisations depend on funders (including members), volunteers, staff, and physical resource providers (Hall et al., 2003). Capacity building through increased resource dependence is a common tactic in the nonprofit sector, yet analysis of the interdependencies between different capacities is rare. This research ascertained which sport management capacities are least prevalent in sports clubs that are deemed financially vulnerable (using the schema developed by Cordery, Sim, & Baskerville, 2012) and therefore what capacities financially healthy clubs display that financially vulnerable clubs do not. It also analyses the inter-dependencies between different capacities using both subjective and objective measures. The findings are important because clubs that are financially vulnerable must build capacity if they are to survive and thrive. Further, identifying the capacities that affect or are impacted by clubs' financial health should also improve the teaching and practice of sports management.

PSRF05

Chair : TorbjornTagesson

Room : P503

A Specific Accounting Approach For Public Universities

Author : HANS-ULRICH KÜPPER, MUNICH LUDWIG-MAXIMILIANS UNIVERSITY

AM = Analytical / Modelling

Co-authors : ,

As a basic instrument of an effective management, many universities in Germany and other countries therefore introduce commercial accrual accounting. In this paper I analyze, whether its components suit the special conditions of public state universities. Based on an analysis of the reports of two famous universities we argue, that it is necessary to change traditional accounting in important aspects and elements. Cash flow statement should keep high relevance, and a balance sheet seems to be informative. As the success goals of this type of universities are non-profit oriented, their financial accounting should be completed by a change in value, instead of an income statement; output measures and performance indicators should substitute revenues as the counterpart of costs. Furthermore, long-term decisions are crucial within universities. Therefore, investment accounting is very important for them. But it has to be modified by investment and knowledge balances of their intellectual capital. In order to introduce and to use such a special university accounting it is shown, how the concept of a balanced scorecard can be transferred to public universities, and how the components of accounting can be integrated in it.

PSRF05

Chair : TorbjornTagesson

Room : P503

Public Sector Pension Accounting Rules And Portfolio Selection: An Examination Of Defined Benefit Pension Plans In The United States

Author : ODD STALEBRINK, PENNSYLVANIA STATE UNIVERSITY

AM = Analytical / Modelling

Co-authors : ,

The aim of this research is to add insight into the causal relationship between the discount rate and portfolio selection, by applying an instrumental variables (IV) estimation technique. Based on a 2SLS regression analysis of data on 88 state government DB pension funds in the United States, the analysis provides empirical support for the hypothesis that the risk assumed by investment portfolios associated with defined benefit pension plans is partly a function of the discount rate. This suggests that investment boards may at least partly seek to pursue investment strategies for purposes of justifying a higher discount rate, which goes against the intended logic of existing pension accounting standards. The intention of these was that the discount rate would be selected based on asset allocation objectives aimed at meeting a numerical goal for ex-post investment returns.