



**CGA Accounting Research Centre and The AFI Section
DISTINGUISHED SPEAKER SERIES**

Professor Mariannunziata Liguori
Queen's University Management School, Belfast



Mariannunziata is Lecturer in Accounting at Queen's University, Belfast since June 2009, after completing her PhD at Bocconi University, Milan. Her research interests include management accounting, performance measurement, and , in particular, accounting change in the public sector. This latter ranges from the more technical aspects of change to the boarder concern with variables and conditions affecting it.

***Topic: «Radical Change, Accounting And Public Sector Reforms:
A Comparison of Italian and Canadian Municipalities»***

Abstract:

New Public Management has been recognized as a novel archetype in public service provision. Although accounting has been central in NPM reforms, it has never been studied in the context of the archetype approach. This paper investigates how intra-organizational dynamics (values, interests, power, capabilities) combine with reform processes to influence the final outcome of accounting change. Evidence from Italian (disruptive process) and Canadian (sedimented process) municipalities shows that radical change is associated with specific configurations of intra-organizational dynamics. The embedding of change is determined by the presence of satisfaction with the new archetype and high capabilities of those embedding it.

The purpose of the presentation was to see how accounting changes take place and why there are both similarities and differences between the responses to these changes in the municipalities studied.

Comparative studies were done of three departments in two Canadian and two Italian municipalities. Stratified sampling techniques were used based on inter views with senior managers and finance officers. The outcomes of the process of accepting or rejecting change were based on the actual usage of the new system and the decision making criteria employed including the power and capacity to act.

The process of change could be disruptive one as it was in Italy due to the legislation required change to a number of systems or a continuous one as it was in Canada with the change to accrual accounting. These changes seemed to be perpetual and people were getting tired of it.

The study revealed that there were different reactions to change. In Italy, the changes were viewed as disruptive. In Canada, while there was some satisfaction with the change there was also evident a competitive spirit which dictated that some changes would not be accepted by some.

These different attitudes to change could be explained in some cases by intra-organizational dynamics. Internal and external factors such as political interests contributed to different impacts of accounting and public sector reforms in the municipalities of the two countries. The implications of these findings suggest that there is a need to focus on the enhancement of peoples' satisfaction, and that there is also a need to understand the patterns of the process of change so that the right organized factors might be influenced.