

■ Editorial



Many of you have followed the call for participation in the 31st Annual Congress of the EAA in Rotterdam. This issue of the newsletter contains a short retrospective of the Congress. The Congress represents not only an opportunity to learn about latest research in the field; it is also an event that allows us to come together as a community of accounting academics and to exchange our views on how our association should develop in the future.

Generally speaking, associations are important means for promoting a discipline in terms of its cognitive and socio-political legitimacy. This seems even more important for small disciplines or sub-disciplines. In this issue of the newsletter, Stephen Walker takes a look at the future of disciplinary associations in accounting history. The Academy of Accounting Historians potentially has a particular role to play as a vehicle to promote research and community-building within the discipline of accounting history. This is why Stephen Walker reflects upon the state of affairs of the Academy and how it may be revitalized so to be better able to help the discipline of accounting history develop further.

Besides his essay, the newsletter contains information on past and forthcoming conferences and workshops, as well as information on journals and special issues. I hope you will enjoy reading the newsletter. The next issue will appear in September.

Yours,

Martin Messner
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Highlights

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Letter from the president, John Christensen

Dear Colleagues,

Now summer has hit Europe and we have enjoyed the 31st annual conference in Rotterdam. As usual this was a great event. The conference hosted more than 1250 academics from more than 55 countries at the Erasmus University Campus in Rotterdam. The impressive program included the opening session, eleven symposiums, 398 papers in parallel sessions and 341 papers in research forums. The social program was equally impressive. We have just been reminded of this event as we have all received a memory-stick containing memories of the event. It contains, most importantly, the papers of the conference, but also pictures taken during the conference are there to enjoy.

The organizing committee did an outstanding job and was very inventive in order to attract many participants. They succeeded in this respect. This year we had discussants for a number of parallel sessions. We all owe the organizing committee chaired by Frank Hartmann many thanks. Professor Hartmann's energy and enthusiasm is unequalled. He and his committee have spent hours of planning and working to set the scene for our 31st congress.

Part of the Rotterdam scheme was to reward the best papers. The following papers were rewarded:

GOV: Hung, Wong, Zhang: Political Relations and Overseas Stock Exchange Listing: Evidence from Chinese State-Owned Enterprises

SEA: Guiral, Rodgers, Choy: The link between corporate social responsibility and corporate financial performance on the valuation of common stock

FIN: Daske, Leuz, Verdi: Mandatory

IFRS reporting around the world: early evidence on the economic consequences

FRG: Dumontier, Dubois: Regulating the financial analysis industry

CPP: Moizer: Publishing in Accounting Journals: A Fair Game

AHI: Deloof: Determinants of Corporate Financial Disclosure in an unregulated Environment

INA: Ernstberger, Vogler: Analyzing the German Accounting Triad

MAN: Masschelein, Cardinaels, Van den Abbeele: A fairness perspective on the use of total cost of ownership in interfirm negotiations

AUD: Lennox, Pittman: Auditing the auditors: evidence on the PCAOB's inspection of audit firms

FAN: Huang: The backdating of CEO stock option grants and the timing of earnings disclosure

Congratulations to all award-winning researchers!!

This was the first conference that required full paper submission. The scientific committee chaired by Begoña Giner Inchausti reviewed 816 submissions and condensed these submissions into an excellent program. The full paper submission puts even more pressure on the scientific committee, but the result is even higher quality compared to previous years, as far as I can see.

Looking ahead, the EAA conferences will be located throughout Europe. The confirmed sites are:

2009 Tampere, Finland

2010 Istanbul, Turkey

2011 Rome/Siena, Italy

2012 Ljubljana, Slovenia.

Institutions that are interested in hosting our conference are welcome to contact our conference chair Ann Jorissen and are encouraged to consult

the EAA website for the conference guidelines.

As a pilot project the *European Accounting Review* is planning to host a small conference organized as part of the special issue on Measurement Issues in Financial Reporting. The conference will be chaired by the editor Salvador Carmona. The papers for the conference will be selected from among the papers submitted to this special issue following the first review round. The aim of the conference is to further increase the quality of our long-established journal.

During 2007 *Accounting in Europe* published one issue featuring nine articles. This journal is on its way to position itself as an important meeting place for accounting scholars and professionals.

The conference also means change of offices. Now Aileen Pierce has been formally appointed president elect. Angelo Riccaboni has stepped down from the Management Committee; I wish to thank him for the work he has provided for the organization. New in the Management Committee are Frank Hartmann and Stuart McLeay. The EAA is in the process of a minor change in our governance structure as I reported in the last newsletter. I expect it to be in place for our meeting in Tampere next May. This means that the EAA is ready for new challenges. I invite you all to be inventive and to propose new initiatives that the EAA should be engaged in.

The next EAA conference will be held on May 12-15, 2009 in Tampere. The summer is a good time to start the project so that you will meet the submission deadline for papers for this conference. Enjoy a nice summer!

John Christensen
President of EAA

■ Looking back at the
31st Annual Congress of the EAA
 Rotterdam, 23-25 April 2008



The Annual Congress was opened on Wednesday afternoon with an **opening ceremony** at the University premises. Professor Steven Lamberts, the rector of Erasmus University, welcomed the accounting community by noting that “never had this university seen so many accounting academics”. He proudly pointed out that Rotterdam was an international and multi-cultural city and that many students at Erasmus University would be the children of immigrants. Moreover, he stressed the importance of the university for educating the country’s management elite.

The second speaker was John Christensen, the president of the EAA. He emphasized not only the “huge scientific program” that was about to take place, but also pointed to the importance of getting to know each other during the social events. He warmly thanked Frank Hartmann for chairing the annual congress and Begoña Giner Inchausti for assuming responsibility for the scientific program. Finally, he thanked the university for hosting the event.

Frank Hartmann concluded the opening speeches and pointed out that more than 1,300 academics from more than 50 countries were attending the congress. The opening ceremony ended with Caribbean sounds.

The Congress featured several interesting **symposia** on a wide variety of topics. The first symposium on **IFRS and US GAAP** was chaired by Christopher Nobes of Royal Holloway, University of London. He introduced the speakers who have a mix of academic, practitioner and regulatory experience. Leo van der Tas (Erasmus University and Ernst & Young) began by examining principles versus rules. He looked at both academic research and papers by standard setters and audit firms, addressing the conditions needed for principles-based standards to work. Then Mary Barth (Stanford University and IASB) looked at the relationship between the FASB and IASB, and the recent moves by the SEC to accept IFRS. She examined the remaining work to be done in convergence. Stig Enevoldsen (EFRAG, formerly Deloitte) focussed on the IFRS-endorsement procedure in the EU, and how Europe interacts with the IASB.

Jan Bouwens from Tilburg University, chaired a symposium on the question of whether management accounting academics had forgotten about **decision-making**. In his introductory statement, he argued that other disciplines (such as general management or operations management) would be more prone than accounting academics to

look at the usefulness of accounting information for decision-making. Dipankar Ghosh, from the University of Oklahoma, pointed to the benefits of behavioural theory to understand how decisions are actually made. He gave an overview about experiments in accounting research that have increased our understanding of decision-making. The third speaker was Tony Davila, from IESE Business School, who focused on field study perspectives. He also supported the claim that the existing literature would focus more on the design of management control systems than at looking at the usefulness of such systems for decision-making. Also, he argued that there was little theoretical diversity and little cross-functional work in this area. Looking at different functions of the organizations, he then provided perspectives for possible future research that would study decision-making in an interdisciplinary way.



Another symposium, sponsored by CIMA, was dedicated to **accounting and control in health care**. It was chaired by Chris Chapman from Imperial College London and featured as speakers Leslie Eldenburg, from the University of Arizona, Eddy Cardinaels, from Tilburg University, and Irvine Lapsley, from the University of Edinburgh. Leslie Eldenburg provided an economic perspective on the topic, pointing out that hospitals would have the same managerial incentives as other organizations and would thus be interesting objects for study.

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31st Annual Congress of the EAA (continued from page 3)

She provided an overview of recent research that has looked at budget constraints, different government structures and the like. Eddy Cardinaels argued that hospitals encountered two types of pressures: pressures on accounting professionalism and pressures on effective governance. In his presentation, he linked these two areas by arguing that governance, choice of management accounting design, and performance of hospitals would be related in a triangular way. Finally, Irvine Lapsely recounted his experience as a member of the Perrin group that had been established in the UK to investigate the possibility of an increased accounting in the National Health Service.



Another symposium, organised by the European Accounting Review, focused on **“Measurement Issues in Financial Reporting”**. The symposium was

co-chaired by Katherine Schipper, from Fuqua School of Business and by Marco Trombetta, from the Instituto de Empresa Business School. After a brief introduction by Marco Trombetta, the first speaker, Robert Hodgkinson of the Institute of Chartered Accountants of England and Wales, presented the main conclusions of a report produced by the Institute on this topic. He focused on the need to be practice oriented and flexible in tackling the problem of measurement. The second speaker was Mary Barth from Stanford University and the International Accounting Standard Board. She gave a standard setter view and stressed the fact that the conceptual framework of the IASB does not define the concept of measurement. Hence the choice of a measurement base has to be driven by the objectives and the qualities of accounting information provided by the framework. Finally Alfred Wagenhofer of the University of Graz reviewed briefly some of the results obtained through the use of analytical models in accounting research. This approach stresses the view of the accounting system as an information system. The optimal properties of this information system depend crucially on the specific features of the situation and incentives under which the system has to operate. The

three presentations and the following discussion highlighted the need of further research on the topic. Marco Trombetta closed the symposium reminding the audience that a special issue of the EAR is dedicated to this topic and inviting everybody to take into consideration the possibility of submitting papers to this special issue.



The **gala dinner** on Friday evening took place at De Doelen, a concert hall and congress centre at the heart of Rotterdam. After a one-hour musical session by the “New Cool Collective” Big Band, Frank Hartmann spoke the official closing words. The delegates could then enjoy conviviality at the dinner.

32nd Annual Congress

Tampere, 12-15 May 2008



Deadlines:

- Paper submission: December 1, 2008
- Notification of paper acceptance or rejection to participants: February 16, 2009
- Registration of authors of accepted papers: March 16, 2009



University of Tampere

Upcoming EIASM events

Here are some of the upcoming EIASM events. For a full list, please visit www.eiasm.org.

- Workshop on Accounting and Economics, 19-20 June 2008, Milan
- Eden Doctoral Seminar in Empirical Financial Accounting Research, 23-26 June 2008, Madrid
- 1st Workshop on Imagining Business, 26-27 June 2008, Oxford
- 5th International Conference on Accounting, Auditing and Management in Public Sector Reforms, 3-5 September 2008, Amsterdam
- 2nd Workshop on Audit Quality, 26-27 September 2008, Milan
- 4th Workshop on Visualising, Measuring and Managing Intangibles and Intellectual Capital, 22-24 October 2008, Hasselt (Belgium)
- 5th Workshop on Management and Accounting in Historical Perspective, 26-28 November 2008, Innsbruck (Austria)
- 6th Conference on New Directions in Management Accounting, 15-17 December 2008, Brussels

Job market

- Seoul National University, Department: Accounting, Position: tenure/non-tenure-track position, Application Deadline: Feb 28, 2009
- Korea University Business School, Department: Accounting, Position: Open, Application Deadline: Dec 31, 2008
- Nanyang Business School, Department: Division of Accounting, Position: Assistant/Associate/Full Professor Positions in Accounting, Application Deadline: Jul 31, 2008
- ESSEC Business School, Department: Accounting and Management Control, Position: Assistant/Associate Professors in Financial Accounting and Management Control, Application Deadline: Jun 27, 2008

For more info, please see www.eaa-online.org.

News on the *European Accounting Review*

Forthcoming Articles in EAR

García-Osma B. and Young S., *R&D Expenditure and Earnings Targets*

Perez D., Salas-Fumas V. and Saurina J., *Earnings and Capital Management in Alternative Loan Loss Provision Regulatory Regimes*

Holm C. and Rikhardsson P., *Experienced and Novice Investors: Does Environmental Information Influence Investment Allocation Decisions?*

Van Tendeloo B. and Vanstraelen A., *Earnings Management and Audit Quality in Europe: Evidence from the Private Client Segment Market*

Imam S., Barker R. and Clubb C., *The Use of Valuation Models by U.K Investment Analysts*

Ohta Y., *On the Conditions under*

which Audit Risk Increases with Information

Macintosh N. B., *Accounting and the Truth of earnings reports: Philosophical Considerations*

Arnedo L., Lizarraga F. and Sánchez S., *Discretionary accruals and auditor behaviour in code-law contexts: an application to failing Spanish firms*

Forker J. and Powell R., *A Comparison of Error Rates for EVA, Residual Income, GAAP-earnings, and Other Metrics Using a Long-Window Valuation Approach*

1st EAR Conference (20-21 March 2009, Madrid)

The editor of the European Accounting Review is happy to announce the European Accounting Review research conference.

This pilot event will be held on 20-21 of March 2009 in Madrid (Spain) at Instituto de Empresa Business School. Attendance will be by invitation only. The papers to be presented at the conference will be chosen from among the papers submitted for the special section of the European Accounting Review on "Measurement Issues in Financial Reporting". Full information about the call for papers for this special section can be found in this issue of the EAA Newsletter.

■ Call for papers

”Measurement Issues in Financial Reporting”

Special Section in EAR



Guest editors:

Katherine Schipper
(Duke University, The
Fuqua School of Business) &

Marco Trombetta
(Instituto de Empresa
Business School)

This special section will include research that addresses the problems and possibilities associated with the need to resolve pressing measurement issues in financial reporting. These measurement issues are more timely than ever in light of recent changes in financial reporting, including the increasingly widespread adoption of International Financial Reporting Standards (IFRS), the increasing use of fair value measurements for financial reporting, including optional uses (as in IAS 39 and SFAS 159) and the inclusion of measurement issues as Phase C in the joint International Accounting Standards Board (IASB)-Financial Accounting Standards Board (FASB) conceptual framework project.

Research topics appropriate for this special issue would include, but not be limited to, the following examples:

1. Characteristics a given approach to arriving at a reported or disclosed number must have in order to qualify as a measurement basis in financial reporting

- From a financial reporting standard setting perspective, what is encompassed by the idea of “measurement”? Is there a meaningful distinction between a measurement and a calculated number? For example, are balance sheet values that are arrived at by allocations of transaction amounts (such as the book values of plant, property and equipment) measurements? Are

balance sheet values that are arrived at by subtracting a forward-looking estimate from a transaction amount (such as accounts receivable net of estimated uncollectible accounts or deferred tax assets net of a valuation allowance) measurements?

- To what extent is the standard setting perspective on measurement compatible with the information economics approach to accounting theory? Can we talk about “measurements” and “fair values” in a context of imperfect and incomplete markets?

2. Implications of choosing and applying a measurement basis

- Should there be one measurement basis for all balance sheet items? What are the advantage and disadvantages of the current mixed attribute model which applies both fair value (and similar) measurements and measurements based on historical transaction amounts?
- Should changes in measurements be asymmetric (as, for example, in the requirement to measure certain impaired assets at fair value if that value is less than book value) or should they be symmetric (as, for example, in the accounting for trading securities)?
- If comprehensive income equals changes in net assets except for transactions with owners, how should changes in measurements of assets and liabilities be displayed in a statement of comprehensive income?
- How should management intent (as in the current accounting for marketable securities under IAS 39 and SFAS 115) affect the choice of measurement basis? To what extent should the choice of measurement attribute be left in management’s hands (as, for example in the fair

value options in IAS 39 and SFAS 159), given that this implies a lack of comparability?

3. Qualitative characteristics of measurement bases

- Which measurement bases are most relevant? Which are most reliable? Which have the best combination of these two qualitative characteristics?
- With regard to potential reliability issues, what are the most important causes of unreliable measurements?
- To what extent can disclosures (in notes to financial statements) be used to address concerns about reliability of reported numbers?

4. Reflecting uncertainty about payoffs in measurement, not recognition. Many financial statement items embody some amount of uncertainty. Should this uncertainty be addressed through recognition criteria (as, for example, in the current version of IAS 37 and in SFAS 5) or should it be addressed through measurement (as proposed by the IASB in its exposure draft to amend IAS 37)?

5. Implementation and expertise issues. The adoption of IFRS by many jurisdictions in recent years has required preparers and auditors to change accounting measurements, in some cases, toward a variant of fair value or current value. Some of these measurements can require the exercise of professional judgment as well as significant estimation effort.

- What are the implementation issues, for preparers and auditors of financial statements, associated with this change?
- What, if any, are the implications for financial statement users?

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 “Measurement Issues in Financial Reporting” (continued from page 6)

6. *Corporate governance*. What is, and what should be, the relationship between the financial reporting measurement basis and the corporate governance structure?

- Arguably, measurement bases differ in terms of relevance and reliability (which includes verifiability). Given these differences, does the choice of a measurement system affect the liability of managers that sign a firm’s financial reports?
- Should a law such as the Sarbanes-Oxley Act affect the standard setter’s choice of measurement basis in authoritative guidance? Should legal considerations affect management’s choice of measurement attribute, where such choices exist in IFRS and US GAAP (e.g., IAS 16 permits but does not require certain

non-financial assets to be measured periodically at fair value; IAS 39 and SFAS 159 permit certain financial items to be measured at every reporting date at fair value)?

Following the EAR policy of openness and flexibility regarding methodologies and styles of conducting research, papers using analytical approaches (including both mathematical modeling and qualitative reasoning), experimentation, field study methods, surveys and empirical-archival methods will be considered.

Submitted papers considered for this special section will be subject to a double blind review process. Authors are encouraged to contact the guest editors in advance should there be any matters on which they require clarifi-

cation or guidance (schipper@duke.edu; marco.trombetta.ear@ie.edu). Authors should strictly follow EAR submission guidelines which can be found at: <http://www.tandf.co.uk/journals/authors/rearauth.asp>. Submissions in electronic format (MS Word) should be sent to the EAR editorial office in Madrid (Spain), via e-mail: ear@ie.edu. The subject of the message containing the electronic submission should include a reference to “Special Section on Measurement Issues in Financial Reporting”. Additionally, one hard-copy of the paper should be sent to Professor Salvador Carmona, Editor, EAR, Calle Pinar, 15-1B, 28006 Madrid (Spain). The **deadline for submissions is September 19, 2008**.

 ■ ■ Call for papers for the journal *Comptabilité-Contrôle-Audit*
 Special issue on “Accounting and Governance”

Guest Editors:

Yves Gendron, Université Laval, Québec

Jean-Luc Rossignol, Université de Franche-Comté, France

Submission Deadline: November 30th, 2008

Background Information

Comptabilité – Contrôle – Audit is the leading journal of the Francophone Accounting Association (Association francophone de comptabilité). The special issue on Accounting and Governance is open to manuscripts written in French or English.

Details

At the very least since the publication of the Blue Ribbon Committee report on the effectiveness of audit commit-

tees (1999), interest in corporate governance has grown within accounting practice and academia. The financial scandals of 2001-2002 solidified the movement. Nowadays, corporate governance is often perceived as a key mechanism which reduces the frequency and magnitude of financial scandals. The perception appears to be quite influential within the regulatory community, as a flow of corporate governance regulation developed across many jurisdictions following the swift adoption of the Sarbanes-Oxley Act of 2002 in the U.S.A. For instance, France ratified in 2003 a new piece of legislation on financial security (Loi sur la Sécurité Financière). This regulatory movement on the global scale, which is probably influenced extensively by isomorphic forces, has impacted, and will continue to impact, the domain of accounting.

A significant consequence ensuing from these key events is increasingly firm and concrete linkages between corporate governance and accounting. These linkages, possibly, exert significant influence over the interpretive schemes of accounting stakeholders, including practitioners, users of financial statements, and employees of regulatory organizations. However, in spite of their significance, research on the linkages between accounting and governance is embryonic in many respects. This special issue aims to contribute to literature in this regard.

We specifically aim to publish high-quality articles which collectively deal with a variety of themes and rely on a range of theoretical lenses and empirical methods.

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 “Special issue on Accounting and Governance” (continued from page 7)

In our opinion, research impoverishes when certain forms of knowing become hegemonic. On the contrary, we maintain that “reality” is too complex, ambiguous, contradictory and unstable to be studied from a unique perspective. Theoretical and empirical pluralism will therefore be a cornerstone of our editorship. Consequently, we encourage publication of quality manuscripts which conceive of the links between accounting and governance in original ways, no matter whether the manuscript’s theoretical stance is grounded in behavioural, economic, historical, organizational, political or sociological perspectives. Methodologically speaking, we encourage publication of field studies, surveys, laboratory experiments, archival studies, etc.

Given the elusiveness inherent in the notion of governance, we find it useful to provide some guidance regarding appropriate objects of study. In particular, manuscripts will have to be developed in ways which locate their object of study at the junction of accounting and governance. Examples of relevant themes (though not exhaustive) are:

- From a genealogical viewpoint, how did linkages between accounting and corporate governance emerge?
- What is the role of financial accounting in corporate governance practices?
- What is the influence of management accounting on corporate governance?
- How does the balanced scorecard methodology impact corporate governance?
- Accounting and governance: Which theoretical approaches?
- How is the link between accounting and governance articulated in terms of discipline and performance measurement?
- How does the link between accounting and governance material-

ize within organizations with regard to issues of regulation and control?

- Is there a relationship between corporate governance « best practices » and corporate social and environmental disclosures?
- What is the impact of accounting standard harmonization upon corporate governance?
- Is public sector accounting influenced by surrounding corporate governance discourses? Which stakes are involved regarding the importation within the public sector of governance practices originally developed in the private sector?

Etc.

Of course, issues related to audit committees are also of interest:

- How is corporate governance in action experienced within audit committees?
- What are the effects of corporate governance regulation targeted at audit committees? Are the effects in accordance with the original objectives of regulatory bodies?
- How is corporate governance regulation translated in action – either in accounting firms or audit committees? Is there a gap between regulatory prescriptions and field practices?
- Which types of expertise play a key role within audit committee processes? Which types of expertise are marginalized within audit committees?
- What is the nature of the relationship between audit committees and internal auditors? What role do internal auditors play in terms of corporate governance?
- Is independence of audit committee members illusory? Or is there a relationship between independence and effectiveness?

- How are “best practices” regarding audit committee governance socially constructed? How are these “best practices” interwoven simultaneously in the global and the local?

Etc.

Instructions for Submission

The deadline for submission is November 30th, 2008. Manuscripts, written in French or English, ought to be sent via e-mail attachment to the following address: jean-luc.rossignol@univ-fcomte.fr (the e-mail’s object being: “Special Issue on Accounting and Governance”). Manuscripts need to be prepared in accordance with the style of articles recently published in *Comptabilité – Contrôle – Audit*. The journal’s Instructions for Authors (in French) can be found at the following address:

http://www.afc-cca.com/fichiers/Recommandation_auteurs_190

The approximate length of the manuscripts should be around 10,000 words. Following initial screening, manuscripts will be subjected to a standard peer-review evaluation, in accordance with review practices commonly followed by the journal *Comptabilité – Contrôle – Audit*.

English manuscripts accepted for publication will need to be supplemented with a long abstract in French, whose approximate length will be from 1,000 to 1,500 words. The long abstract will only have to be produced once manuscripts are conditionally accepted. Translation costs, if any, will be borne by the authors.

For further information please contact

Yves Gendron

(yves.gendron@fsa.ulaval.ca) or

Jean-Luc Rossignol

(jean-luc.rossignol@univ-fcomte.fr).

“Times of change”

5th Annual Management Accounting Research Conference in Vallendar, Germany

In 2002, the community of German-speaking management accounting researchers gathered for the first time for the ‘Vallendarer Controlling-Tagung’, a now yearly conference dedicated to present and discuss current research in Controlling. Since then, the event is a fixed date for management accounting researchers in **Germany, Austria and Switzerland**. Therefore, on March 6th and 7th 2008, more than 80 participants followed the invitation of Utz Schäffer and Jürgen Weber from **WHU – Otto Beisheim School of Management** to present their research, discuss new developments in management accounting and to come together for a glass of Riesling wine in the historic “Gewölbekeller” of the Marienburg.

In two parallel tracks participants presented their research papers on management accounting, organizational and behavioural aspects of accounting, management accounting and information systems as well as critical perspectives on management accounting. Sven Modell (University of Manchester), Carsten Knobel (Head of Corporate Accounting and Control, Henkel AG) and Jürgen Weber (WHU Vallendar) were keynote speakers at the conference: Sven Modell gave a talk on integrating qualitative and quantitative methods in management accounting research. He presented a framework for validating mixed methods research based on critical realism and illustrated its applicability through a review of



two empirical studies straddling the functionalist and interpretative paradigms. Jürgen Weber presented some results of a research project about controllers in large German companies. Based on interviews with the heads of controlling in 26 of the 30 companies listed in the DAX30 stock index he presented some propositions on top management accountants’ qualifications, personal attributes and career paths. Finally, Carsten Knobel talked about current challenges for management accounting at Henkel AG and underlined the importance of strategic management control.

Utz Schäffer and Jürgen Weber summed up the results of two days full of presentations and discussions: “German management accounting research today is in a time of transition: a new generation of researchers is about to come into tenured positions, doctoral programs are becoming more structured, empirical research and the respective methodology are gaining importance and – finally – the community is in the process of becoming closer connected to the international community. Times of change, indeed!”



Essay

The Future of Disciplinary Associations in Accounting History

Stephen P. Walker (Cardiff Business School, Past-President of the Academy of Accounting Historians)

Accounting historians have had cause for celebration in recent times. In several countries their subject has become firmly established as an important sub-field of accounting research. New specialist journals have appeared in traditional and electronic formats. Papers in accounting history appear regularly in several mainstream accounting journals. Over the last decade the number of publications in the subject has more than doubled compared to the 1980s. Research conferences abound. An increasingly diverse range of research themes is pursued. New communities of scholars, particularly from southern and eastern Europe, have become active participants in the area. In all, there has been considerable advance in knowledge creation and enriched understandings of the history of accounting. Not surprisingly, senior practitioners of the craft boast of a coming of age and reflect fondly on the 'golden 1990s' (Carmona and Zan 2002; Fleischman and Radcliffe 2005; Walker 2006).

But this is not a tale of unbridled success. The same accounting historians who laud the progress of the sub-field also recognise the existence of some problem areas and impediments to future advance.

It has been suggested that accounting history is becoming a detached specialism. There are concerns about the degree of engagement with the home discipline of accounting and the limited impacts of research on professional audiences and beyond (Edwards 2004). Although modules on the history of accounting appear in a few undergraduate and graduate programmes the subject seldom features in the accounting curriculum. Guthrie and Parker (2006) have contended that whereas accounting historians were once at the forefront of interdisciplinary endeavour in accounting their specialism has matured into an introverted monodiscipline, increasingly

disengaged from the wider accounting community. Further, while they import methodologies and historiographical discourses from the sister discipline of history, accounting historians seem reluctant to export the results of their research to that domain (Walker 2005). Consequently, it is argued that accounting history has not seriously impacted on the historical mainstream.

There have also been various sources of discord within the craft. Long-standing contests over the merits and demerits of different ways of doing accounting history have been compounded by the need to accommodate an increasingly diverse range of research traditions as academics from new sites enter the field. There have been cultural clashes over access to research journals and a perceived Anglo-American zeitgeist in the institutions of the craft (Carmona 2004). The 'Anglo-American hegemony' in the disciplinary associations and publication media of accounting history remains a source of frustration among scholars operating primarily in languages other than English. This against a backdrop where growth in research activity and advancing disciplinary esteem in many European sites contrasts with the bleaker prospect for accounting history in traditional heartlands such as the USA (Fleischman and Radcliffe 2005). While argument reins over the institutions of the discipline, accounting historians seek conciliation over core research questions (Walker 2008). A resultant diminution of historical controversy has been paralleled by a narrowing fixation with analyses of publication patterns. It is not clear whether this represents an attempt to plot shifting disciplinary territories and explore research potentialities or is symptomatic of impending intellectual exhaustion. Concern has also been expressed about a research agenda which focuses predominantly on the history of accounting in

the industrial and post-industrial ages and on organisations which inhabit the economic sphere in the Anglophone west.

Perhaps the greatest problem relates to the future organisation of the disciplinary community. The structure of disciplinary associations in accounting history requires attention. Few academics would doubt the value of disciplinary associations. They are important vehicles for promoting and dignifying a subject, advancing its research and teaching activity, encouraging communication and collective identity and a vehicle for representing the interests of practitioners. These functions become especially significant in the case of a specialism, such as ac-

Disciplinary associations are important vehicles for promoting and dignifying a subject, advancing research and teaching activity.

counting history, which is substantially devoid of other forms of institutionalisation such as departments and research units within universities. Disciplinary associations are potentially important arenas for addressing the aforementioned issues which currently confront accounting historians.

So what is the current state of play? Although there are a small number of disciplinary associations for the accounting historians of Australia and New Zealand, Japan, Italy, Spain, and (most recently) Turkey, the organisation which seeks to represent accounting historians internationally is the Academy of Accounting Historians. The Academy was formed in 1973. It was not the first organisation in the sub-field.

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The Future of Disciplinary Associations in Accounting History (continued from page 10)

At the First International Symposium of Accounting Historians in Brussels in 1970 it was argued that national committees on accounting history should be established and their activities co-ordinated by an International Committee of Accounting Historians, based in Belgium. However, this international committee appears to have been short-lived.

Although it was intended to be an organisation which would embrace researchers of the history of accounting throughout the world the Academy of Accounting Historians was firmly established in the USA. Its founders and early office holders were American, it was incorporated as a not for profit entity in Alabama. Its meetings and conferences were held in the US. Over the last 20 years two thirds of its membership has been US-resident and its officers and trustees have predominantly hailed from the USA. From time to time the Academy has considered entrenching its geographical status in the US by becoming a special section of the American Accounting Association. This possibility has been mooted again recently.

During the 1990s the Academy became increasingly conscious of the international mission it had originally set itself. Membership surveys, task forces, overseas outreach committees, strategic action and international relations committees were variously established to consider the global reach of the organisation. But its status in this regard continues to be ambiguous. There have been piecemeal changes and incremental advances which suggest greater internationality in relation to office holders, the editing of the Academy's *Accounting Historians Journal* and attempts to broaden the geographical base of the membership. However, no sustained attempt has been made to address the ambivalent internationality of the Academy in relation to its constitutional structures and organisational culture. By accident or design the Academy has assumed

the mantle of the only international disciplinary association in accounting history. It is the sole organisation currently in existence which has the capacity to represent accounting historians around the world.

Given the expansion of the international community of accounting historians it is surprising that the membership of the Academy is in decline. From 1973 to the mid-1990s the trend in membership was upward. It peaked

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in 1995 at 913. However, at the end of 2007 membership of the Academy had fallen to 660 members. This decline relates to individual members in the US and institutional members outside the USA. The former is probably best understood in the context of threats to the accounting history community in the US and an ageing demographic (see Fleischman and Radcliffe 2005). The effect of these trends has been a shift in the geographical distribution of individual members. In 1986 the ratio of US resident to non-US resident members was 76:24. In 2007 it was 59:41.

The environment in which the Academy was formed during the 1970s is now radically changed and a new form of disciplinary association is required. In the context of globalisation 'national' orientations for the pursuit of knowledge and the organisation of academic specialisms is perceived as outmoded. The international movement of academic staff and the tendency of research funding bodies to emphasise collaboration between faculty across geographic and disciplinary borders, the spread of the research

imperative and increasing interest in accounting history in new sites, all suggest the need for change in the organisation of the craft. An organisational vehicle is necessary which has the capacity to serve an accounting history community operating in a global environment. It has been argued that the Academy should be reconstituted as a supranational organisation, whose governance is in the hands of representatives of regional or national groups of accounting historians.

The continuing ambivalence of the Academy's status as an international organisation has meant that the formation of an alternative cross-national association has been suggested on a number of occasions. While such a development might result in forms of organisation which institutionalise the disciplinary community in a fragmented way it is a likely outcome of continuing resistance to change. Indeed the prospect of splintering has already featured in responses to calls to design organisational structures which meet the challenges of the global research environment. It has been suggested that rather than transform the Academy of Accounting Historians into a truly international association, it should retrench as a purely US organisation. Such isolationism would necessarily result in accounting historians elsewhere contemplating the formation of an alternative cross-national organisation. Clearly a less divisive solution would be for the Academy to definitively embrace the role of *the* international disciplinary association in accounting history and adopt a more federative form of constitution and governance structure based on geographic representation.

But the success of disciplinary associations depends on more than their constitutional arrangements. There must be advantages of membership.

(continued on next page)

The Future of Disciplinary Associations in Accounting History (continued from page 11)

In the context of globalisation and the research imperative advantages of membership are to be found in the ability of associations to enhance the capacity of members to perform research and advance their careers thereby. In the increasingly international research context, programmes which facilitate the organisation of cross-national and disciplinary research networks are especially desirable. A modern disciplinary association is necessary in accounting history to encourage communication, convergence and a mutual identity focussed on shared interests and united responses to threats and opportunities.

The pressure on academics imposed by increasing workloads and accountability for performance in teaching and research results in less time available for pursuing disciplinary interests. This is regrettable given the role of disciplinary associations in the protection and advance of specialisms such as accounting history. Disciplinary associations may also help implement structures and initiatives which facilitate the more pressing achievement of teaching and research quality. The functioning and welfare of disciplinary associations merit the attention of academics in the relevant field. So far as accounting historians are concerned, and those in Europe in particular, the immediate need is to engage with the change process which the Academy of Accounting Historians is contemplating. Following the recent completion of a review of its activities, future direction is being considered by a Strategic Renewal Committee. Inputs to this process are sought from accounting historians (and others) reading this article. The chair of the Strategic Review Committee is Professor Cheryl McWatters, University of Alberta, who may be contacted at Cheryl.McWatters@ualberta.ca. The voices of practitioners in Europe clearly need to be heard as organisational change in accounting history is pursued. In a recent issue of the *EAA*

Newsletter Anthony Hopwood (2008) referred to the desirability of communicating the diverse European intellectual and research traditions through its journal media. A similar message might carry to other institutions within the accounting discipline such as the associations which represent its historians.

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