

■ Editorial

As Aileen Pierce puts it in her presidential letter, the month of May was marked by two events that affected the accounting community in rather different ways. One was the 33rd Annual Congress of the EAA, this year held in Istanbul, Turkey, and attended by almost 1400 participants who enjoyed the academic and social program. The other one was the sad loss of Anthony Hopwood, who passed away on May 8th after a long illness.

For the members of the EAA, Anthony Hopwood will be remembered as the person who shaped the development of the association like no one else. His involvement in the EAA is, however, only one example for his unparalleled engagement for the cause of accounting. By starting and supporting numerous initiatives related to the production and dissemination of accounting research, Anthony Hopwood, like no other scholar, helped democratize this research. He extended the margins of accounting research in a way that allowed people to join the community who were, initially, perhaps only scantily interested in questions of accounting. And, in so doing, he created a space and atmosphere in which accounting research would develop not through the elitist definition of topics of interest, but rather through innovative ideas from everyone willing and able to contribute. His legacy remains with us. He himself, however, will be deeply missed by all of us.

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Letter from the president, Aileen Pierce

Dear Colleagues,

The time since our last EAA Newsletter has been dominated by two events. The first was the sad loss to the world of accounting on May 8th of Professor Anthony Hopwood. The second major event since our last Newsletter was the wonderful annual congress that took place in Istanbul, Turkey between May 18th and 20th.

The coincidence of these two events occurring in May 2010 was somewhat poignant. In my opening address at the Istanbul congress, I referred to the rapid growth and demonstrable success of EAA over its 33 year history, to its key role in the lives and careers of many accounting academics worldwide and to its bright future. I also made the point that it is unlikely that this would have been possible without the wisdom, foresight and leadership provided by Anthony Hopwood. As a highly distinguished member of the academic accounting community and a great visionary who drove many important and significant initiatives within the discipline of accountancy, Anthony left a great legacy to the academic accounting community in Europe through his major role in establishing EAA, along with other important innovations. Many tributes were paid to Anthony throughout the Istanbul congress. In addition, over the past month, fulsome accolades have been posted on a range of websites and were published in journals and newsletters. To add our appreciation in the EAA Newsletter, we are fortunate to have one of Anthony Hopwood's longstanding colleagues, Professor Peter Miller, share with us his personal reflections on a truly great, gifted and generous colleague, sadly mourned by many within and beyond EAA. May Anthony rest in peace.

In the time-honoured tradition of EAA congresses, the 2010 congress in Istanbul was a great success, whether evaluated by reference to research productivity, networking effectiveness, personal renewal and motivation-building or smooth organisation. Thanks to the great dedication and skill of the local organizing committee led by Recep Pekdemir, the congress venue and organisation provided an excellent environment within which to engage with colleagues and develop new opportunities. The Istanbul team worked very well with Nicole Coopman and her team in EIASM and with Begoña Giner and the EAA Scientific Committee to ensure that the programme was of high quality, was well organised and the delegate registration system operated effectively. Almost 1,400 delegates participated, more than 800 papers were presented, and eight symposium sessions provided a range of stimulating discussions on topical and relevant issues to our community. The buzz of networking activity was palpable at all refreshment and lunch breaks and at the many social events that took place in the packed schedule of conference activity.

In addition to the scientific and social programmes that comprise the main focus of the congress, substantial business was conducted by EAA and other committees and boards on the fringes of the congress. Academic development for doctoral students in the EAA Doctoral Colloquium under the leadership of Peter Pope and Jan Mouritsen was once again highly valued by the participants. Early career academics from Eastern Europe participated in another pre-congress programme organised by Istemi Demirag with local support, including sponsorship. Many of our distinguished and well-established members provided excellent mentoring guidance as faculty members on both of these programmes.

Annual conference time is also the time of year when changes in many of our committee and leadership roles takes place. There are too many changes for me to refer to them individually here. However, a visit to the EAA website will inform you fully about who serves on what committee and on the EAA Board for 2010-11. The demands on those serving increase with each year and we are fortunate that so many are willing to contribute to our collegiate effort in this way. Particular thanks are due to those whose terms of office concluded in Istanbul and I extend a warm welcome to new committee chairs and members and to new national representatives on the EAA Board.

The Istanbul congress also marked the end of a long and dedicated involvement in EAA management and service by John Christensen. John has served as President for three years, President-Elect and Past President for one year each, and as Doctoral Colloquium faculty and later co-chair for a total of eight years. While the Management Committee is sorry to lose John's great wisdom, ambition and passion for EAA, we are compensated in no small way by the election as President Elect (2010-2011), of Begoña Giner from the University of Valencia. Congratulations to Begoña and sincere thank you to John for his great leadership of, and service to, our organisation over a long period.

Aileen Pierce
EAA President

Anthony Hopwood (1944-2010)

Peter Miller

Over twenty years ago, in the introduction to a collection of his papers enigmatically titled *Accounting from the Outside*, Anthony Hopwood remarked that the full development of a more European tradition of inquiry would emerge from a younger group of scholars. He was thinking ahead, as always, and reflecting on his initial training in the UK at the London School of Economics and Political Science in the early 1960s, and his move across the Atlantic to the Graduate School of Business at the University of Chicago in 1965. He had in mind, too, his return to the UK in 1970, his move to Manchester Business School, and his subsequent encounter with what he always affectionately termed the Scandinavian tradition of research.

Anthony's remarkable talent was to link up and learn from these very different approaches to research, including the multiple and diverse traditions found within Europe. He worked at the margins of each, borrowing yet crafting something new, and always with immense respect for variation in accounting practices and nuances of local meanings. He looked forward optimistically to the opening up of yet further new areas and types of enquiry, although he was acutely aware of the tensions that can arise as different traditions and approaches jostle with, rather than learn from each other. Anthony's most enduring professional legacy is to have left us with a set of writings, institutions and forums within which we may carry forward his fundamental commitment to the highest quality interdisciplinary research and engagement with practice. The sad difference caused by his passing means that we now have to do that without his physical presence, and

without the infectious excitement and enthusiasm he managed to convey in all his activities.

Anthony is probably best known within academic circles for his founding position as Editor in Chief of the journal *Accounting, Organizations and Society*, a position he held from 1976 to 2009. The journal has had an incalculable impact on accounting research of all types, and his insight in starting such a project while only in his early 30s is a reminder to us all of what can be accomplished. But AOS was only one of his many inventions and innovations. Anthony also miraculously made the time to found the European Accounting Association, and to contribute to the creation and development of many other entities which now benefit so many, including the *European Accounting Review*, the European Institute of Advanced Studies in Management, and various forums for doctoral education and research.

As so many of us are aware, often through personal contact, Anthony changed the way we think about accounting. He dedicated most of his professional life to showing that accounting was not a neutral technical endeavour, that it was much more than bookkeeping, and that it impacts on our lives in a multitude of ways that had been largely neglected. Whether in the form of budgeting, costing, performance assessment, investment appraisal, or international accounting standards, his overall message was the same: accounting shapes our daily lives, whether we like it or not, and to understand it properly requires analysis of the contexts in which they take place. These contexts might be the organisations, such as manufacturing firms or hospitals, in which people

work. They might be the wider institutional and regulatory contexts, such as the panoply of professional and oversight bodies that impinge increasingly on our lives in both the private and the public sector. And they might be the ideas and ideologies that carve out roles for accounting, whether highly general ones such as the idea of the market, or more specific ones such as the notions of efficiency or competitiveness. Not since Max Weber had argued in the early decades of the twentieth century for a link between the development of accounting and the development of capitalism had the importance of understanding the roles of accounting in organisations and society been so consistently demonstrated. At a time when the troubles of our financial institutions, calculations and systems are so much in the spotlight, his passing is particularly poignant.

Anthony had no time for simplified models that sucked the life out of organisations and institutions, and that were unrecognisable to those that inhabited them. Equally, he defended unflinchingly the importance of drawing on the full range of social sciences to understand accounting. He drew initially on social psychology and the sociology of small groups to understand budgeting practices. Subsequently, he drew on institutional theory and political theory to understand the wider contexts of accounting. And he even ventured, in his later writings, into the realms of so-called 'postmodernism' in order to better understand the discursive and ideological contexts of accounting.

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Anthony Hopwood (cont'd)

He knew that some sneered at this diversity. But he delighted in it, and defended absolutely the importance of interdisciplinary approaches to accounting, at a time when such values were, and indeed still are, widely trumpeted but little observed.

Now, at least within the discipline of accounting, it seems obvious that we should pay attention to the contexts and roles of accounting. This is typically the case with major innovations. But, when Anthony first suggested it, there was nothing self-evident about the proposition. For what it meant was that accounting researchers should study actual people in real organisations, something radically novel in the early 1970s. Right from the word go, Anthony showed how far ahead of others he was, and how interested he was in the reality of organisational and social life.

On completing his undergraduate studies at the London School of Economics and Political Science, Anthony set off in 1965 as a Fulbright Scholar to the Graduate School of Business at Chicago. There, following his MBA, he dismayed some of his accounting professors by suggesting that the motivational and organisational context in which accounting information was used could produce either productive or dysfunctional reactions in managers, and, in fact, cause the accounting data themselves to be distorted. Furthermore, he proposed a dissertation which would test hypotheses derived from psychological and sociological theories of organisational functioning in a real-world setting. The idea that someone doing a PhD in Accounting at the University of Chicago in the late 1960s would deviate either from traditional accounting lore or from fundamental neoclassical economic theory was heresy of a high order. Moreover, that he would be anywhere near a shop

floor, let alone a blast furnace, was incongruous to say the least. However, supported by Professor L. Richard Hoffman, a behavioural scientist, over the objections of senior accounting faculty, Anthony's proposal was accepted. In typical fashion, Anthony stretched himself to learn new (to him) techniques of interviewing, questionnaire and scale construction, and non-parametric statistics, which he used in stimulating ways to test his hypotheses.

To conduct his research, Anthony obtained access to a major steel mill some twenty or so miles from downtown Chicago, in the agonisingly depressed town of Gary, Indiana. There, he was to become an anthropologist of sorts, something he encouraged many others to do in later years. "You're in the jungle now", he was told by one of his early shop floor contacts. Working on the night shift, he burnt a hole in his jacket in the blast furnace, something he viewed as an initiation of sorts. His interviews were so penetrating that he was greeted on one occasion by the workers with, "Here comes the shrink again." The notion that Accountant Anthony was mistaken for a psychologist shook up even him.

One of Anthony's enduring talents was making connections that others failed to spot. By drawing on social psychology and the sociology of group dynamics in his doctoral research, he showed that something as apparently technical as the setting of a budget was a complex behavioural phenomenon. He pointed out what many accounting researchers had preferred to ignore, but which practicing managers knew only too well: that decision makers are human, that their goals and those of the organisation may differ, and that the setting of a budget or the proposing of an investment are intensely political bargaining processes. This took ac-

counting research in a completely new direction, and spawned a vast literature which has since been called 'behavioural accounting'.

The output of his doctoral research was published as *An Accounting System and Managerial Behaviour* in 1973, although the strictures of doctoral research at the University of Chicago then required that it be purged of much of the more exploratory and descriptive material, to be supplanted by the complexities of nonparametric statistics and other more structured methodologies. His subsequent book *Accounting and Human Behaviour*, published in 1974 following his return to the UK in 1970, took the analysis much further. The vibrant research community which he found at Manchester Business School when he arrived there, which celebrated its links to the disciplines of anthropology and sociology, provided a conducive environment for extending his interest in the organisational and social contexts of accounting.

As others caught up, so Anthony moved on, as he often did, both intellectually and institutionally. Following a stint at London Business School, he spent the period 1985 to 1995 at the London School of Economics, as Ernst & Young Professor of International Accounting and Financial Management, where he cemented his long-standing association with Michael Bromwich. His academic and professional interests shifted with him. This time, he focussed his attention increasingly on the social and institutional contexts in which accounting operates. Again, Anthony's arguments were precocious yet simple.

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Anthony Hopwood (cont'd)

If accounting takes place in both organisational and social contexts, then issues of legitimacy, ideology, power and politics have to be taken into account. In one of his seminal papers, he spoke of the “enormous and largely uncharted complexity” that researchers and regulators alike faced. If counting and accounting are at the heart of so much that we see and do, whether in the private sector or increasingly in public services, then those that research and teach accounting need to pay close attention to such matters, he argued.

He moved to Saïd Business School, Oxford, in 1995, and in 1999 was appointed Dean, a position he held until October 2006. There, he was fond of saying that “Business is so interesting, and most business schools are so boring”. This was paired with his vision of an “intelligent” business school for Oxford. Such phrases needled some, perhaps elsewhere, and Anthony was clearly not unaware of that. But he never shied away from such challenges and controversy. And he proudly displayed in his vast Dean’s office within the new building for the Business School, which he had taken such a

deep interest in designing, the marvelous and much treasured ‘Red and Blue’ De Stijl Chair. As visitors walked in the door, they realised quickly that this was no ordinary accounting professor, and no ordinary Business School Dean.

Anthony’s achievements did not go unrecognised. He notched up five honorary doctorates from European universities, and was showered with countless awards, including the Leadership Award of the European Accounting Association, being elected to the USA’s Accounting Hall of Fame, and being voted Distinguished Academic of the Year by the British Accounting Association. Perhaps the most telling is his receipt of two Lifetime Achievements Awards from the American Accounting Association. The first non-American ever to receive such an honour, the receipt of two awards for one lifetime’s work, and an unkindly and prematurely foreshortened one at that, conveys something of the scale of his accomplishments.

Anthony was a passionate defender of intellectual enquiry and diversity, something that is particularly important and challenging in contexts where

such values are not always shared. Most recently, he wrote about the dangers of careerism, over-specialization, and an inward-looking approach to accounting and management education. He was also highly critical of the increasing pre-occupation with research rankings, and the crude quantification that this often depends on in some countries.

Since stepping down as Dean of Saïd Business School, Anthony once again moved on. He devoted much of his time and energy in the last few years to his work as Chairman of the Prince’s Foundation for the Built Environment, work that he found deeply rewarding.

Anthony is survived by his wife Caryl, his two sons Justin and Mark, and his five grandchildren. Our thoughts are with them, as they come to terms with his passing.

Peter Miller is Professor of Management Accounting at the London School of Economics and Political Science.

Impressions from the 33rd Annual Congress of the EAA Istanbul, 19-21 May 2010

From May 19th to 21st, the EAA held its 33rd Annual Congress. This time it was the city of Istanbul, Turkey, that hosted the most important European accounting event. Almost 1400 participants came to Istanbul to present and discuss current research in numerous parallel sessions and research fora. The congress also featured 8 symposia on different topics of particular interest, such as on public finances, audit quality, or financial reporting in SMEs. The symposium on editorship of accounting journals attracted a particularly high number of participants.

In addition to the scientific program, there was an attractive and well organised social program. The early bird reception on Tuesday evening took place in the Hilton Conference Centre. The welcome ceremony included

speeches by the EAA president and the local organisers, and was accompanied by dervish dancing. On Wednesday evening, there was a welcome reception at the Istanbul University's historic Rectorate Building, which came to an end only when the rain set in. Finally, there was of course the Gala Dinner that took place on Friday evening in the Convention Centre.

Recep Pekdemir, the Chairman of the Local Organizing Committee, summarised the experience of hosting the EAA as follows:

"It was very challenging job for us to organize the 33rd European Accounting Association Annual Congress in Istanbul in 2010. We were

aware of the challenge when we were announced as the host of the event. The year of 2010 has been a unique one for Istanbul since it is the Cultural Capital City of Europe. We did our best. We prepared everything very well. As organizers we have been very proud of ourselves. We have received appreciations from the attendees through e-mails, mails, and other means of communication. Of course, there are stakeholders whom we would like to thank for their involvement, such as delegates, presenters, speakers, sponsors, the EAA Management, the Standing Scientific Committee, the Conference Committee, and many others."



On the left: Aileen Pierce, President of the EAA, and Recep Pekdemir, Chairman of the Istanbul Local Organising Committee, in relaxed mode at the Gala Dinner.



On the right: The Welcome reception at the Istanbul University's historic Rectorate Building.

Impressions from the 26th EAA Doctoral Colloquium Istanbul, May 2010

From 19 to 21 May 2010, the 33rd Annual Congress of European Accounting Association was jointly held by the EAA and the Faculty of Business Administration of Istanbul University. Prior to the main conference there was the traditional Doctoral Colloquium, chaired by Jan Mouritsen (Copenhagen Business School) and Peter Pope (University of Lancaster). The two of them welcomed a highly prestigious faculty and 27 PhD students who had the opportunity to present and discuss their research projects. In the beginning, the faculty informed us that two students would eventually be selected to attend the Doctoral Seminar of the next American Accounting Association and the one of the next AFAANZ Conference, respectively.

The Doctoral Colloquium was organized in three streams. In the first stream, Wayne Landsman (University of North Carolina), Christian Leuz (University of Chicago) and Peter Pope

(University of Lancaster) gave valuable feedback to the students specialized in financial accounting. Stream B was managed by David Cooper (University of Alberta) and Fabrizio Panozzo (Ca' Foscari University) and stream C by Jan Mouritsen (Copenhagen Business School) and Wim Van der Stede (London School of Economics and Political Sciences). During the entire seminar, much emphasis was put on interaction among students and between students and faculty. Student presentations were organized in slots of 75 minutes which left enough time for in-depth discussion.

All of us received very helpful remarks from our fellow student colleagues and of course from faculty. Personally, I'm very thankful to all of them for their comments, especially to Fabrizio Panozzo and David Cooper who acted as faculty in my stream.

At the end of the seminar, it was announced that Julia Morley (London

School of Economics and Political Sciences) would be invited to participate in the AFAANZ meeting and Sofie Vandenberg (Catholic University of Leuven) in the AAA Doctoral Seminar. Congratulations to both of them!

The close connection between the doctoral colloquium and the main congress was very much appreciated – not only because it gave us more time to socialize and learn about each other, but also because it helped us get in touch with the more established EAA research community. We students had a great time together, during the seminar as well as in the evenings afterwards. And perhaps, there will be a reunion of former doctoral colloquium participants at next year's EAA congress...

Rafael Heinzelmann, University of Innsbruck, School of Management

Early Career Academics' Research and Development Program

Istanbul, 16-18 May 2010

In order to contribute to a research development program for early career academics from Turkey and the Eastern European geographic region, a research program was initiated and developed by Professor Istemi Demirag of Queen's University Belfast, Management School in conjunction with Professor Recep Pekdemir and Dr. Kerem Sarioglu of Istanbul University. The program was held in Istanbul between 16-18 May 2010, just before the European Accounting Association's Annual Congress. All the administration of the program was organised by the local organising com-

mittee at Istanbul University. The program was also supported by the Union of Chambers of the Certified Public Accountants of Turkey (TURMOB), Istanbul University, and the European Accounting Association (EAA).

The program helped sixteen early career academics from a number of countries including Turkey, Russia, Romania, Slovenia, Tunisia and enabled them to establish contacts with distinguished academics and colleagues from the international accounting academic community. In addition to Professor Demirag, five other distinguished inter-

national professors contributed to the program. These other professors included: Professor Rashad Abdel – Khalik, University of Illinois, USA; Professor Sidney Gray, the University of Sydney, Australia; Professor Stephen Zeff, Rice University, USA; Professor Christopher Humphrey, Professor Pamela Stapleton, and Professor Andrew Stark, University of Manchester.

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Early Career Research and Development Program (cont'd)

The program included a combination of presentations, seminars and one to one consultations with the invited academics. In addition to this, each participant was given an opportunity to present his or her research project to be followed by a question and answer session. Guidance was also provided on research methods and proposal writing.

In acknowledging the success of the program, Professor Aileen Pierce, the current President of the EAA said: "On behalf of the EAA, I want to thank you very much for following through so effectively on the proposal you initiated in Tampere where you articulated sincerely the opportunity to

provide significant local benefit as result of so many accomplished, established and high profile accounting researchers being in Istanbul for the EAA 2010 congress. I also want to thank Recep and his team for the tremendous effort they put into the local logistics and into capitalising on their great professional contacts in Turkey - both of which contributed to the smooth operation of the programme. Finally, I would like to add my heartfelt thanks to the Faculty team who contributed so much of their time and expertise to make this programme a great success from the perspective of the participants. I met many of them during the congress and their appreciation of your insights, comments and

encouragement was very evident. This initiative has been a great addition to the suite of activities that encircle the EAA congress".

It is hoped that in the coming months we will build on this initiative in order to provide more support to emerging academics in coming years, particularly to those from Eastern Europe.

*Professor Istemi Demirag
Queen's University, Belfast
Management School*

■ Call for contributors

Accounting Education: An international journal Themed issue on "Academic Dishonesty"

Accounting Education: an international journal invites submissions for a themed issue on the topic of academic dishonesty (i.e., cheating behaviour and other forms of inappropriate conduct). The public expects accountants to exhibit complete honesty, reliability and ethical behaviour, and generally exercise fiduciary responsibility to protect clients' assets. However, events and widespread accounting scandals over the past decade have shaken the public trust in accounting professionals. Moreover, questionable workplace behaviour may be a consequence of students' attitudes to cheating. The potential ramifications of this cycle of unethical behaviour are enormous and deserving of additional inquiry.

Submissions should be original work which investigates some aspect of academic dishonesty among undergraduate and/or graduate accounting students, or the link between unethical student and workplace behaviour. The

guest editors are amenable to quality research in any paradigm including, for example, field or experimental investigations, archival or survey research, interpretive or critical studies and case study research. Curbing academic dishonesty is a global challenge, so we also encourage international studies. The following list is indicative of topics of interest but is not intended to be exhaustive:

- Psychological antecedents of cheating
- Prevalence of specific cheating behaviours
- The influence of honour codes
- Cheating rationalizations
- Cheating behaviour models
- The role of the Internet in unethical behaviour
- The association between student and workplace cheating
- Effective mitigation strategies

- Plagiarism
- Academic Integrity Issues Among Faculty and/or Administrators

The deadline for submissions is **30 November 2010**, with publication currently scheduled for 2011. Early submissions are welcome, and potential contributors are encouraged to notify us of their interest. Submissions should be made electronically in accordance with AE's policies and style and sent to either guest editor:

Professor Malcolm Smith, School of Accounting, Finance & Economics, Edith Cowan University, Western Australia, malcolm.smith@ecu.edu.au

Professor Kenneth J. Smith, Department of Accounting & Legal Studies, Salisbury University, USA, kjsmith@salisbury.edu

The EAA FRSC: Contribute to standard-setting!

The EAA has for the last six years had a programme to bring relevant research, and particularly European research (and in any language), to the attention of the IASB as part of its due process. We are now setting out on a new phase where we are looking for researchers who work in disclosures generally and accounting for emissions trading schemes as well as a number of other topics. Would you like to be part of this process?

We believe that the most impact is to be had when submitting material ahead of the publication of a discussion document, and in response to a discussion document. The earlier in the standard-setting process one contributes, the better the chance to have impact. We monitor closely what the IASB is doing in order to facilitate this.

What are the topics?

Currently the IASB is planning to work on a discussion paper on emissions trading schemes and we would be interested to talk with researchers who know this area.

At the same time we work with the European Financial Reporting Advisory Group (technical adviser to the European commission on IFRS) who have a programme they call 'Pro-active Activities' which aims to issue discussion papers upstream of the IASB's agenda. EFRAG are just setting up a team to work on a disclosure framework, and we would be keen to talk with people interested in this area.

The FASB is working in this area too, and the idea is that disclosures have grown up on an ad hoc basis without any system for evaluating their usefulness. A 'disclosure framework' would identify what are the objectives disclosure should fulfil and would provide a basis for evaluating them.

EFRAG is also working on the following projects and would like us to provide inputs:

Business Combinations under Common Control - The project aims to identify, analyse and discuss the financial reporting practices used in the major markets to account for BCUCC and similar transactions in consolidated and separate financial statements. The intention is propose a conceptual model to consider and evaluate the different accounting treatments for BCUCC.

Effects studies - The main objective of the project is to develop proposals for a framework by which the effects of accounting standards can be considered by standard-setters, notably the IASB, in developing new standards and major amendments to existing standards. Standard-setters have for many years wrestled with ways in which they can determine the effect of accounting standards, although to date such analyses have been restricted to a qualitative assessment of costs and benefits.

In terms of content, the aim is to set out some principles and proposals for considering the effects of accounting standards, and how they might be embedded and articulated at each stage of the standard-setting due process.

Business Model - This project aims to explore the relationship between the idea of an entity's business model and financial reporting

Corporate Income taxes - The aim of the project is to critically examine key aspects of accounting for corporate income tax separately from the requirements in existing IAS 12, with a view to develop a Discussion Paper that starts from first principles and sets out proposals that might form the basis of a new standard on accounting for corporate income taxes.

How does it work?

The EAA has appointed a committee, the Financial Reporting Standards Committee (FRSC), that is responsible for making submissions on behalf of the EAA. The FRSC normally assembles a small team of two to four researchers to work on a particular topic. Going forward these researchers will be appointed by the FRSC to its Accounting Policy Research Group.

The researchers consult with the FRSC and having finalised a submission, the FRSC submits it, under the names of the researchers but with the endorsement of the FRSC to the IASB or EFRAG. The report is also published under the researchers' names in Accounting in Europe. FRSC reports already submitted to the IASB come high in the download figures for the journal.

In an ideal world, the research team would submit material ahead of a discussion paper, respond to the discussion paper and eventually also to the exposure draft. The working papers would likely also be discussed at the EAA annual congress and at the European Financial Reporting Group (Eufin) annual workshop in September.

If you would like to know more, please send me an e-mail: walton@essec.fr

Peter Walton
FRSC Chairman



News on EAR

Forthcoming Articles

Mariani M.M. and Zan L., *The economy of music programs and organizations. A micro analysis and typology*

Mattimoe R. and Seal W., *Pricing in a service sector context: accounting and marketing logics in the hotel industry*

Hamberg M., Paanen M. and Novak J., *The Adoption of IFRS 3: The Effects of Managerial Discretion and Stock Market Reactions*

Costa Lourenco I. and Dias Curto J., *Determinants of the Accounting Choice between Alternative Reporting Methods for Interests in Jointly Controlled Entities*

Depoers F. and Jeanjean T., *Determinants of quantitative information withholding in annual reports*

Hansen S.C., *A Theoretical Analysis of the Impact of Adopting Rolling Budgets, Activity-Based Budgeting, and Beyond Budgeting*

Ashton D., Peasnell K. and Wang P., *Residual Income Valuation Models and Inflation*

Jeppesen K.K. and Loft A., *Regulating audit in Europe: The case of the implementation of the EU Eighth Directive in Denmark 1984-2006*



News on Accounting in Europe

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Issues in European accounting

Marion, J. and A. Wagenhofer. *Comment on the IASB discussion Paper Preliminary Views on Revenue Recognition in Contracts with Customers.*

Berger, A. *The Development and Status of Enforcement in the European Union.*

Refereed papers

Alexander, D. and E. Eberhartinger. *The EU endorsement process for IFRS – a telos-based analysis.*

Hitz, J-M. *Press release disclosure of 'pro forma' earnings metrics by large German corporations – empirical evidence and impact of regulatory recommendations.*

Kvall, E. *The discount rate of IAS 36 – a comment.*

Gee, M, Haller, A and C. Nobes. *Influence of tax on IFRS consolidated statements - the convergence of Germany and the UK.*

Zeff, S. *A comment on delegation*

The issue will be available electronically in a few days!

Upcoming EIASM events

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

- EDEN Doctoral Seminar on Empirical Financial Accounting Research, 14-18 June 2010, Frankfurt (Germany)
- Manufacturing Accounting Research Conference, 20-23 June 2010, Ghent (Belgium)
- 6th International Conference on Accounting, Auditing and Management in Public Sector Reforms, 1-3 September 2010, Copenhagen (Denmark)
- 5th Workshop on Accounting and Regulation, 23-25 September 2010, Siena (Italy)
- 6th Workshop on Intangibles, Intellectual Capital, and extra-financial information, 30 Sep - 1 Oct 2010, Catania (Italy)
- 3rd Workshop on Audit Quality, 1-2 October 2010, Lake Como (Italy)
- EDEN Doctoral Seminar on Producing and Evaluating Knowledge in Management Accounting, 13-17 December 2010, Brussels (Belgium)
- 7th Conference on New Directions in Management Accounting, 15-17 December 2010, Brussels (Belgium)

DART—Doctoral Program in Accounting, Reporting and Taxation

University of Graz – University of Vienna – WU Vienna University of Economics and Business

Sponsored by the Austrian Science Foundation (FWF)

Scope and Organization

DART is a doctoral program in Accounting, Reporting, and Taxation with a comprehensive view of economics-based research and a strict focus on quantitative methods and modeling. It is located in Graz and Vienna, Austria, and is a joint initiative of the University of Graz, the University of Vienna, and the WU Vienna University of Economics and Business. The program is in English and covers all major fields of accounting: financial accounting, management accounting, auditing, taxation, and corporate governance. DART offers a stimulating learning and research environment plus financial support to outstanding students from around the world.

DART—PhD Program Description

The program offers a series of PhD courses in accounting and research opportunities in six areas:

Auditor regulation and audit quality (University of Graz)

Accounting and corporate governance (University of Graz)

Taxation and incentives (University of Graz)

Managerial performance measurement (University of Vienna)

Accounting and Intangibles (WU Vienna University of Economics and Business)

Financial Reporting Quality (University of Graz)

Students admitted to DART are required to enroll with the appropriate formal doctoral program at one of the three participating universities. At the beginning of each program, students attend an intensive set of core courses, such as analytical and empirical methods, applied to accounting, finance, and economics. It also includes courses in mathematics and statistics, and economic modeling. Advanced courses are electives that students select depending on their specialization. These courses provide them with the necessary knowledge to engage in their own research. After the course phase, the students enter their thesis-writing phase. Admitted students are offered full funding unless financed by other sources. DART scholarship holders are paid a salary (after taxes and social security payments) of approximately

18.000 Euros per year. Students are strongly encouraged to take the opportunity to go abroad for a semester, preferably to the home institution of the external member of their supervisory committee to share their work with other researchers in the field. Opportunities for such mobility are manifold because of the faculty's large network of connections to researchers and universities around the world.

Application procedure and further information

For details on the doctoral program and scholarships, the application process, the program requirements and prerequisites, please visit the DART homepage: <http://www.dart.ac.at>

Application deadlines:

Early applications are strongly encouraged. Admission starts immediately and will continue until all positions are filled. Applications must be received by June 15, 2010.

Only electronic applications are accepted.

■ Call for papers

2nd EIASM workshop on “Imagining Business”

IE Business School, Segovia, 19-20 May 2011

Reflecting on visibility, performances and materialities in practices of management, organising and governing

Guest speakers:

Mario Biagioli, History of science, Harvard University

Jacques Fontanille, Semiotics, Université de Limoges

Nigel Thrift, Geography, University of Warwick

Following the success of the 1st Imagining Business Workshop (Oxford, 2008), this second event seeks to explore in further detail the impact of images, pictures, and signs on everyday organizational life. Inspired by the principle that any social activity results from how various organisational actors are tied together (Latour’s idea of ‘socio-ties’), this workshop intends to examine how various organisational performances and material objects of all kinds (e.g. information technologies, forms, charts, plans, models, etc.) help to construct unstable although durable links between organizational actors. This includes exploring how they contribute to the creation of business visions, images and visualizations in ways which allow organizations and

organizations to ‘succeed’ (i.e. to happen), as well as ‘fail’.

This workshop thus provides an interdisciplinary arena in which academics and practitioners from a wide range of subject areas can come together to debate issues of imagining. For instance, some examples where a study of imagining business has or would provide interesting reflections and contributions include (but should by no means be limited to):

- the role of images, standards and visual management in the organizing process and how this links to ideas of relational entities and distributed action;
- the role of management practices in creating visions of organization and strategy;
- the role of Information & Communication Technologies in prompting action and accountabilities;
- the role of educative and pedagogical discourses in the creation of entrepreneurial mindsets;
- ways of mapping controversies in science, technology and policy making;

- the role of images, signs and icons in policy making and governmental decision making...

We welcome abstracts (1,500-2,000 words), extended abstracts and draft papers. The format for discussion will include both traditional paper presentations and alternative forums (e.g. performance, exhibition, panel, discussion group, etc).

Important dates

Deadline for submissions: 27th September 2010

Acceptance: 20th December 2010

Full paper: April 2011

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■ European traditions in accounting

Accounting research in France: the institutional setting

Nicolas Berland & Christine Pochet



In the following panorama of research in France, we have chosen to focus on the institutional dimensions of the

French context rather than on specific research topics. Although topics sometimes differ from those addressed in international journals, we do not feel that these differences are particularly noteworthy.

The AFC—the Association Francophone de Comptabilité or, to use its English title, the French Accounting Association—embraces the community of accounting researchers in France. It was first set up in the late 1970s in the wake of the founding of the EAA and has since developed more or less in parallel to the EAA (Section 1). Today, this community brings together 350 members and focuses mainly on congresses and journals (Section 2). The AFC lies within a research environment shaped by the duality of research carried out in universities and in business schools, in which each sector operates according to specific rules (Section 3).

The AFC's Background and its Links with the EAA

The AFC was founded in 1979 by a number of French researchers. Its founding should be seen in the light of the founding of the EAA in 1977. A number of French researchers at that time (notably Edmond Marquès) were involved in the European-wide initiative, earning France the honour of staging the first EAA congress in Paris in 1978 and subsequently its eleventh congress in Nice in 1988. It was therefore in parallel to this European initiative that the AFC began to develop, organising its first congress in 1980 with some 20 participants. Surpris-

ingly, and in spite of their common roots, ties between the two gradually loosened throughout the 1980s and into the early 1990s. French researchers seemed more preoccupied with building their own academic community and, as a result, their attendance at EAA congresses and publications in journals became rare occurrences. Over the period 1977-99, France was ranked eighth among European countries in terms of its share of EAA members, with French affiliates representing only 4.8% of the Association's members (Carmona, 2002). However, in 1999, a third EAA congress was held in Bordeaux. Since then, no doubt as a result of pressure from the regulatory bodies of French academic institutions calling for a greater presence on the international stage, the attendance of French researchers at EAA congresses has surged. In 2013, France will be staging the EAA congress in Paris. Let us hope that this will mark a new high point for French researchers in Europe.

In the early 1990s, French accounting researchers primarily published their papers in two journals: the *Revue Française de Gestion* (French Management Review) and the *Revue Française de Comptabilité* (French Accounting Review). The first is a generalist academic journal with double blind reviewing whereas the second is a professional journal published by the *Ordre des Experts-Comptables* (OEC, the French Organisation of Certified Accountants). However, there was a distinct lack of academic journals for publishing research in this field. In response, two journals were established in 1995—*Comptabilité, Contrôle, Audit* (CCA), directly affiliated to the AFC, and *Finance Contrôle Stratégie* (FCS), backed by the AFC in its early years but today, independent of any professional association and run by a publisher (Economica).

Alongside its annual congress, the AFC has also developed research-topic workshops. Teaching workshops were first launched in the mid-90s to serve as a liaison between the community of high-school teachers who prepare students to become chartered accountants and the community of university faculty members. Also in 1995, workshops on the history of accounting and management were launched and have since played a very important role in bringing French academics closer to the Anglo-Saxon world. Furthermore, simultaneous translation is provided at these yearly workshops to enable foreign colleagues to attend. In addition to these workshops, other initiatives—between five and ten a year—provide structure for organising the community's research work.

In 2002, the French Accounting Association became the French-Speaking Accounting Association, but continues to use the name AFC. The purpose of the Association's name change was to emphasise its mission to attract French-speaking colleagues from Belgium, Switzerland, Canada, the Maghreb (Tunisia and Morocco), Lebanon and Sub-Saharan Africa. Researchers from these countries have been AFC members for many years, so the goal was to grant these relations official status. Accordingly, the AFC's congress was held in Louvain in 2003 and in Tunis in 2006, and research workshops are planned to take place in 2011 in both Lebanon and Sub-Saharan Africa. Every year, French-speaking or Francophile researchers from other non-French-speaking countries—Rumania, the United Kingdom, the United States, the Netherlands, and beyond—pay us the great honour of attending our congress.

(continued on next page)

Accounting research in France (cont'd)

Upcoming AFC congresses will be held in Nice in May 2010 and in Montpellier in May 2011.

Today, the AFC faces two major challenges: internationalisation, and the replacement of research staff who will be retiring in the coming years. The AFC's response to both these challenges must be found within its national institutional framework.

The AFC's Lead in Professionalizing Research Activity

Today, the AFC counts 350 members and welcomes over 400 researchers to its annual congresses. These researchers mostly come from universities and business schools that mark the French academic landscape. French accounting research presents a number of specific features worth mentioning here.

In France, there are relatively high levels of research activity yet the presence of French researchers on the international stage does not measure up to this effort. This can be explained notably by the fact that French researchers have access to a large number of forums within France where they can present their ideas, thereby weakening any incentive to communicate on the international stage. Another factor is undoubtedly the language barrier. As a result, the AFC has set up powerful incentives to encourage researchers to move into the international research market, including funding for the translation of academic papers and financial support for those travelling to and participating in international congresses.

The dynamism of the French accounting research market has been reinvigorated by a recent trend in business schools opening up to research work (although a small number have been active in this respect for many years). Today, a fundamental shift is taking place towards greater numbers of researchers coming from business schools.

To promote professionalization in its research the AFC relies on two peer-review journals (CCA and FCS, mentioned above) that operate according to international standards, including double blind reviewing and a scientific review board. These journals are circulated in both paper and electronic formats (in the latter case, sometimes with delayed publication). Both can be found on EBSCO. CCA is also available to users on the AFC website and FCS is listed on the RePEc Database. Furthermore, CCA has laid out plans to publish a portion of its editorial content in English to appeal to a wider readership. Both journals publish three issues a year, with each issue presenting between five and nine papers. Each receives slightly over one hundred papers a year for review, which corresponds to an acceptance rate of around 25%.

The way the AFC organises its congresses also serves to promote a shift towards greater internationalisation and professionalization. Two AFC members carry out double blind assessments of all papers submitted for presentation. In 2010, only 65% of papers submitted were deemed to comply with our standards of scientific quality. On presentation at the congress, all papers are systematically challenged by a discussant. The purpose of this procedure is to maximise added value for participants by improving the scientific quality of the papers presented. Paradoxically for the French-speaking Accounting Association, submissions can be written in English (although discussions at the congress are held in French). Our goal is two-fold here. Firstly, this allows Francophile colleagues with insufficient levels in French to write in English and to participate. Secondly, this means we are not deprived of contributions from French-speaking scholars who have presented papers at the EAA (and thus in English) and who would also like to present them to the AFC.

The Institutional Organisation of Research Nation-wide

Lately, the AFC has carried out a review of all doctoral theses on accounting that have passed the jury in recent years. It has found that bringing in a new generation of researchers is a major challenge facing our profession: our institutions are struggling to attract sufficient numbers of researchers, let alone high-quality researchers. Researchers are often drawn to the siren song of private enterprise offering more attractive compensation packages. Equally, the researcher's social status has clearly lost much of its prestige in recent years, making the profession all the less attractive to newcomers. However, the situation in France does not seem all that unique in this respect, if the efforts made every year by foreign universities to headhunt some of our best doctoral students is anything to go by. Even so, strong relations with the business world have enabled us to develop several measures specifically to respond to this challenge. Notably, the OEC funds a grant every year for students writing their doctoral theses (for a three-year duration) and, for several years now, so too has the Compagnie Nationale des Commissaires aux Comptes (CNCC, the National Institute of Professional Auditors). Unfortunately, however, there is no such business organisation to represent the management accounting profession.

In France, a PhD (le doctorat) is supposed to take three years (but, more often than not, it lasts four or five years!) and is traditionally carried out within a Doctoral School. It is a national degree that falls under the aegis of the Ministère de l'enseignement supérieur et de la recherche (the French Ministry of Higher Education and Research).

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Accounting research in France (cont'd)

Officially, only public universities are entitled to grant doctoral degrees. However, several business schools have, in recent years, developed their own PhD standards and courses running parallel to the traditional French system. Each PhD student is supported by a supervisor and is encouraged to present his or her work regularly both to research teams and at various doctoral colloquia in France and abroad. The French system is quite unique insofar as the number of classes in the doctoral programme is significantly lower than elsewhere. This is because students have often completed a one-year specialisation (Master's in Research) during the second year of their Master's degree, which provides them with a sound basis in research (with classes on methodology, epistemology, theory, etc.). This makes attending large numbers of classes during their doctoral courses largely unnecessary. Nonetheless, due to international pressure and with a view to promoting exchange, the French system is gradually moving towards international standards. The traditional Master's in Research has already disappeared from the syllabi of many universities.

Defence of the thesis can occur after two referees—both external to the Doctoral School—have expressed a favourable opinion in the form of a detailed report. Once defence is authorised to take place, the candidate is certain to obtain his doctorate but with more or less critical evaluations. In addition to the two referees, two or three other members as well as the thesis supervisor sit on the jury. Customarily, there should be no criticism and little influence on the final decision from the supervisor.

Once the thesis has been defended, procedures differ according to whether the candidate is a business school or a university student. At business schools, the process is very similar to procedure in the Anglo-Saxon world. At universities, the system is more unique. To apply for a university teaching position, the candidate must first submit an application (a thesis or related publications) to the Conseil National des Universités (CNU, the National Academic Regulatory Committee) where the thesis is reassessed by two independent referees who then decide whether or not the applicant is sufficiently qualified. Many candidates are disqualified at this stage in a procedure designed to regulate academic standards nation-wide independently of individual universities' recruitment policies. After authorisation is granted to apply for a university teaching position, a panel of researchers, both internal and external to the recruiting university, examines the candidate's application. Today, the norm for qualification and recruitment is a good thesis (with reputed referees expressing a favourable opinion) and significant publication of work (whenever possible, publication in a peer-review journal).

University research laboratories are assessed every four years by a State body made up of academics that judge a team's research activity. Their judgement relates to the team's collective research and not to individual team members. Its purpose is to check that the team is following scientific best practice (with publications in academic journals, increasingly international), that its research work has social value (research contracts, popularisation),

and to examine the team's governance structure, etc. Collective assessment is important to the university because it is on the basis of this judgement that its right and legitimacy to grant Master's degrees depends. Individual assessment of university researchers is carried out by the CNU every four years, or at the candidate's request in the event that he or she is applying for promotion.

The situation differs significantly for business schools. In this sector, collective assessment does not exist (above and beyond systems for ranking schools) and individual assessment is typically carried out by the schools themselves in accordance with their own strategies and criteria.

Reference

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