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Reflecting on the ‘ethos’ of public sector accounting: From ‘taken-for-granted’ to ‘plural’ values?

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Abstract

This chapter discusses the underlying values in public sector accounting (PSA). Such values are often taken for granted or hidden. Yet, PSA is not neutral; it reflects various administrative values translated into concrete tools and practices over time. The chapter illustrates these values within ‘classic public administration’ and ‘New Public Management’ philosophies. It also suggests alternative or complementary values, such as collaboration instead of competition, self-management alongside management by managers, and public value, social equity, and resilience alongside efficiency and value for money. The implications of considering the plurality of PSA values for research, practice, and teaching are also reflected upon. This exploration aims to enhance awareness among researchers and practitioners about the ethical foundations of PSA.

Key words: moral values, ethical dimensions, public sector accounting

1. Reflecting on the plurality of values underlying public sector accounting

In his seminal paper on New Public Management (NPM), Hood (1991, pp. 10-16) highlighted the co-existence of a plurality of administrative values guiding administrative action. Hood specifically identified three examples of sets of values. The first one includes economy and parsimony, emphasizing resource matching with defined objectives and requiring clear identification of responsible organizational units for delivering specific outputs. This set of values aligns with the NPM model of public administration. A second set of values resonates with the traditional, “classic” public administration model, and concerns honesty and fairness. Acknowledging the complexities of multiple objectives, it puts emphasis on process controls, enabling citizenship and public trust. A third cluster of values regards security and resilience, important for responding to external disruptions such as catastrophes. They promote a loosening in input and process controls, while establishing buffers and slacks for coping with hostile circumstances. Our chapter builds on Hood’s work, reflecting on the values underlying PSA. In doing so, we highlight that such values are often taken for granted, and discuss the opportunity to recognize a wider plurality of values potentially shaping PSA, which deserve more attention in the future.

Values are fundamental beliefs that guide human attitude and action. They can be held at different levels: individual, organizational or societal. Our chapter is dedicated to the fundamental

beliefs about how public sector organizations need to operate, and we will thus especially focus on the organizational/administrative level. Public-sector organizational values revolve around a ‘moral compass’ for those working in public sector organizations (Gabel-Shemueli & Capel, 2013, p. 591), or ‘judgements of worth’ that play a role in organizational decision-making and action (van der Wal, et al., 2006-2007, pp. 317-320).

PSA is often regarded as a set of neutral accounting tools, providing a rational, and economic and financial perspective in decision-making, control and accountability (see, for instance, Vosselman, 2016). In line with its supposed ‘neutrality’, the ethical base, i.e., the underlying moral principles and values underpinning such accounting tools are not necessarily made explicit, openly discussed or, for example, made the subject of accounting education (van der Kolk, 2019; see also Vosselman, 2016).

It has been suggested that issues of ethics in accounting have only been addressed to a limited extent (for example, Uysal, 2010). Most traditional research on ethics in accounting concerns regulations, such as codes of conduct and incentives for ethical behaviour of auditors (for example, Ayres & Ghosh, 1999). Yet, a renewed attention to values has emerged especially in the last two decades, including, among others, Bozeman’s work on Public values (Bozeman, 2007) and parallel developments in the Sociology of Evaluation and Worth (e.g., Boltanski and Thevenot, 2007; Espeland and Stevens, 2008). For the purpose of this work, it is particularly relevant to point to the contributions of institutionalist approaches in highlighting the plurality of values shaping processes, behaviours and decisions. They have coined concepts such as ‘logics’, i.e., the broader cultural beliefs and rules that structure cognition and guide decision-making (see, for example, Lounsbury, 2008, 352), or ‘archetypes’, i.e., the set of ideas, beliefs and values that shape conceptions about what organizations should do (for instance, Greenwood & Hinings, 1996; Liguori & Steccolini, 2012).

The concept of archetypes provides a useful reference to describe how accounting structures and systems are organized and the underlying values and beliefs that shape conceptions about what the organization should be doing (Greenwood & Hinings, 1996; Liguori & Steccolini, 2012). The classic ‘*public administration archetype*’ (Liguori & Steccolini, 2012; Liguori et al., 2018; and Hyndman et al, 2018), was built on values such as citizens’ interest in direct representation, separation between politics and administration, neutrality of the administration, centrality of professional deontology in implementing policies, fairness of processes and political accountability. These translated into specific features of PSA systems, where budgets and budgetary accounting, and hierarchical forms of control would represent the main tools for ensuring political accountability, and neutral and fair execution of political decisions. The ‘*NPM archetype*’ emphasizes efficiency, effectiveness and economy, value for money, managerial autonomy and decentralization, translating into cost and accruals accounting systems, market-based forms of control, and a stronger focus on the measurement of outputs and outcomes. New values and practices are emerging also in response to the shortcomings of the classic and NPM archetypes and to important transformations happening in the physical, social, economic world. Values of *participation and collaboration* have been highlighted to advocate more cooperation across organizations, as well as stronger citizen participation, consolidated forms of reporting

and trust-based control systems, in addition to gender- and participatory- forms of budgeting. *Resilience-related* values have attracted increasing attention over the most recent decades, also as a consequence of the multiple global crises that have witnessed a central role of governments in coping with them. Moreover, rising inequalities have also brought about a new reflection around issues of *social equity* (McCandless et al., 2022), while sustainable development goals have increasingly entered the agenda of public sector entities, providing a new focus on *sustainability* and new potential values they may embrace. Potentially, these values are among those that may contribute to re-think the role of PSA in today's public administration and in the future.

Studies looking at the above archetypes have not necessarily suggested that new values and related accounting systems have always completely replaced old ones. While certain countries, such as the UK, have more clearly moved onto an NPM mode (Hyndman & Lapsley, 2016), others have embraced only certain elements of it, creating more hybrid or 'sedimented' approaches, strongly influenced by local cultures and values, such as in the case of neo-Weberian countries (Liguori & Steccolini, 2012; Liguori et al., 2018; Hyndman et al., 2018). In some countries a predominance of NPM-like values and accounting systems appear to prevail, while in others Neo-Weberian, bureaucratic values may still be strong, or combine and blend with market and managerial ones¹. Moreover, NPM is still dominant in public sector accounting research (Lapsley & Miller, 2019; Steccolini, 2019; Funck & Karlsson, 2020; van Helden et al., 2021).

These contributions point to the importance of the plurality of PSA values. In light of these considerations, and as calls to explore 'publicness' in accounting research (Steccolini, 2019; Bracci et al., 2022) encourage more attention to pluralism in values in PSA research, this chapter aims at exploring the values that more or less implicitly underly PSA systems. In doing so, we first show how PSA is shaped by a plurality of values, though at times some may (have) become predominant. Second, we propose that those values should be made more explicit, so as to make sure that the design of accounting systems reflects the needs of preparers and users, and their underlying ethical dimension. This will also ensure better 'accountability' on PSA, by clarifying not only 'what' and 'how' is accounted for, but also 'why'. Third, we highlight that some values have attracted less attention so far, but may inspire future developments in PSA. These reflections may provide the basis for a renewal of PSA and related research and raise awareness among PSA scholars and practitioners about the often taken-for-granted ethical dimensions of their field, resonating with earlier work on the lack of integration of ethical dimensions in the accounting repertoire (see for instance, Van der Kolk, 2019 on management accounting).

¹ Neo-Weberianism is a word coined to refer to those countries which, in an age of introduction of New Public Management reforms, have tended to show some reluctance to embrace managerialism, while maintaining stronger connections with the 'classic' model of public administration (Bouckaert, 2011). The 'classic model' is also called 'Weberian' in Public Administration scholarship as it has traditionally been defined as being influenced by Weber's conceptualizations of bureaucracy; Taylor's ideas on Scientific management, and Wilson's ideas of separation of politics and management (on this, for example, Behn 1998).

The chapter proceeds as follows. In the next two sections we explore in more detail the values of traditional Public administration and New Public management, respectively, and how they have shaped PSA. In the subsequent section we suggest a plurality of values, which may become more relevant in the future, and discuss implications for accounting. The final section draws our conclusions and presents implications for research, practice and teaching.

2. Values under the traditional model of Public administration

In the traditional system of public administration, accounting plays a central role in ensuring the neutral representation of citizens' interests, keeping political bodies accountable for the raising of resources and for the ways in which they are spent. Budgets are the fundamental tools which crystallize the compromise among different interests. Compliance with budget is sought to ensure governments respect the mandate received by the people. As such, traditional PSA is mostly inspired by values of representation and political accountability.

2.1 Representation of interests: balanced budget and authorizing spending

A central tenet of representative democracies is the value recognized to fair representation of citizens' interests. Public budgets came to embody representation as they provided the practical tools and processes through which constituents' representatives could authorize the raising of taxes and other revenues, deciding how to spend them to address public needs. The juxtaposition of revenues and expenses would show where the public money would come from and go. Some balance would be usually required between money being raised and being spent ('balanced budget'). At the same time, the composition of revenues and expenditures would express the crystallization, at a certain point in time, of the constituents' preferences as interpreted, filtered, and compromised upon by their representatives (Saliterer et al., 2018; Wildavsky, 1964). Budgets usually provide a detailed expression of planned expenditures or expenses, especially by estimations of various cost categories (such as wage and material costs) for each of the budget functions (e.g. in economic, social, infrastructure, health and educational domains). Public budgets, albeit in a variety of forms, still perform this important function, translating into practice the democratic value of representation.

2.2 Political accountability: the role of budgetary accounting

Strictly connected with representation is the value of political accountability. Under a classic view of public administration, political bodies need to be accountable ex-ante for the decisions made on resources and ex-post on how they have used them. Budgetary accounting has been traditionally used to translate this value into practical rules and practices. Ex-ante, through the public nature of budgets; ex-post, through budgetary reports, highlighting compliance with budgets. And, importantly, during the budget execution, whereby actual spending will be expected not to exceed budgeted amounts. Political accountability generally postulates a passive electorate receiving information from governments, in a top-down fashion.

3. NPM-like values

Hood (1995, see especially Table 1, p. 96) categorizes NPM through doctrines, which include decentralization of organizations into semi-autonomous units, competitive contracting, results controls and private sector styles. Gruening (2001) presents public choice and modern management theory as the theoretical underpinning of NPM. The present section digs deeper into the predominant values of NPM with a focus on PSA, and highlights competition, valuation through numbers, rational decision-making and control by managers. The first and third values originate from economics/public choice and the other two from managerialism.

3.1 Competition

Competition between actors is assumed to encourage better performance. If actors compete on a market for products, services or resources, they need to perform better or at least equally well as their competitors for acquiring or keeping a position in the market. Competition in markets or quasi-market is observable in the PSA repertoire. Examples of how accounting can serve competition are costing for external pricing of public services; costing for transfer pricing between internal suppliers and users of supporting services; and performance budgeting as a device to show which outputs or outcomes can be delivered with available resources in comparison with other suppliers through benchmarking (see also Boulding, 1969, about the fundamentals of economics as moral science).

3.2 Valuation by numbers and financialization

PSA reveals a strong belief in numbers for supporting decision-making, control and accountability. Every aspect of organizational activities is potentially reduced to a set of figures, referring to issues such as productivity, quality of services, customer satisfaction and societal impact. In general, there is a lack of awareness that numbers are often invalid proxies of realities and that counting on numbers may have deficient effects which align with ethical dimensions, such as myopia (near-sightedness), or creating slack and gaming (de Bruijn, 2001, pp. 21-24; van der Kolk, 2021). However, accounting numbers are also seen as powerful devices for underpinning decisions in organizations, policy and society. As Miller & Power (1998) argue, economization of organizations and society is served by calculative practices originating in accounting (see also Vosselman, 2014, 2016).

Valuation through financials as a more specific way of counting by numbers, such as income, cost, cash flow and surplus/deficit, is important. This is revealed by financial reporting conventions but also in management accounting, especially costing and budgeting. In public sector performance management, however, we see a tradition of non-financial indicators in addition to financial indicators, such as in the public-sector specific EEE-model, in which Economy and Efficiency are financial but Effectiveness, as the relationship between outputs and outcomes or impacts is non-financial (Jackson, 2011, pp. 15-16).

3.3 Rational decision-making

Accounting information provides information for underpinning decisions, often in terms of an efficient and effective use of available resources, and thus under an assumption of rational decision making. This type of information use assumes that objectives are clear and that the causal relationships between actions and objectives are easy to predict. However, when objectives are

unclear or contestable, a rational type of accounting use is no longer feasible. In these circumstances accounting information can promote particular values and interests, as in an ammunition type of use (see Burchell, et al., 1980). This is especially applicable to the public sector, which is characterized by actors with often conflicting interests (Hofstede, 1981; van Helden, et al., 2023).

3.4 Control by managers

Managers have become an apparently superior and growing category of employees at the expense of the position of professionals (such as doctors, teachers or nurses), who were traditionally important in many public sector and not for profit organizations. Management is seen as the prerogative of managers who are responsible for planning, organizing, coordination and control (Diefenbach, 2009, pp. 901-903). In a public sector context, managers often see themselves as gatekeepers of an outside-inside orientation and as personifications of accountability in financial and non-financial issues, which implies that they heavily rely on planning and control repertoire ('spreadsheet managers'). Managers, however, are facing the risk of becoming disconnected to the street-level of service delivery, thus becoming 'footloose managers'. Moreover, the costs of the rising numbers of managers and their staffs can be detrimental to the resources available for service delivery, which will be the more dramatic in cases where professionals are overloaded by administrative work related to managerial planning and control cycles.

4. Alternative types of values and implications for PSA

This section discusses additional values which may inspire PSA, in addition, replacement or combination with those described above.

4.1 From representation to participation and inclusion

Fair representation of citizens' interests is central in representative democracies. Yet, it may not be sufficient to ensure citizens' active participation and inclusion in the planning, delivery and evaluation of policies and services. Representation, participation and inclusion are three potentially intersecting values, but with different features, and implications for accounting. Representation requires processes and documents to reflect the ways in which different interests and needs emerge among citizens. Participation will require more active involvement of citizens in processes, for example for planning and budgeting (e.g., participatory budgeting; Barbera et al., 2016), or in the co-design of PSA systems (van Helden & Reichard, 2019). Inclusion will especially highlight the importance for accounting tools and processes to contribute to a sense of belonging, making sure that no citizen feels excluded from policies and services. Interestingly, while most of the traditional PSA systems were built to reflect an attention to representation, the emergence of a stronger attention towards participation (Fung, 2015) and co-production has encouraged also reflections on implications for co-planning and co-assessment tools and practices. As such, from a top-down political accountability, currently a shift towards co-produced, participatory accountability systems, or even bottom-up accountability systems initiated by citizens and activists. Yet, less consideration appears to have been paid to translating participation and inclusion into practical PSA tools and this may deserve further attention.

4.2 From competition to collegiality and cooperation

Collegiality and cooperation may provide alternative values and perspectives to competition. Collegiality stresses the altruistic side of being part of a work community and includes helping colleagues who are facing obstacles in doing their work, or being involved in team work in which colleagues with diverging capabilities operate. Cooperation highlights a collectivist view on doing certain types of work, i.e., the belief that people doing their tasks interdependently gives better results than working for pursuing their own tasks. Collegiality and cooperation are often connected with intrinsic types of motivators, more in line with stewardship theory, which emphasize cooperation and mutual trust among actors (Davis, et al., 1997), and the supporting role of a manager towards his/her subordinates (see also Sundaramurthy & Lewis, 2003).

4.3 From valuation by (financial) numbers to a focus on ‘public value’, dialogic accounting and accounting through narratives

According to Moore (2014, p. 468), public value refers to how citizens as clients or voters want their government to safeguard the welfare of others as well as a good and fair society. At the societal level, public value is about articulating the accessibility of governmental services to diverging client groups, in order to avoid privileging specific groups. At the organizational level, public value refers to how the provided services contribute to the well-being of users and their community. According to Talbot (2010), the public value concept attempts to combine ideas of efficiency and effectiveness with notions of democratic legitimacy and trust. A public value perspective emphasizes how public services, such as health or educational services, are serving the interests of their users, how they respond to societal demands for public health or ‘Bildung’ and need to be subject to engagement of their users. Steccolini (2019) points to a scarcity of accounting research about public value, particularly on how aspects of public value can be measured or how accounting can contribute to a dialogue among stakeholders about what they see as public value in a specific setting.

A fruitful avenue for further exploring the role of values in PSA may be a stronger engagement with the dialogic accounting tradition, which is witnessing a renaissance (Manetti et al. 2021). Dialogic accounting recognizes differences in views and takes interpretative and ideological conflicts seriously (Brown, 2009) and as central to strengthen democracy. Brown and Dillard (2015, p. 971) highlight the potential contrast between agonistic and consensus-oriented perspectives. In their view, agonism enables to mobilize a critical accounting approach that might contribute to emancipatory movements in society. While the potential of dialogic accounting to promote truly democratic principles has been highlighted, much remains to be done in practice as this represents an area which may deserve stronger attention and experimentation.

Whilst a focus on public value can be seen as an alternative to financialization, accounting through narratives can be an alternative or a complement for accounting by numbers. Narratives have the potential to highlight the stories behind numerical signals (see also Brennan, et al., 2009).

4.4 From efficiency and effectiveness to resilience, social equity and environmental sustainability

Resilience and robustness may be additional, complementary values to inspire administrative action, due to the ‘new normality’ of crises and shocks, such as the global financial crisis, the COVID-19 pandemic, and the current and future climate crisis. Resilience concerns the capacity to deal with shocks and uncertainty, through reactions of bouncing back to the conditions before the shock or bouncing forward to new and better conditions (Barbera et al., 2017, 2021; Barbera, et al., 2023). PSA that relies on economic and managerial values, as in NPM, may mostly react to shocks and crises by cut back management and efficiency measures. Yet, previous cutback and austerity measures and a focus on efficiency, may actually be the causes of a lack of slack resources and reserves, which have proven useful to build resilience (Barbera et al., 2021). Overall, shocks and crises can encourage public sector organizations to take a more anticipatory approach, especially by creating financial buffers, but also through new forms of collaboration (for spreading risks) and service delivery (e.g., online service modes and user co-production modes) that make these organizations less vulnerable to a hostile context.

Moreover, rising inequalities and poverty, and the enduring vulnerabilities stemming from differences in ethnicity, gender, class and background and the current climate change crisis have increasingly pointed to the need for public administrations to more explicitly embrace values of social equity (McCandless et al., 2022) and environmental sustainability. In response to this, new forms of budgeting, including gender budgeting, and social equity budgeting, have emerged, while environmental performance (and related reporting) are attracting more attention from both scholars and practitioners.

4.5 From economic rationality to bounded rationality, muddling through and sensemaking

Economic rationality assumes that decision-makers can compare the benefits and costs of all possible options, so that they can make a choice for the best option given the goals they pursue. Simon’s bounded rationality posits that decision-makers only have access to a limited number of choice options, they choose the option that satisfies an acceptable achievement level of relevant goals, and if none of the options meets this requirement, a further search for better options is initiated. Simon thus transforms decision-making from a problem of choice to a problem of design, that is, framing the space of options to choose including the interplay between goals and potentials for achieving those goals (Simon, 1955).

Along similar lines, Lindblom’s (1959) ‘muddling through’ emphasizes that decision-makers in organizations simultaneously decide about values and policies, and their analysis of policy options is often confined to marginal increments of existing practices. Complex problems are characterized by sets of diverging values and policy options with imperfect knowledge on value impacts. Hence, in order to avoid debates about values and policy-values relationships, the space for decision-making is restricted to a step-by-step approach to revising current policy practice.

Finally, sensemaking, as developed by Weick (see, for instance, Weick et al. 2005), puts emphasis on a retrospective rationalization of the actions people in organizations take, or on how interpretation of events and contexts shape future decisions and actions.

These views are today complemented by psychological and behavioural studies showing the role played by information in decision making, and highlighting relevant biases which may affect it (for example, Belardinelli et al., 2018).

In summary, economic rationality as part of economic and managerial PSA values, can be replaced by more realistic assumptions about rational decision-making through bounded rationality and muddling through, as well as a rationalization of actions in complex situations through sensemaking.

4.6 From control by managers to self-management or collegial consultation

In his well-known contribution, Ouchi (1979) suggested that alternatives to control by managers exist, including clan control, preferable when desirable results or actions are difficult to define. Clan controls are informal and social and rely on shared values and beliefs among organizational members. Clan control is often supplemented by collegial consultation.

An alternative for attributing control to managers is the establishment of self-managing teams. Team members have a large extent of autonomy in organizing work, including the availability of feedback mechanisms based on the accomplishments of the group as a whole. Managerial tasks may be attributed to a supervisor with a mainly supportive role, or just remain within the domain of the team members. A literature review by ten Vregelaar (2017) suggests various explanations for self-managing team success in terms of e.g., quality, productivity, but also job satisfaction and job motivation. These explanatory factors encompass organizational (e.g., training and resources), team (such as autonomy and task interdependence) and group characteristics (like expertise and beliefs).

In the context of clan control or self-managing teams, accounting controls are less important and might be confined to setting boundaries on financial issue (budgetary constraints) and production figures. In addition, control has to shift from a coercive to an enabling orientation; see Adler & Borys (1996) for elaborating this distinction. Rather than enforcing compliance, accounting information would then support professionals and team members in doing their work. Irrespective of the merits of enabling controls in specific contexts, also values of autonomy and group belongingness are at stake.

5. Concluding discussion and implications for research, teaching and practice

This section concludes our chapter with reflections on our findings and implications for research, teaching and practice.

5.1 Towards more pluralistic perspectives on PSA

Figure 1 summarizes our exploration of PSA values. The left-hand side of this figure shows the PSA values relying on traditional public administration and NPM-like economics and managerialism, which are seen as dominant in both practice and research. For each of the values on the left hand side, the right hand side indicates alternative (or complementary) PSA values. This figure suggests that PSA values can be seen as dimensions, with two opposites but also with options for an in-between positioning and combinations.

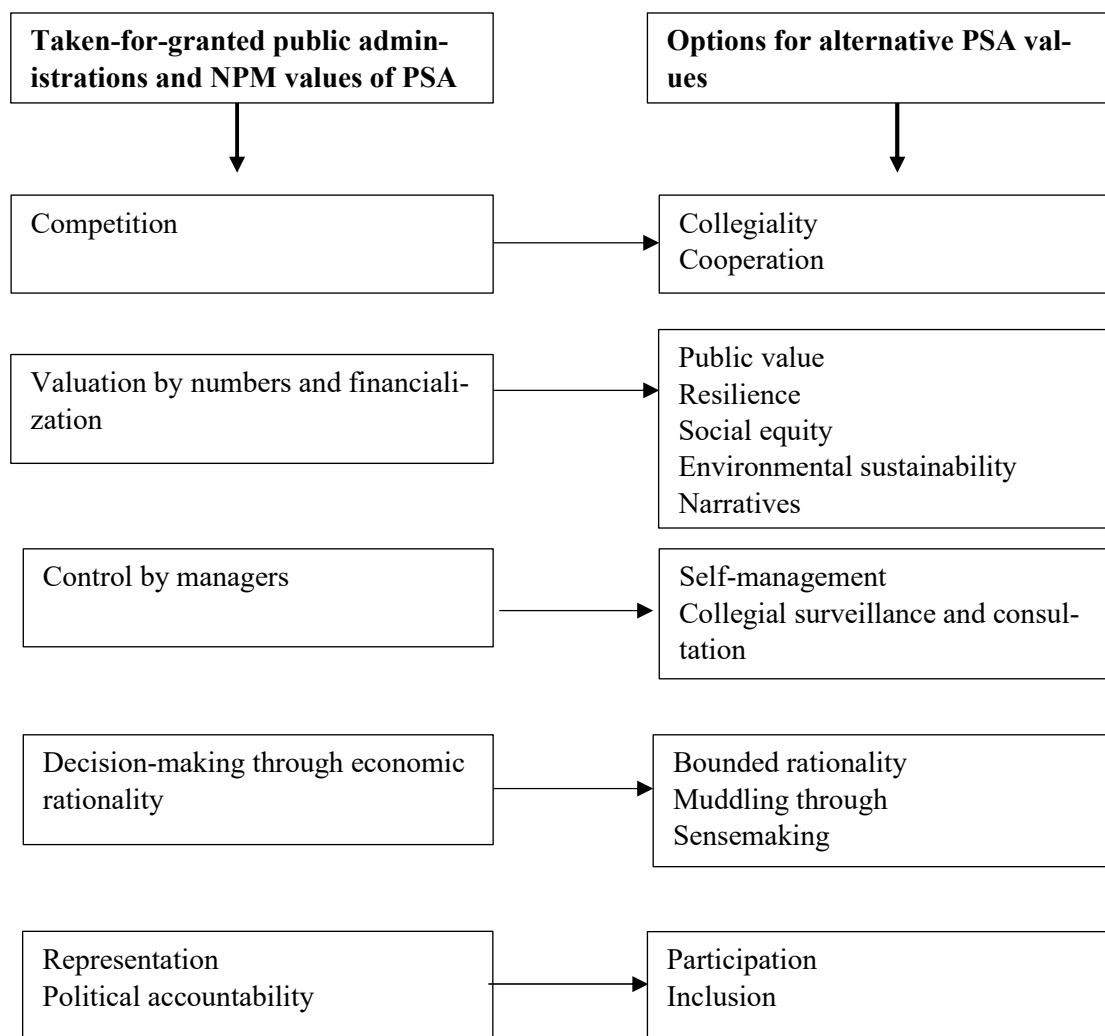


Figure 1. Taken-for-granted PSA values and options for a wider plurality of PSA values

Three reflections need to be advanced to avoid an overly simplified picture of changes in PSA values. First, new sets of PSA values may emerge at the level of discourses, while accounting practices largely remain unchanged. Pollitt (2002), for example, argued that the adoption of NPM could be primarily a matter of talks and decision-making, while evidence about practices and impacts is limited. Second, many users of PSA information are laypeople, such as politicians and managers, and they may overestimate the benefits of accounting information. Experts will be aware of the limitations of using accounting numbers for underpinning decision-making, control and accountability (compare Ezzamel et al. 2005). Third, new families of PSA values might emerge as a reaction to critique on the appropriateness of existing sets of PSA values.

These new sets of values require legitimization to find implementation. The transition from traditional bureaucratic values to economic and managerial values also shows diverging patterns across countries, or even organizations, as indicated earlier.

Our exploration of PSA values is meant to stimulate practitioners and scholars to reflect on the plurality of values that underlie our everyday use or, and discourses around, PSA tools and systems, and to be aware of those that may be dominant, as well as of the options for alternative values. These different values may give rise to new tools (such as participatory budgeting or co-assessment, or even forms of surveillance; trust-based forms of management; gender or social equity budgeting), or to changes and reconsiderations of extant tools and practices.

It is however important to highlight that no accounting system is value-free, as the features of the system will reflect underlying values. Our plea is that those values must be made explicit, as for instance, a report to represent financial compliance with a budget is different from one relying on assessing social equity or environmental sustainability. We also need to recognize that such values intertwine and change over time. Accounting has often been described as an economizing force (Miller and Power, 2013), translating especially values of competition, efficiency and effectiveness, suggesting a predominant focus on financial issues, and top-down forms of control and accountability. Yet, we show that alternative values exist, and they already have inspired developments in PSA (see also Bracci et al., 2022). At the same time, more efforts are needed to renew PSA. The reflections contained in this chapter may provide the basis for re-considering the ethical dimensions of accounting and to innovate current PSA systems. They also point to a plurality of values that accounting may serve, that might need further future investigation.

5.2 Implications for research

The above reflections suggest several implications of our explorations of PSA values for research. As accounting provides the processes and practices through which general values and ideas are translated into decisions and behaviours, there is a need to reconsider pluralism of those underlying values and ideas, both in a *retrospective and a prospective* way.

In a *retrospective* way, traditional public administration values and/or NPM values may still remain central in many practices, studies and reflections. Yet, we would encourage researchers to be more explicit about these values, because more clarity is needed on the contextual, bounded nature of PSA, and of the possibility of a plurality of needs, purposes, and values in the design of PSA systems. Studying accounting as an economizing force remains important, but it is relevant to explore cases where accounting is used to bring forward other types of values and changes in society, organizations and for individuals, or to pay attention to the multiple ethical facets of PSA practices, including potential underlying conflicts among values. NPM movements, for instance, have taken for granted that governmental organizations should strive for efficiency, e.g. delivering a specific amount of services at a certain quality standard at the lowest cost per unit, while the need to make these services accessible to less privileged clients could lead to higher than minimum costs per unit of service. Then a trade-off between efficiency and accessibility of services comes to the fore. Similarly, a focus on efficiency might

be an obstacle for creating reserves and slack resources that are needed to ensure robustness in the face of future crises. In this case, efficiency can be at odds with resilience. Another trade-off regards the traditional public administration value of representation of citizens in budgetary processes. Pursuing this value could imply forms of participatory budgeting, but contrast with the need to economize on expenditures, as well as with the representative principle of democracy through general elections.

In a *prospective* way, research about alternative PSA values is still underdeveloped. This ranges from research on public value and resilience to research on combinations of collaboration and competition, as well as forms of self-management and consultation among professionals, or dialogic forms of PSA and accountability. So, this type of research on alternative PSA values should be stimulated. It must however be recognized that actual practices in this area may still be emerging, and thus they lag behind the desires and leaps forward of researchers. This requires researchers to embrace different methodological approaches and consider stronger involvement in designing and experimenting innovative PSA practices. This may open venues for experimental, or interventionist types of research (see, for instance, Lukka and Becker, 2022, forthcoming).

All in all, these efforts may allow to overcome the view of PSA as a monologic practice, only suited to express economic values and concern. Under the latter view, public sector reporting will express only one voice (e.g., the voice of the government preparing reports), and address a single ‘generic’ audience (the ‘generic’ citizen for external general purpose financial statements; the ‘generic’ manager for internal reports). It will be mostly focused on financial and efficiency issues and on economic decision-making.

In contrast to this view, we need to recognize that the concept of performance in the public sector is subject to interpretation and deliberation, thus becoming ambiguous, politically laden and multi-faceted. ‘Performance’ is thus not uncontroversial in the public realm. Also accounting might highlight different values and positions, giving visibility (and primacy) to certain values rather than others, and being the result of bargaining and deliberations about such values. In a ‘pluralistic’ view of PSA (following Brown, 2009), performance is to be defined dialogically and relationally, reports may be prepared not only by government, but also by other stakeholders (including forms of plural or counter-accounts), taking into consideration the needs of plural audiences and users. Digital technologies may facilitate these phenomena, increasingly blurring the boundaries between users and preparers of accounts (Agostino et al., 2022), while empowering citizens in initiating more participatory forms of planning and control for public services. This translates into possibilities for giving voice to marginalized, vulnerable users and citizens and enlarging the focus to non-financial issues, such as environment, social equity and gender. Of course, this poses new challenges as the traditional representative forms of democracy are supplemented or even replaced by new forms of participation, which bring about inclusivity, but also create new forms of exclusion. All these emerging phenomena deserve attention and novel research looking into the pluralistic nature of PSA.

5.3 Implications for practice

Making explicit the underlying values of PSA systems, and reforms, will have important implications for practice. For policy makers and those who are responsible for designing PSA systems, this will enable stronger transparency on the underlying reasons and needs served by changes, reforms and choices of PSA design. It will also avoid one-fits-all approaches, or the a-critical adoption of fashionable tools, for example from the private sector, which have been the subject of strong critique and often identified as a cause for PSA reform failures.

Managers, politicians and public and civil servants, are becoming more aware of the underlying values of their PSA systems may contribute to their sense of purpose, to connect more their inner motivations, and individual values, with the use of accounting information and tools.

More generally, awareness of the value-laden, ethical nature of accounting may allow people operating in the public sector to be able to understand how PSA may serve different purposes, interests and needs. This will discourage superficial reliance on accounting as a ‘neutral’ way to justify or impose decisions, while encouraging its use to support richer, deeper and complex decision-making processes, where multiple interests and values need to be represented. This may thus strengthen the democratic ethos of PSA, improving the inclusiveness and comprehensiveness of decision-making processes.

A new attention to make explicit the values underlying PSA would also encourage practitioners to get accustomed to less conventional ideas for solving certain problems. For instance, hostile circumstances like disasters and pandemics give often rise to additional expenditures that need to be followed by cut backs for ensuring that the government in question is able, at least on a longer run, to balance the books. But, acknowledging that such hostile circumstances are not exceptional, can also indicate the need for creating financial buffers. Taking a more pluralistic approach to PSA would allow public managers to be better faced to dilemmas, for example, between financial solidity and buffering measures for making governments more resilient.

5.4 Implications for teaching and training

Along these lines, we suggest that it is especially important to devote more space to teach PSA in universities by not only dealing with the tools and how they work but also addressing underlying principles and beliefs about the assumed merits, or even virtues.

Two examples can illustrate this. First, budgeting processes are in general designed for enabling that all possible destinations are part of the ultimate decision-making by a political authority. So, process transparency is a main value. However, not all potential participants may have the skills and means for participating on a level playing field. Students could be asked to identify means for a really inclusive budgetary process, for instance, through training sessions for representatives of certain pressure groups. Another example regards the allocation of overhead costs to departments, products or services, in order to encourage the working of a market system between providers and users of supporting (overhead) services, such as financial administration or human resources management. We as teachers could inspire our students to critically assess the pros and cons of such a market system. A competing value regarding the provision and use of certain supporting services could be that all users see the availability of these services as a

subject of collective ownership. This could give rise to proposals for a fair allocation of overhead costs, which implies that fairness can be suggested as an alternative for the idea of an internal market that is governed through competition.

Values, or more general ethical dimensions, of a discipline or field can be taught in a class room setting through a propagation of elements of moral behaviour, such as a code of conduct, but in our opinion this faces the risk of a non-committal discussion. It is far better embedding discussions about values in a setting of practical cases in which tensions between different values or between values and interests of stakeholder are at stake. Students can then be challenged by the often delicate dilemmas between values and interests, for example, between self-interest and long-term sustainability or by experiencing the consequences of virtues professed on paper and in personal life.

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