AFRICA DEVELOPMENT AND RESOURCES RESEARCH INSTITUTE (ADRRI) JOURNAL

*ADRRI JOURNAL (***www.adrri.org***)*

pISSN: 2343-6662 ***ISSN-L***: 2343-6662 VOL. 4,No.4(2), pp 1-15, January, 2014

Effectiveness of Financial Accounting and Reporting Practices introduced to Eastern Provincial Council, Sri Lanka.

Nagalingam Nagendrakumar

Received: 25th November, 2013 **Accepted**: 30th December, 2013 **Published Online:** 1st January, 2014

URL: http://www.adrri.org/journal

Abstract

Sri Lanka in recent years has been introduced changes in public sector financial management. The introduction of accrual basis of accounting to public sector especially in Provincial Councils has created new trends in public financial management. This research is concerned with the effectiveness of public sector accounting and financial reporting in the research domain of Eastern provincial council (EPC). The aim of this research is to understand the financial accounting and reporting practices and to analyze whether they are effective. Descriptive method was used to evaluate the variables. The research concludes that the accounting and financial reporting practices adopted at EPC are not effective.

Keywords: effectiveness, financial accounting, reporting practices, eastern provincial Council, Sri Lanka

INTRODUCTION

There is large literature, which reports inadequacies in public sector accounting and financial management performance in developing world (Blondal. 1998; Craner and Jones. 1990; Dean. 1988,1989; Ghartey. 1985). Very often poor countries are poor in financial management performance, which has made unrealistic and inconsistent financial management decision-making (Blondal. 1988). Proper accounting data and interpretation thereof is very much appreciated for sound, economic and proper management decisions (Gujarathi and Dean. 1993). Many studies point to the deficiency in accounting systems as an important weakness in the management of the public sector of most, and especially developing countries (Blondall 1988; Craner and Jones 1990; Deen 1988, 1989; Ghartey 1985).

Further deficiency in accounting system is the main reason for improper, inaccurate and delayed financial information communication. Whilst monitoring the performance of the public sector entities are viewed as a problem in both developed and developing countries (Deen 1989) since of internal external politics and socio-cultural influences. ‘Deficiency’ in public sectors accounting and financial management has been identified as a characteristic of socio-economic underdevelopment (Enthoven 1988; Craner and Jones 1990). Poor countries generally have poor governmental accounting and financial management systems (Deen 1989).

First from the literature survey conducted by the researcher the accounting and financial reporting system introduced to public sector is not suitable worldwide(Soverchia, 2012; Grossi and Soverchia, 2011; Tickell, 2010 ; Oulasvirta, 2010; Ryan, 2008 and 2006; Ellwood, S and Newbery, S., 2006; Carlin, 2005; Guthrie, 1998; Broadbent, 1999; Monsen, N., 2012 and 2002; Pallot, 2003; Christiaens, 2010 and 2004). Second, it is argued that the effectiveness of internal financial control is poor in North and East provincial council (K.Karunanithy,2001), it is found that financial information communication of divisional secretariats in Trincomalee district is poor (N.Nagendrakumar, 2006) and further it is revealed that budgetary control system of North and East provincial council is poor (S.Kumuthinidevi, 2007).

Therefore, it is evident that the deficiency nature of accounting and financial reporting practices prevails in some aspects of financial management at EPC. The researcher questions ***whether the financial accounting and reporting practices of EPC is deficient****?*

The purpose of this study is to analyze the EPC's financial accounting and reporting practices and understand whether they are effective. Further, this research attempts to find out reasons why the financial accounting and reporting practices adopted by the public sector is deficient. This study attempts to identify the degree to which the financial accounting and reporting practices adopted by EPC is effective and the reasons for its ineffectiveness if any. Hence, it consults and recommends possible alternative actions to the problems identified. Therefore, findings of this study enable the public sector to make policy decision and necessary alterations or to take corrective actions in their financial accounting and reporting practices and system building, which in turn no doubt assist them in reaching sound financial management decision-making. Findings of this study also form further research questions for further investigations, in the future, on the government organizations accounting and financial reporting practices.

This research was conducted in EPC. The sample included top management of EPC. The researcher concentrated only on financial accounting and reporting aspects not on the other sides of accounting (e.g. cost accounting and management accounting).

LITERATURE REVIEW

An accounting system should be such that it produces timely accounting reports for audit so that it conveys information to investors (Dopuch et al., 1986; Field and Wilkins1991; Louder et al., 1992). Investors mainly depend on the audited financial statements for their investment decision makings. Political and financial stability and transparency are very important factors which attract foreign direct investments.

Accrual accounting, which transforms cash flows into earnings, is key feature of any accounting system (Mingyi Hung; 2001) and accrual accounting introduces differences between income and cash flows, and it raises the issue of how one values assets. Government departments prepare the financial statements based on cash basis in Sri Lanka which does not accurately match the expenses and account for assets and liabilities for the period. The

Divisional Secretariats in Trincomalee district, North East Provincial Council (NEPC), Sri Lanka do not follow the accrual accounting system (N.Nagendrakumar, 2006).

The situation is a unique one that provides an opportunity to consider the reasons national accounting and auditing standards evolve differently from country to country, the challenges posed in converting from a national set of standards to one developed externally, and the implications of a regulatory decision to attempt to eliminate the differences (Kathryn Bewley, 2008). Different purposes of financial reporting, different legal systems, different user groups, needs of developing countries, nationalism, cultural differences, unique circumstances, lack of strong accounting bodies and inertia and cost are the barriers to harmonization of the accounting practices.

Viewing the adoption of International Financial Reporting system (IFRS) and International Accounting Standards (IAS) in Canada as a regulatory action raises questions about the role the Canadian standards-setters' strategic decisions play in balancing the costs and benefits of financial reporting regulation. The political process for setting financial reporting standards will vary from nation to nation, and thus has given rise to differences in Generally Accepted

Accounting Principles (GAAP) and Generally Accepted Accounting Standards (GAAS) from country to country. International accounting research prior to the Enron scandal and SOX legislation identified general factors that lead national standards to differ from international standards. These include the need to accommodate local law, regulation, and political institutions, such that unique national standards provide higher net social benefits than international standards (Choi and Levich, 1990; La Porta Lopez-de-Silanes, Shleifer, and Vishny, 1997; Nobes, 1998). The escalating costs of standard setting and the increasing global integration of business operations and investment are two practical, economic factors favoring the development of international standards (Street, 2002).

The Canadian Institute of Chartered Accountants' (CICA) decision to depend on the International Accounting Standards Board (IASB) reflects its recognition of the benefits of international convergence. Weaknesses in accounting practices arise because regulators are not fully independent from the regulated.

Recent years have seen a global movement toward the development of comprehensive international accounting and auditing standards for financial reporting by public and private companies and non-business organizations (Kathryn Bewley, 2008). Generally accepted accounting principles (GAAP) concepts set out various desirable qualitative characteristics of accounting information that enhance its usefulness, such as understandability, relevance (feedback and predictive value; timeliness), reliability (representational faithfulness; verifiability; neutrality), and comparability (Kathryn Bewley, 2008).

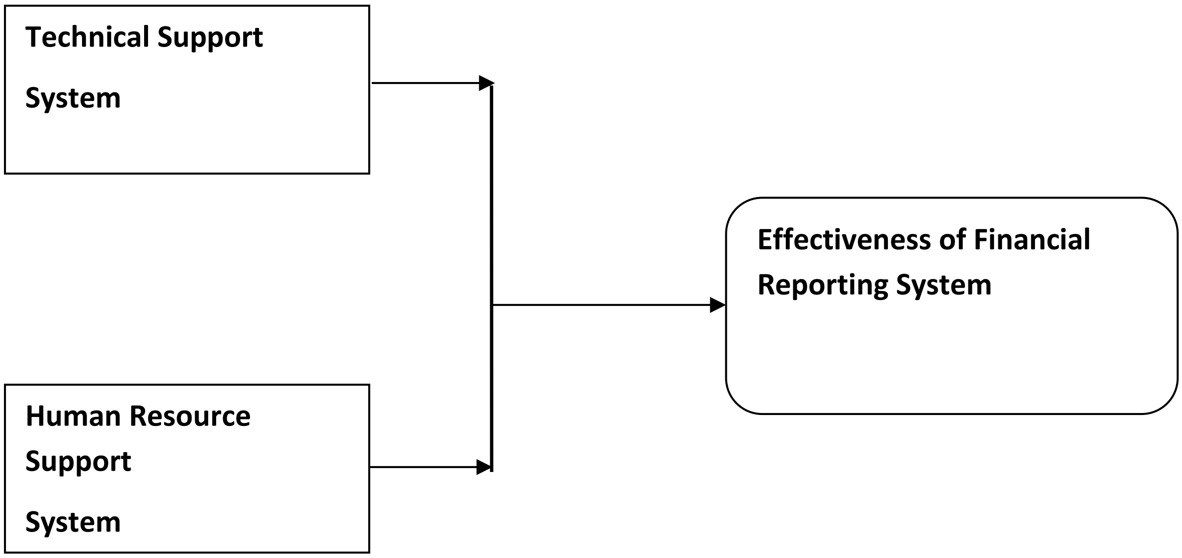
GAAP and (GAAS) arise from a political process (Scott, 2006). These standards are a key implementation component of the regulations, and need to be updated frequently to remain relevant and effective. Structure that are currently used to address the risk of conflict are the public exposure process for proposed standards, the practice of involving people from a variety of backgrounds in the standard-setting process, and the subjecting of the standard-setting process to independent oversight.

CONCEPTUAL FRAME WORK AND METHODOLOGY

The conceptualization model (figure-1) has been configured based on the research problem and the literature survey. There are two independent variables namely technical support system (internal control system, accounting system, regulatory mechanism) and human resource support to explain the dependent variable effectiveness of the financial reporting of public sector organizations. Effectiveness of public sector accounting and financial reporting reform could be defined as the provision of relevant, reliable, understandable and comparable financial information which shapes the decision usefulness, transparency, accountability and comparison needs of the stake holders (Soverchia, 2012; Tickell, 2010).

pISSN: 2343-6662 ISSN-L: 2343-6662 VOL. 4 , No.4(2), pp 1-15, January, 2014

Figure-1: Conceptual model



***Source**: Author*

Technical Support System

Zucker, (1987) defines institutionalization as "a rule-like, social fact quality of an organized pattern of action, and an embedding in formal structures, such as formal aspects of organizations that are not tied to particular actors or situations "In accordance with the definition of institutional capacity proposed by Howitt (1977) and the World Bank (2004), Mimba et al. (2007) technical capacity could be conceptualized as the ability of an institution to decide on and pursue its goals, to perform tasks, and to improve performance constantly.
The technical capacity is made up of internal control system, accounting system, regulatory mechanism which is described below.

Internal Control System.

Internal control is a process introduced by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The control environment consists of the actions, policies and procedures that reflect the overall attitudes of top management, directors and owners of an entity about control and its importance to the entity. If control environment is conducive then the financial reporting system will be effective.

Accounting System.

Accounting system is the subset of management information system (MIS), Accounting system is responsible for providing timely and accurate financial and statistical reports for internal management decision making, and for external parties such as creditors, investors, and regulatory and taxation authorities. If accounting system is effective then the financial reporting system will be effective.

Human Resource Support System.

This is about whether the human resource attached to the financial division of the departments is supportive to the system. This includes job satisfaction and training.

Job satisfaction

It is the sense of inner fulfillment and pride achieved when performing a particular job. Job satisfaction occurs when an employee feels he has accomplished something having importance and value worthy of recognition. If the accounting staff are satisfied with their jobs in performing the duties then the financial reporting system will be effective.

Training

It is an organized activity aimed at imparting information and/or instructions to improve the recipient's performance or to help him or her attain a required level of knowledge or skill. If the accounting staff are trained the financial reporting system will be effective.

Regulatory mechanism.

This refers to regulatory mechanism of the government with regard to the financial reporting of the provincial councils and departments. If regulatory mechanism is conducive then the financial reporting system will be effective.

Study Design

The researcher selected descriptive method to analyze the variables. The data are collected through questionnaire. The study is about measuring the effectiveness of the financial

pISSN: 2343-6662 ISSN-L: 2343-6662 VOL. 4 , No.4(2), pp 1-15, January, 2014

accounting and reporting practices. The data will be gathered by administering five point likert scale. The scale will be as follows.

Very good	5
Good	4
Fair	3
Poor	2
Very poor	1

To measure the degree to which the effectiveness is achieved the following methods is adopted.

Measurement criteria for scales

95%	-100%	Excellent
85%	<95%	Very good
75%	<85%	Good
65%	<75%	Not bad
	<65%	Poor

Negative questions (NQ) will be measured in reverse order.

00%	-5%	Excellent
5%	>15%	Very Good
15%	>25%	Good
25%	>35%	Not bad

CONCLUSION AND RECOMMENDATION

It is revealed that the percentage of audit queries signals the existence of financial reporting problem, completeness of financial reporting is poor, proper classification of material items in financial reporting is poor, reprimand for not submitting the financial reports in time is poor, Financial ratios are not prepared for comparisons, accounting and reporting systems adopted by government are not sufficient and appropriate, Practicing of accounting standards in public sector is poor, Accrual accounting has not been adopted, awareness about who is going to use the financial reports is poor, sufficient & appropriate information about evaluating performance is poor, true and fair view of financial reports are moderate, disclosure of accounting principles is moderate, maintaining the consistency in financial reporting is moderate and understandability of financial statements by users is moderate.

Therefore it is concluded that the accounting and financial reporting system of EPC is deficient (not effective).

Association of Public Finance Accountants of Sri Lanka (APFASL) which is the public sector wing of Institute of Chartered Accountants of Sri Lanka (ICASL) has introduced ten public sector accounting standards (PSAS). EPC is recommended to follow Sri Lanka Public Sector Accounting Standards (SLPASs).

Drawing attention for the need for research in Public Sector Accounting, Deen (1989) states that; the field remains neglected in many countries. Therefore several changes have to be made in the government accounting system in order to make public sector organizations more accountable for their performance (Mulgan 1997; Sinclair 1995; Hood 1995). Therefore, making several changes in the Government Accounting System is possible only through sound researches.

pISSN: 2343-6662 ISSN-L: 2343-6662 VOL. 4 , No.4(2), pp 1-15, January, 2014

REFERENCE

Armstrong.P, (1985), "*Changing management control strategies: The role of competition between accountancy and other organizational professions*", *Accounting, Organizations and Society*, pp. 129-148.

Armstrong, P. (1991), "*The Influence of Michael Foucault on Historical Research*", paper presented at Third Interdisciplinary Perspectives on Accounting Conference, University of Manchester .

Blondal.G, (1988), "*Government Financial Reporting in LDCs*", Finance and Development Journal (September):2-15.

Brian A. Rutherford, 2010. *"The social scientific turn in UK financial accounting research: a philosophical and sociological analysis",* Accounting and Business Research, Vol. 40. No. 2.

Broadbent, J., (1999). The state of public sector accounting research The APIRA conference and some personal reflections.Accounting Auditing & Accountability Journal, 52-57.

Campbell.P, (1989), "*Accounting Standards for the Public Sector in Australia*", *Financial Accountability & Management*, pp. 39-51.

Carlin, T. M., (2005).Debating the impact of accrual accounting and reporting in the public sector.Financial Accountability & Management, 309-336.

Christensen, J., (2010). Conceptual frameworks of accounting from an information perspective.Accounting and Business Research, 287-299.

Christiaens, J., (2004). Capital Assets in Governmental Accounting Reforms: Comparing Flemish Technical Issues with International Standards. European Accounting Review, 743–770.

Christin Ryan et al, (1999), "*Constituent participation in the Australian public sector accounting standards setting process: The case of ED 55*", Journal of financial accountability and management, 15:2.

Christin Ryan et al, (1999), *"Australian public sector financial reporting: a case of cooperative policy formulation"* Accounting Auditing & Accountability Journal, Vol. 12 No. 5.

Commonwealth Joint Parliamentary Committee of Public Accounts, (1982), "*The Form and Standard of Financial Statements for Commonwealth Undertakings",* A Discussion Paper, Report 199 , Australian Government Publishing Service.

Country report, (2007), "*Sri Lanka public sector accounting and auditing: A comparison to international standards*", Report No.39176-LK.

Craner, J. and Jones,R, (1990), "*Accrual Accounting for National Governments: The Case of Developing Countries*", Research in Third World Accounting (1):103-113.

Daniel A. Bens, and Rick Johnston, 2009. *"Accounting Discretion: Use or Abuse? An Analysis of Restructuring Charges Surrounding Regulator Action",* Contemporary Accounting Research Vol. 26 No. 3.

David Hay, (1992), "Public sector accounting in New Zeyland: an update and clarification", Journal of financial accountability and management, 8:1.

Dean, P.N, (1988), "*The Evolution of Government Financial Management in Developing Countries*", In J.M. Chan and R.H. Jones (edn), Government Accounting and Auditing: International Comparisons. Anthony Rowe Ltd.

Dean, P.N, (1989), "*Accounting for Development Projects: The Issues*", Financial Accountability and Management Journal, (5)(3): 135-148.

Dopuch, N., Holthausen, R. and Leftwich, R, (1986), "*Abnormal Risk Stock Returns Associated with Media Disclosures of "Subject to" Qualified Audit Opinions*", Journal of Accounting and Economics. 93-118.

Ellwood, S. and Newbery, S., (2006). A bridge too far: a common conceptual framework for commercial and public benefit entities. Accounting and Business Research, 19-32.

Enthoven, A.J.H, (1988), "*The Future of International Standards in Governmental Accounting",* Advances in International Accounting (2):207-230.

Evans. P. and Bellamy. S, (1995), "*Performance evaluation in the Australian public sector - the role of management and cost accounting control systems*", International Journal of Public Sector Management. 8(6). pp. 30-38.

Field, L. and Wilkins, M, (1991), "*The Information Content of Withdrawn Audit Qualifications: New Evidence on the Value of " Subject to" Opinions*", A Journal of Practice and Theory (Fall): 62-69.

Froystein Gjesdal, (1981), "*Accounting for Stewardship*", Journal of Accounting Research (19)(1) (Spring):208-209.

Ghartey, J.B, (1985), "*Accountability, the Threshold of Political Instability and Underdevelopment and Misery: The Case of Africa*", The International Journal of Accounting Education and Research (21): 143-158.

Gigler, F.B. and Hemmer, T, (2001), "Conservatism, Optimal Disclosure Policy, and the Timeliness of Financial Reports", The Accounting Review (76) (4) (October).

Grossi G. and Soverchia, M., (2011).European Commission Adoption of IPSAS to Reform Financial Reporting.Journal of Accounting, Finance and Business Studies, 525-552.

pISSN: 2343-6662 ISSN-L: 2343-6662 VOL. 4 , No.4(2), pp 1-15, January, 2014

Gujarathi, M.R. and Dean, P.N, (1993),." *Problems of Recruiting and Retaining Qualified Government Accountants and Auditors in Developing Countries*", Research in Third World Countries (2):187-200.

Guthrie, J. B., (2008). Public sector to public services: Accounting, Auditing &Accountability Journal, 129-169.

Hardman, D.J (1982), "*Government Accounting and Budgeting".*

Harold, I.S, (1979), "*A New Look at Governmental Accounting*".

Harun, (2007), *"Obstacles to public sector accounting reforms in Indonesia",* Bulletin of Indonesian Economic Studies, Vol. 43, No. 3: 365–75

Hood. C, (1995), "*The New Public Management in the 1980s: Variations on a Theme*", Accounting, Organization and Society (20) (2-3): 93-109.

Hun, T. and Alison, K, (1999), "*Accountability Affects on Auditors' Performance: The Influence of Knowledge, Problem Solving Ability, and Task Complexity*", Journal of Accounting Research (37)(1) (Spring):210-211.

Hulme, D, (1990), "The *Effectiveness of British Aid for Training. Action Aid*", London.

Innes. J. and Mitchell. F, (1993), "*Overhead Cost"* (London: CIMA).

Ivan Tissera, Richard Walsh, (2003), *"Financial reporting and accountability accrual accounting the way forward*", International conference, IPFDA : 45 – 58.

Jones, R and Pendlebury, (1996), *"Public Sector Accounting*", 4th edn, Pitman, London.

James.A. OH Lson and Xiao_Jun, Z, (1998), *"Accrual Accounting and Equity Valuation*", Journal of Accounting Research (36)(supplement):85.

Karunanithy, K, (2001), *"Effectiveness of Internal Financial Control System: North and East Provincial Council*", Post Graduate Institute of Management. University of Sri Jayewardenepura.

Katherine Schipper, 2010. *"How can we measure the costs and benefits of changes in financial reporting standards?",* Accounting and Business Research. Vol. 40. No 3.

Kathryn Bewley, 2008. "*Financial Reporting Regulation:The Case of Converging Canadian and International Accounting and Auditing Standards",* Accounting Perspectives, AP Vol. 7 No. 1.

Ken Warren, (2009), "*Will the future of public sector accounting be international or NZ specific?"*, Public sector feature.

Kevin, B, (2001), *"What is a Community Service Obligation (CSO)? An Analysis of the Issues Involved in Identifying and Accounting for CSOs within Public Sector Organizations",* Australian Journal of Public Administration (60)(4) (December).

Louder, M., Khurana, I., Sawyers, R., Cordery, C., Johnson, C., Lowe, J. and Wunderele. R, (1992), "*The information content of Audit Qualification*", Auditing. A Journal of Practice and Theory (Spring):69-82.

McCahon, V.L. and R. Weber, (1982), *"The Image of the Government Accountant in Government Accounting and Budgeting",*Prentice-Hall, pp. 512-528.

Mentz, J.C.N, (1997), *"Personal and Institutional Factors in Capacity Building and Institutional Development"*, Working Paper 14, Europian Centre for Development Policy Manaegemnet.

Michael C. Toemer, 2009. *"A Guide to Using the Accounting Standards Codification",* The CPA Journal (February).

Mulgan. R, (1997), *"The Process of Public Accountability*", Australian Journal of Public Administration (56) (1):25-36.

Mark Christensen, (2006), "*On Public Sector Accounting Change: Epistemic Communities, Consultants, Naive Officials and a Reply to Humphrey*", European Accounting Review Vol. 15, No. 2, 289–296.

Mayston, D, (1993*), "Principals, Agents and the Economics of Accountability in the New Public Sector",* AAAJ (6)(3):68-96.

Miller, P, (1990), "*On the Interrelations between Accounting and the Stat",* Accounting Organizations and Society (July 1990), pp. 315-338.

Millar, P, (1991), "*Accounting Innovation beyond the Enterprise: Problematizing Investment Decisions and Programming Economic Growth in the UK in the 1960s*", *Accounting, Organizations and SocUty* (November 1991), pp. 733-762.

Mingyi Hung, (2001), "*Accounting Standards and Value Relevance of Financial Statements: An International Analysis"*, Journal of Accounting and Economics (30)(3) (December): 401.

Monsen, N., (2002). The case for cameral accounting.Financial Accountability & Management, 39-72.

Monsen, N., (2010). Public Sector Accounting: Democratic control of public money by using administrative cameralistics. International Journal of Governmental Financial Management, 1-20.

Morard, C. E., (2012). The impact of an Integrated Financial System implementation on accounting profiles in a public administration. An ethnographic approach.Journal of Accounting & Organizational Change, 364-385.

Nagendrakumar.N, (2006), "*Time Gap of Financial Information Communication in Divisional Secretariats of Trincomalee District*", Mentor : (21-38).

Nuruz Zaman Miah, (1991), *"Attempts at developing a conceptual frame work for public sector accounting in New zeyland*", Journal of financial accountability and management, 7:2.

Oulasvirta, L., (2010). Public-Sector Accounting and the International Standardization Process of Presenting Financial Statements.Administrative Culture, 227-238.

Padraig Healy, (2001), *"Training and Public Sector Reforms: An Integrated Approach. Public Administration and Development*", The International Journal of Management Research and Practice (21)(4): 313.

Pallot, J., (2003). A Wider Accountability?The Audit Office and New Zealand's Bureaucratic Revolution.Critical Perspectives on Accounting, 133-155.

Perera, M.B.H, "1989", *"Accounting in Developing Countries: A Case for Localised Uniformity"*, British Accounting Review (21):141-157.

Peter Skterb K and Jens Aaris Thisted, (2004), *"Unit Costs in Central Government Annual Reports: A Critical Appraisal of the Practices Developed",* European Accounting Review, Vol. 13. No. I, 7-38.

Puxty, A.G., H.C. Willmott, D.J. Cooper and T. Lowe, (1987), *"Modes of Regulation in Advanced Capitalism: Locating Accountancy in Four Countries"*, Accounting, Organizations and Society, June, pp. 273-291.

Rahman, A.S. and Lawrence, S, (2001), *"Public Sector Accounting and Financial Management in a Developing Country Organizational Context: A Three - Dimentional View",* Accounting Forum (25)(2).

Ryan, H. M., (2008). Special issue on public sector reform and accounting change: guest editorial note. Journal of Accounting & Organizational Change, 217-221.

Ryan, C, Dunstan, K and Brown, J, (2000), *"The Value of Public Sector Annual Reports and the Contribution of Annual Reporting Awards"*, A paper presented at AAANZ Annual Conference, Hammilton Island. July.

Reily, W, (1987), "*Management and Training for Development: The Hombe Thesis*", Public Administration and Development (7):25-42.

Shand, (1979), "Views *on Public Sector Accounting*", Unpublished.

Sinclair, A, (1995), "*The Chameleon of Accountability: Forms and Discourses. Accounting",* Organizations and Society (20)(2-3):219-237.

Soverchia, M., (2012). Central government accounting and financial reporting: a comparison between France, Italy and European union. Business and Management Sciences International Quarterly Review, 213-228.

Streeck, W. and P.C. Schmitter, (1985), *"Community, Market, State and Associations? The Prospective Contribution of Interest Governance to Social Order",* Sage Publications, pp. 1-29.

Tickell, G., (2010).Cash to Accrual Accounting: One Nation's Dilemma. International Business & Economics Research Journal, 71-78.

Tom Jones, 2010. *"Global Accounting Standards Shooting the Rapids",* The CPA Journal (June).

Turner, M, (1989), "*Trainingism Revisited in Papua New Guinea",* Public Administration and Development (9):17-28.

Wai Fong Chua and Andrew Sinclair, *(*1994), *"Interests and the profession state dynamics: explaining the emergence of the Australian public sector accounting standards setting board",Journal of Business Finance & Accounting*, 21(5), July .

Zucker, D. M., (2009).How to Do Case Study Research.School of Nursing Faculty Publication Series.Paper 2.University of Massachusetts – Amherst.

Zucker, L.G., (1987). Institutional theories of organization.Annual ReviewSociology, 443-464.

Zucker, P. S., (1983). Institutional sources of change in the formal structure of organizations: The diffusion of civil service reform, 1880-1935. Administrative Science Quarterly, 22-39.

This academic research paper was published by the Africa Development and Resources Research Institute's Journal (***ADRRI JOURNAL***). ***ADRRI JOURNAL*** is a double blinded peer review, open access international journal that aims to inspire Africa development through quality applied research.

For more information about *ADRRI JOURNAL* homepage, follow: www.adrri.org/journal.

pISSN: 2343-6662 ISSN-L: 2343-6662 VOL. 4 , No.4(2), pp 1-15, January, 2014

CALL FOR PAPERS

ADRRI JOURNAL calls on all prospective authors to submit their research papers for publication. Research papers are accepted all yearly round. You can download the submission guide on the following page: www.adrri.org/journal

ADRRI JOURNAL reviewers are working round the clock to get your research paper publishes on time and therefore, you are guaranteed of prompt response. All published papers are available online to all readers world over without any financial or any form of barriers and readers are advice to acknowledge *ADRRI JOURNAL*. All authors can apply for one printed version of the volume on which their manuscript(s) appeared.