

Information Fit: A Theory Based on Governmental Accounting Information Matching Between Producers and Users

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Abstract

This paper aims at developing a theory; Information Fit Theory (hereafter IFT), that explains the matching relationship between the producers and the users of public sector accounting information and matching between information provided in each stage of the policy decision making processes with that information required for each stage. The core aspects of the IFT (are: (1) Actors: The use of accounting information is basically a bilateral task between the producer and the user of information; (2) Stages of use and type of accounting information: The actual use of accounting information will be enhanced when it is specific to the problems the user face in each stage. Information that does not fit is likely to be disregarded, therefore, the extent and type of use of accounting information might depend on the policy-decision making process where different stages can be identified: - Agenda-setting; -policy formulation; - decision making; -implementation; and evaluation; (3) Factors influencing the quality of information provided: The quality of information provided can influence organizational performance and degree of the actual use of accounting information, therefore, the following factors that affect the quality of information provided should be taken into account: - competences of accounting specialists; - experiences with certain types of accounting information; - resources to develop new types of accounting information; - professional standards for propagating certain types of accounting information; - discretion in producing accounting information. (4) Matching: The actual use of accounting information and hence its usefulness will be enhanced when there is a cognitive fit (matching) between the information provided by the producer in each stage and that information required by the user for each stage; (5) Presentation: Like all people, politicians and managers have limited information-processing skills, therefore, proper presentation of information by the producers in a language and format understandable by politicians can contribute to both efficient and effective use of accounting information especially when the politicians have no business background. (6) Driving forces for use: The mere existence of information and its proper presentation does not mean that it will directly be used, therefore, there should be driving forces and accountability framework for the politicians to use the accounting information; (7) The way and purpose of use of accounting information: the way of use of accounting information whether it is symbolic, instrumental or conceptual can help in determining the purpose of using it; (8) Information use audits: Performs two tasks: - Show producers where, how and whether which information is used by users (Feedback for the producers – to close the theory-practice gap); and - Ensuring dynamic interplay between producers and users of accounting information.

Keywords: Use of accounting information, Information Fit Theory, Users and producers.

1- Introduction

The use of accounting information is increasingly becoming a central issue in the public sector literature (Ter Bogt, 2003; Van Dooren and Van de Walle, 2008) and practice. Experience of

earlier reforming countries, such as UK, has indicated that many users, especially the politicians, do not use the improved accounting information that resulted from revamping the public sector accounting. This has been proven by different studies such as Luder's case study (2013) about the adoption of accrual budgeting and accounting in the German state of Hessen. One of his conclusions was that the politicians neither appreciated nor used the improved accounting information resulting from the adoption of accrual accounting and budgeting in the state of Hessen. Other researchers such as Hyndman et al (2005) have also reached the same conclusion where they concluded that the politicians are not interested in the information provided by the accrual accounting and budgeting. These results have led Van Helden (CIGAR Newsletter, Jan, 2014) to pose the following two questions: 1) Is it mere stupidity or ignorance of politicians to underestimate the value of accrual accounting? Or 2) Do we, as accounting scholars, fail to understand what financial topics really matter top politicians? The two questions of Van Helden could indicate that the use of accounting information by users depends on two actors: producers (supply side) and users (demand side). To date, however, whether, how and under what circumstances politicians actually use accounting information is significantly under-researched (Pollitt, 2006; Van Helden, 2015). Scholars have mainly focused on demand side (Mbelwa, 2014; van Helden, 2016 and Giacomini, et al 2016) which is the use of information by the users and neglected the supply side which is the provision of information by the producers. Very few studies (for example: Mimba et al., 2007 and Van Dooren and Van de Walle, 2008) have focused on both the supply and demand sides. However, the latter studies did not consider the policy decision-making process and its five stages identified by Lasswell (1956), which include agenda-setting, policy formulation, decision-making, implementation and evaluation, nor did it consider the information required by politicians and public sector managers in each stage. Similar to the study of van Dooren (2005), this study will use the supply and consumption analogy to study the use of accounting information. One actor provides information; another actor uses (consumes) the information. For example, public sector accountants provide the information and the politicians use the information. To date, however, the public sector accounting literature appears to have arrived at few conclusions with regard to the rationale underlying the lack of actual use of accounting information by the politicians. The public sector accounting literature has yet to articulate in a coherent way the relationship between the producers (supply side) and the users (demand side) of accounting information that can enhance the actual use of accounting information by the politicians and public managers. So the question is:

- *How, in what way, for what purpose and under what circumstances the accounting information can actually be used by the politicians.*

If the use of accounting information is to be considered in a comprehensive and coherent way taking into consideration both the producers and the users of accounting information, a theory of information matching between the producers and the users is needed. The accounting literature does not currently provide such a theory, nor does it promise one in the foreseeable future. The aim of this paper is to fill this important gap by developing a theory that explains the matching relationship between the producers and the users of accounting information and matching between information provided in each stage of the policy decision making processes to the information required for each stage. The notion is that the actual use of accounting information and hence its usefulness will be enhanced when there is a cognitive fit (matching) between the accounting information provided by the producers in each stage and that information required

by the user for each stage. This notion is termed information fit. The information fit theory, which is partially based on cognitive fit theory, aims to explain how, in what way, for what reasons and under what circumstances the accounting information can actually be used by the users, e.g. politicians.

Thus, the contribution of this paper to existing literature is fourfold: First, it shows that the actual use of accounting information is basically a bilateral task between two actors: the producers and the users of accounting information; and it provides better understanding to this dilemma through deep understanding of the nature and characteristics of both actors. Second, since the accounting information users (e.g., politicians) have limited information-processing skills, therefore, proper presentation of information by the producer in a language, format, and reports understandable by politicians can contribute to both efficient and effective use of accounting information especially when the politicians have no business background. The notion is that the technicality and complexity of accounting information will be effectively reduced when the accounting information is presented in a proper way that facilitates its use by the users. Third, it made clear that the actual use of accounting information will be enhanced when it is specific to the problems the user face in each stage. Therefore, the accounting information should be fit for use. Finally, it shows the importance of information use audit that aims to close the theory-practice gap and ensuring dynamic interplay between the producers and the users of accounting information.

The structure of the paper is as follows: Section 2 presents briefly the existing conceptualization attempts of accounting information use in the public sector accounting literature. Section 3 develops the theoretical framework of the IFT. Section 4 presents a discussion and implication for practice. Finally, the conclusion and future research will be discussed in section 5.

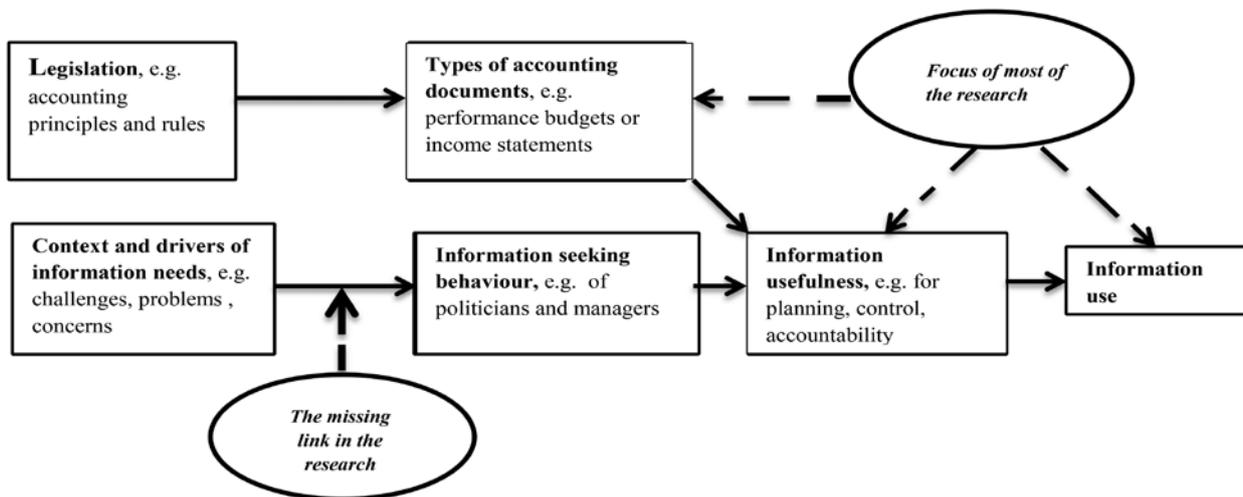
2- Conceptualization of Accounting Information Use: Literature Review

Despite the last three decades have witnessed the adoption and implementation of public sector accounting reforms which aim at creating an informative accounting system, the public sector accounting literature indicates the lack of actual use of accounting information in public organizations and many politicians do not use the available accounting information at all, or they use it under certain conditions (Ter Bogt, 2004, Askim, 2007, Mimba et al., 2007, Van Dooren and Van de Walle, 2008, Giacomini, et al 2016, Van Helden, 2016). While a considerable body of researches has been conducted on conceptualizing accounting information use by the politicians and public managers, these conceptualization attempts focused mainly on addressing this issue from the demand side and very few studies have focused on both the supply and the demand sides (Giacomini, et al 2016, van Helden, 2016, Guarini, 2016, and van Helden, et al, 2016). Even the studies (Van Dooren, 2005; Van Dooren and Van de Walle, 2008) that have addressed this issue from both supply and demand sides, they did not address this issue from a coherent, dynamic and comprehensive perspective.

One attempt to conceptualize the politicians' use of accounting information is Van Helden's (2016) study, which focused only on the demand side and distinguishes between information usefulness and information use. It argued that information usefulness is assumed to be driven by user needs which, in turn, are identified by problems need to be solved and challenges to be coped with. Most of studies that focused on the usefulness and use of accounting information are based on accounting documents such as performance budgets or income statements. It

further argued that these documents are influenced by legislation such as accounting principles and rules. Figure 1 demonstrates the conceptualization attempt of van Helden (2016).

Figure 1. Conceptualizing politicians' accounting information use.



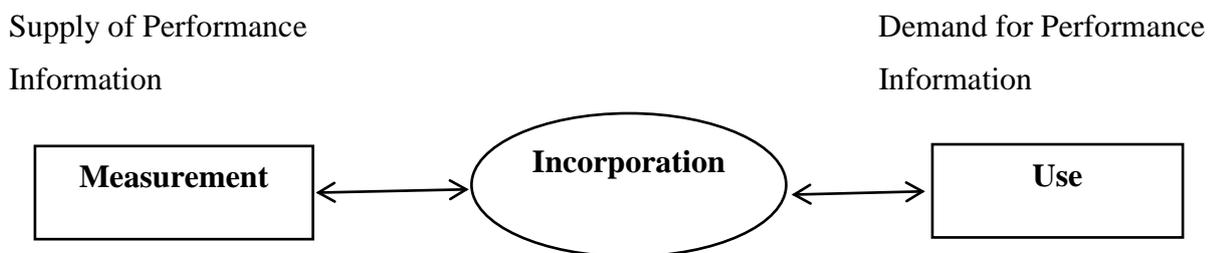
Source: Van Helden (2016)

Another study that focused also on the demand side is Mbelwa's (2015) study that aims at determining the factors influencing the use of accounting information in budgetary decision-making processes in Tanzanian local government. The institutional theory is used to establish the theoretical framework for explaining the factors affecting the use of accounting information. This study has determined three types of factors which can influence the use of accounting information and their relationship with the way of use of accounting information. The three determinants include: a- External Institutional Pressure-Related factors such as pressure from donors; pressure from citizen and professionalism-pressure from accounting professional board. b- Organization's internal institutional and contingency factors such as enforcement of internal regulations; availability of customized training program; decentralization of accounting personnel to accounting department; and early submission of reports to the users. c- Individual actors' characteristics-related factors such as general level of education; experience with working with local government and knowledge of government of accounting (Mbelwa, 2015). In addition to the three types of factors, this study has also addressed three types of accounting information use which are instrumental, conceptual and symbolic (Diamantopoulos and Souchon, 1999). Kurunmaki et al., (2003) argue that instrumental use is treating accounting information as a technical aspect which increases efficiency in the decision-making process. Amara et al, (2004) and Philemon (2010) argue that the conceptual use refers to thinking of an issue without putting information to any specific documentable use. Therefore, some researchers such as Diamantopoulos & Souchon (1999) and Dunn (1986) consider the instrumental use is a particular type of conceptual use and these two modes of use of information have similarities in affecting organization performance (Amara, et al., 2004 and Weiss, 1980). On the other hand, the symbolic use of information is all about using information for legitimizing and confirming decisions (Kurunmaki, et al, 2003; Amara, et al, 2004). So this study has determined the factors affecting the use of accounting information and their impact on the way of use –instrumental-conceptual use and the symbolic use- without addressing the accounting information use from both demand and supply sides.

While the aforementioned two studies have focused on the demand side of accounting information, there are also conceptualization attempts of accounting information use which distinguish between the supply of and demand for accounting information. For example, the study of Van Dooren, (2005). This study focused on the performance information and has used the supply and consumption analogy to study the performance measurement. It has considered the information as goods or services where one actor provides it and another uses (consumes) it. It considers that the main advantage of using the supply and consumption analogy is clear distinction between the production process of the information on the one hand and the use of the information on the other hand (Van Dooren, 2005 and Harty, 1999).

Another study of Van Dooren, Bouckaert and Halligan (2010) " in their book: Performance Management in the public sector" have studied the use of performance information from the supply and demand perspective. They argue that measurement could be seen as the supply side whereas the envisaged use is the demand side. Supply and demand will not automatically adjust to each other. Hence, incorporation assures the link between both. This relationship is reflected in the flowing figure:

Figure 2: Measurement, incorporation, use

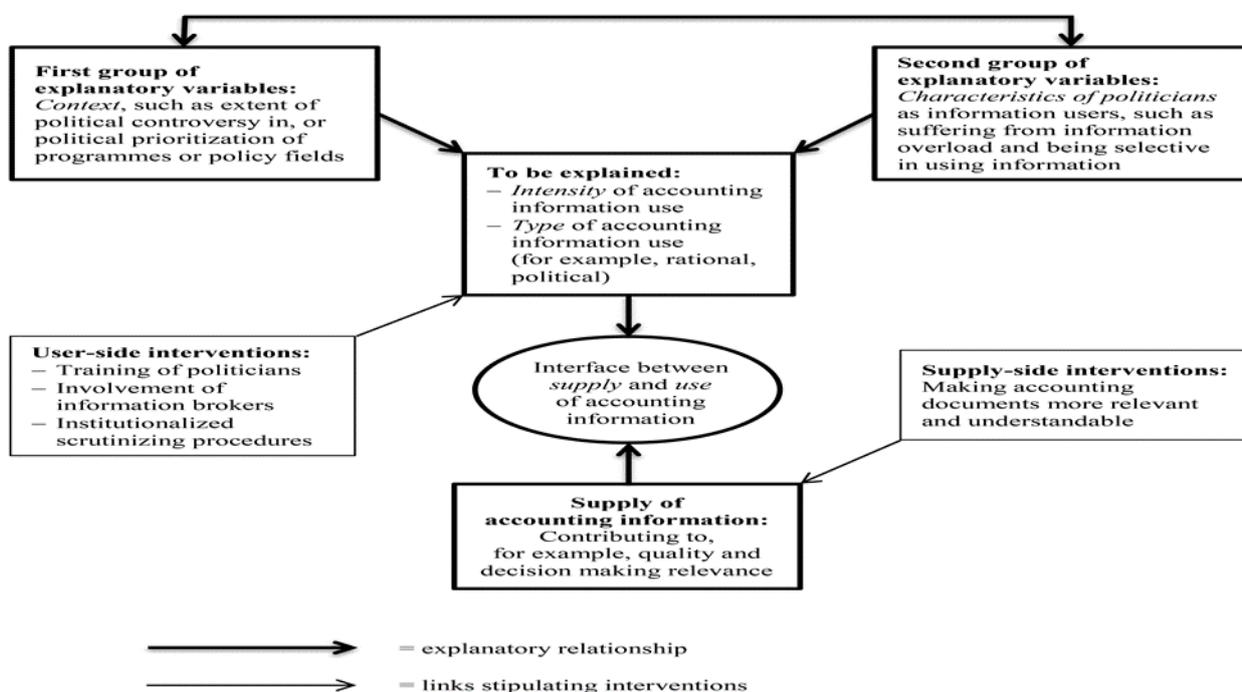


Measurement is considered as the producer of information through systematically collecting data by observing and registering performance-related issues for some performance purpose. Incorporating is intentionally importing performance-related data in documents and procedures with the potential and purpose of using them. The purpose is to create the possibility of including performance-related information in the discourse and ultimately in the culture and the memory of the organization. Using incorporated performance information is considered as demand side which refers to debates and institutionalized procedures for stakeholders for the purpose of designing policies, for deciding, for allocating resources, competencies, and responsibilities, for controlling and redirecting implementation, for (self) evaluating and assessing behaviour and results, and for substantiating reporting and accountability mechanisms (van Dooren et al., 2010).

In addition, Van Helden, Argento, Caperchione and Caruana (2016). In the editorial section of Public Money and Management November (2016), they have attempted to conceptualize accounting information use by the politicians. This study identified the groups of variables affecting the politicians' use of accounting information, including their inter-relationships. This study addressed the issue of accounting information use from both supply and demand sides. It assumed that the intensity and type of accounting information use are expected to be dependent upon the interplay of two groups. The first group includes the variables that are related to the context, in which the accounting information is used. This study identified the context as, for example, the level of conflict between the politicians in a particular jurisdiction. For example the higher political conflict can give a rise to more use of accounting information. Also the

political priorities can increase the use of accounting information, for instance, the accounting information can be used to demand more resources for a service or policy. The second group comprises the variable related to the individual characteristics of politicians that may preclude the use of accounting information such as suffering from information overload or make this use selective. (van Helden, et al, 2016). This study has also indicated to the interrelationships between contextual variables and individual variables which contribute to an understanding of politicians' use of accounting information. This study has focused also on the supply side as it argued that accounting information use can be influenced by the production of accounting information: the higher the quality and the more suited it is to information needs, the higher the intensity of use and possible also the rationality of its use. (van Helden at al, (2016).

Figure 3: Conceptualization of politicians' accounting information use



Source: Van Helden et al., (2016).

While the current public sector accounting literature, including the aforementioned studies, provides some disparate explanations of the factors that can influence the use of accounting information by the politicians whether from the demand side and/or the supply side, it provides no theory that explain the matching relationship between the producers and the users of accounting information and the matching between information provided in each stage with the information required for each stage. This theory is currently missed. Therefore, this paper makes an attempt to develop the Information Fit Theory (IFT) through elaborating the features that characterize the paradigm of Information Fit in the following theoretical assumptions.

3- Theoretical Framework of Information Fit Theory (IFT)

Kingdon (1984) argued that an understanding of the overall process is crucial for both academic and practitioners in the field of public sector accounting. The strength of the theoretical framework of the IFT is that it allows an otherwise disparate range of facts to be merged to

provide a clearer understanding of the factors that can increase the actual use of accounting information by the politicians. Therefore, understanding the behavior and characteristics of the two actors (producers and users) is considered the starting point of the theoretical framework of the IFT. Secondly, the producer's framework should be determined. Herein, the production process of information consists of several steps. a- The stages of policy-decision making process need to be identified and what is the accounting information required for each stage? b- What are the factors that influencing the quality of accounting information provided? c- The producers' framework ends with the reporting of accounting information in a language, format and reports understandable by the politicians. Thirdly, the users' framework should be identified. This will include the driving forces for the use of accounting information; the way of use; and the purpose of use. Finally, the information fit theory ends with the information use audit: this gives feedback to the producers and ensure a dynamic interplay between producers and users of accounting information (see figure 4). The foundation of the IFT will be laid out as follows:

3.1 Actors:

Explaining the dilemma of actual use of accounting information by the users through relying only on the demand side does not help in understanding the problem from a comprehensive and coherent perspective. Information may be considered as goods and services where one actor provides information (producers); another actor uses the information (users) (van Dooren, 2005). In this paper, the focus will basically be on the public sector accountants as producers of accounting information and on the politicians as the users of accounting information. Understanding the personal nature and characteristics of the public sector accountants and the politicians can contribute to explaining why accounting information is not actually used into practice and can shed light on what is required from both of them to increase the actual use of accounting information. To understand the nature of politicians, Milton Friedman (who received Nobile Prize in Economic Science, 1976) argues that "When a man spends his own money to buy something for himself, he is very careful about how much he spends and how he spends it. When a man spends his own money to buy something for someone else, he is still very careful about how much he spends, but somewhat less what he spends it on. When a man spends someone else's money to buy something for himself, he is very careful about what he buys, but doesn't care at all how much he spends. And when a man spends someone else's money on someone else, he doesn't care how much he spends or what he spends it on. And that's government for you." (Friedman, 1976). Bear in mind that the politicians are members of the governments. Similarly, if a politician makes a private decision, he is keen to use all relevant accounting information because he is going to bear the full results of his own decision. However, when a politician makes a decision for someone else (e.g., the public), he does not really care to use all relevant accounting information for this decision, because the consequences of his decision will be borne by someone else. This finding is consistent with Van Helden's (2016) conclusion that decision-makers (e.g., politicians) do not strive for the best but for what is considered as satisfactory. So, when we deal with the politicians we should not forget the fact that consequences of the politician's decisions are not borne by them but by someone else, consequently, he is not keen enough to make the best use of the available accounting information.

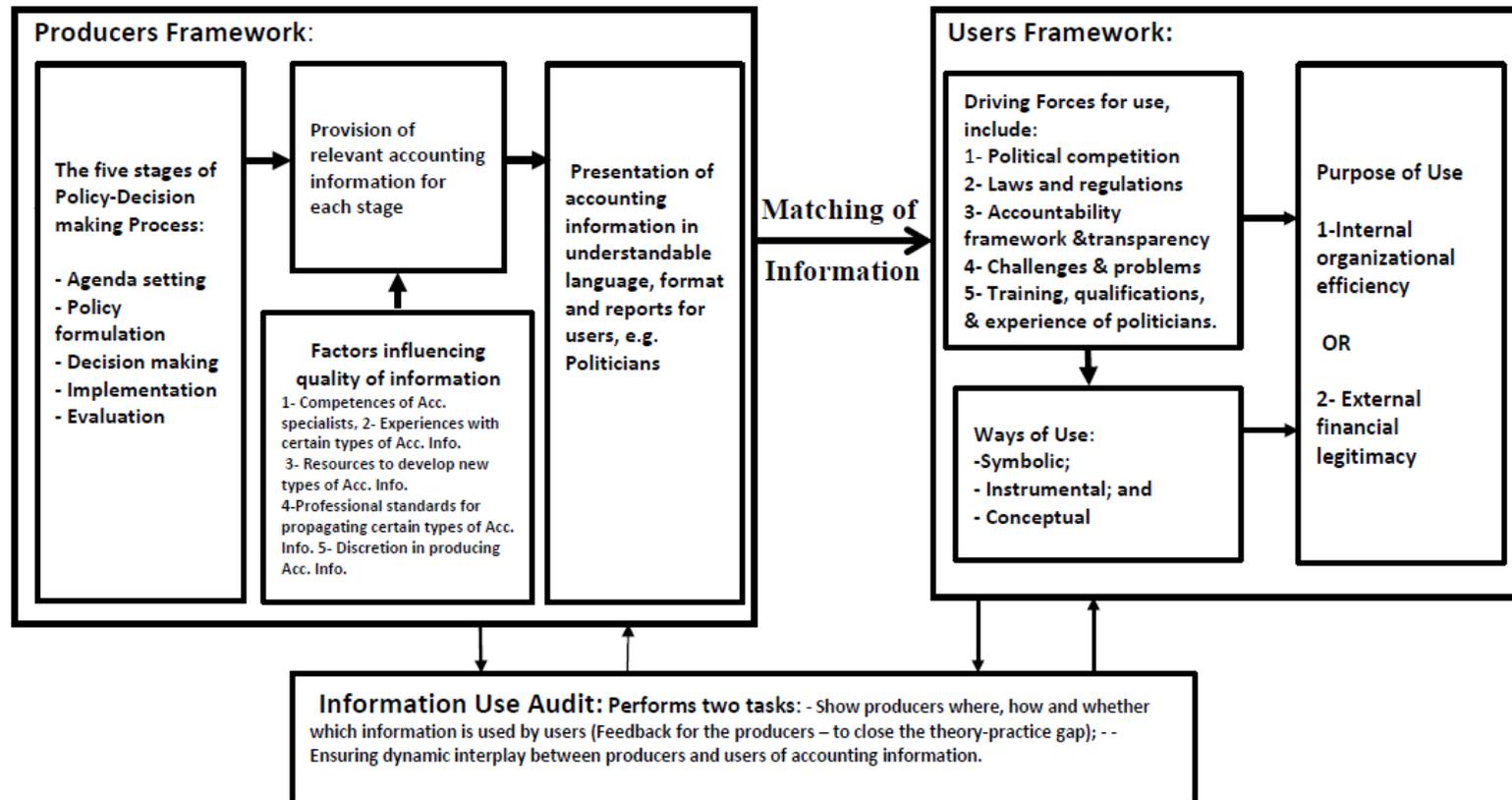
On the other hand, public sector accountants are not better off than the politicians. They are driven by accounting regulations and policies, and they are obliged to follow these accounting

regulations and policies regardless of whether this will produce the accounting information required by the users or not. In other words, they are more loyal to accounting standards than the politicians' information needs because they are accountable for the compliance with accounting standards. This is also obvious from the Norwegian, Dutch and Japanese experiences that a great part of the politicians' financial information needs are not satisfied by traditional accounting regulations and policies. Frankly speaking, they need specific accounting information that cannot be provided by an accounting system that is constrained by GAAP. They mainly need information such as finding resources for new policy initiatives, trade-offs and financial cuts, avoiding overspending of budgets, resource allocation, avoiding depreciation costs and cash flows (Olson, 2001, van Helden, 2014 and Yamamoto, 2014). The Norwegian experience has indicated that the specific information required by the politicians cannot be provided by the traditional accounting system that is constrained by GAAP, but it requires a context bounded accounting system (Olson, 2001). Olson (2001) further indicated that the context bounded accounting system does not require us to sacrifice the traditional form of accounting but it can be considered as an extra work and innovation from the accountants' side to help the politicians in their decision making through designing accounting system where we translate the accounting information in a form that can be understandable by the politicians.

Consequently, the main problem is that the producers are controlled by accounting standards and the politicians are making decisions for someone else who is going to bear the consequences of their decisions. This dilemma needs to be solved. Thus, on the one hand, the producers of information should not only include the public sector accountants (preparers of financial statements) but also the standard-setting bodies. This is important because the standard setting bodies can make the required changes for the accounting standards to provide the information required by users. On the other hand, there should be a responsibility and accountability framework for the politicians to increase the actual use of accounting information and to control the consequences of their decisions. Based on the aforementioned, the following assumption is stated:

Assumption 1: *The use of accounting information is basically a bilateral task between the producers and the users of information and this requires deep understanding of their personal behavior and characteristics.*

Figure 4: Information Fit: A Theory Based on Governmental Accounting Information Matching Between Producers and Users



3.2 Producers Framework:

-Stages of use and type of accounting information: The extent and type of use of accounting information might depend on the policy-decision making processes where different stages can be identified: - Agenda-setting; -policy formulation; - decision making; -implementation; and evaluation. This needs in-depth investigations into the role of accounting information in each stage of policy-decision making processes.

Agenda-Setting:

This stage includes politicians' actions to bring a new issue to the attention of their fellow politicians, such as introducing performance budget (van Helden, 2016). In this stage the politicians can raise and advocate ideas in a particular policy domain and promote a particular line of change (Ryan, 1998). They can also raise the awareness of issue early in its life and soften up other issues (Kingdon, 1984). However, bringing an issue into the politicians' agenda needs to create demand for this issue. The process of conversion from a "demand" to an "issue" tends to mobilize the interest of actors not previously involved in the issue (Cobb and Elder, 1972). Moreover, the process of creating an issue and placing it on the political agenda means that politicians and other influential actors in the policy community are made aware of a particular problem (Cobb and Elder, 1972, Kingdon, 1984; and Ryan, 1998). For instance, the experience of Australia in introducing the accrual accounting financial reporting due to the lack of accountability of government agencies, experiencing a fiscal crisis and growing public concern about the spending of government, the process of converting a "demand" for changes to accrual financial reporting into an "issue" mobilized the accounting profession which had hitherto not previously taken an active interest in the public sector (Ryan, 1998). The insufficient accounting information about the spending of government, accountability of government agencies and inefficiency of measuring the government performance has been used to create the change to accrual financial reporting into an issue and make other actors such as accounting profession aware by the issue. Other example, in order for the politicians to create the demand required for introducing a new health policy or transportation policy, they need specific accounting information that assists them in promoting these health and transportation policies. If the producers of accounting information are able to provide the required information that make the users to be able to bring and promote a new issue to the attention of others (public or/and other politicians) and enable them to put it into political agenda, this will increase the opportunity of the actual use of accounting information whether it is financial or managerial or both. The accounting information will be used to convince the others by the raised issue through reducing or removing uncertainty (Burchell at al., 1980 and Giacomini at al., 2016).

Policy Formulation: (identification of alternatives for action)

After the issue is created and placed on the policy agenda, policy formulation is the development of effective and acceptable courses of action for addressing what has been placed on the policy agenda. The scope of the policy formulated by the government depends on the area that such policy is going to cover (Kingdon, 1984). Policies are formulated by the government in order to provide a guideline in attaining certain objectives for the benefit of the people. In this stage, the politicians are required to identify and assess the alternatives: the various alternatives that are available to the politicians need to be evaluated, as they should evaluate how these alternatives can contribute towards the achievement of targeted objectives. The available alternatives can be assessed by the help of relevant accounting information.

Accounting information like resource requirements, costs and benefits related to each alternative are assumed to be helpful in evaluation of the alternatives. In addition, there is a need for information to help in predicting the potential effectiveness of alternative programs and costs of alternatives and on whether these resources have been directed towards current expenditure or capital expenditure (Ouda, 2005). This information may also include internal data on past costs of activities and effectiveness of existing programs. Politicians will also need information on the potential impact of different programs on the various sources of government revenue (Ferguson and Drebin, 1981). This of course will increase the opportunity of actual use of accounting information. Accounting information can be used in policy formulation stage to provide answers to improve understanding (Giacomini, 2016). Therefore, the use of accounting information will be increased when there is matching between the accounting information provided in the policy formulation stage and demanded by the users in this stage.

Decision Making: (the formal decision to take on the policy)

Several studies make distinction between various stages of the decision making process (Askim, 2007, Giacomini et al., 2016), Ter Bogt, et al., 2015). This is due to the fact that the nature, the extent and the type of information required for a decision making will be differed according to each stage of decision making process. Also the degree of ambiguity of/disagreement on goals, i.e. the level of conflict over decisions is also affecting the accounting information use. Some authors argued that contextualization of the political decisions entails that two factors should be taken into account (Giacomini et al., 2016): the different policy stages at which decision take place and degree of political conflict over goals. Giacomini, et al., (2016) have identified two policy stages: policy formulation (this stage takes place when the alderman of the council's executive board drafts, discusses and approves the budget proposals to be submitted to the council) and decision-making (it takes place when the whole council approves the budget). They have identified for each of the two stages, three decisions according to level of political conflict:

- Low: services for people with disabilities
- Moderate: waste collection
- High: bike path

This study has concluded that the level of conflict affect the quantity of information used as well as the type of uses. Also the role of accounting information is affected by the degree of conflict over goals. For instance, when conflict increase, in the policy formulation stage, accounting information is used to answer questions, and in decision making stage it will be used in terms of rational economic considerations (Giacomini, et al., 2016). Also the accounting information will be differed according to the budgeting decision process. Budgeting process involve three basic stages: budget preparation, budget approval and budget execution. These three basic stages will require different accounting information. However, Melkers and Willoughby (2005) found that accounting information was most useful to decision-making during the budget preparation. In addition, Halachmi (2005) argues that accounting information can be useful not only in determining whether things were done correctly, but also for exploratory deliberations over what to do. Moreover, Askim (2007) argued that the degree of accounting information use will also be differed according to whether the decision is related to hard core tasks or soft low tasks. For example, Johansson (1995) expects high use of accounting information when dealing with 'hard core' tasks like technical services, and low use when dealing with 'soft core' tasks like

social services. Consequently, it could be inferred that when producers provide the accounting information that suits each decision-making stage, this will increase the actual use of accounting information.

Implementation

Having identified the policy formulation and the decision is made on the alternative to be implemented; the implementation stage starts with putting the decision made into action with conviction and intention of delivering the services required. Services delivery can be viewed as three stage-process, including inputs, outputs and impacts (Washnis, 1980). The use of accounting information can be increased by providing the information required to the implementation process. Herein, the management needs information to help in predicting the relationship between units of input and units of output. In order to improve efficiency, the public managers and politicians may require information of existing costs per unit of output. Information helpful in predicting the cost of alternative programs would also be useful to the politicians in making implementation decisions.

Evaluation

This stage focuses on monitoring the results of decisions made and includes follow-up and measurement of actual performance, comparing actual performance with planned performance, determining of variances, analyzing of variances, and determining the responsibility for variances (Noufal, 1985). In short, this involves measuring performance to see whether objectives are being accomplished and constraints are being observed and taking remedial actions whenever unfavorable results are indicated (Ferguson and Drebin, 1981). In reality, the politicians need financial information, which provides measures for the evaluation stage. For example, comparison of appropriation with expenditures indicates how short-term flows of resources have been handled; and comparison of future commitments with future projected resources inflows indicates whether the long-term financial status of the government is being adequately protected (Drebin, 1978). Similarly, the evaluation stage needs specific accounting information that can assist the public managers and politicians in monitoring and evaluating the results of decisions made. This can also increase the actual use of accounting information in practice.

Based on the above stated, the second assumption can be stated as follows:

Assumption 2: *The actual use of accounting information will be enhanced when it is specific to the problems the user face in each stage.*

-Factors influencing the quality of information provided: The quality of information provided can affect the degree of actual use of accounting information. Quality of information is defined in terms of the extent to which information successfully serves the purpose of the users, and thus the extent to which information fits the users' needs and specifications (Khan, at al., 2002; Walle and Bovaird, 2007; and Mbelwa, 2014). Houghton (1998) describes the quality of information as the way producers and users communicate to make more informative meaning and enhance knowledge to users, which in turn influence accounting information use in decision-making. Also the decision-usefulness concept attempts to describe accounting as a process for providing relevant information to relevant decision-makers. Thus, for the accounting information to be used by the politicians, it should have the relevance quality (Shipper and Vincent, 2003, and Sutton, 2009). Furthermore, the quality of information in terms of reliability

and variability can increase the actual use of accounting information. In fact, reliability is a fundamental characteristic for accounting information's usefulness in all stages of the policy decision-making processes. Obaidat (2007) argued that reliability is the quality of information that allows the users to depend on it with confidence. However, for the accounting information to be relevant, reliable and useful for all stages its quality should be improved. The following factors could play an essential role in improving the quality of accounting information provided: Firstly, competences of accounting specialists. Well-trained, well-educated and motivated accounting personnel are a basic requirement for ensuring the quality of accounting information. Provision of effective quality of the accounting information that suits the different stages of policy decision making processes will require highly competent accounting specialists. Sustainable provision of high quality accounting information calls for specific accounting skills and cannot be effectively pursued with the help of an accounting personnel that is merely literate at basic level. Therefore, it can be assumed that the competences of accounting specialist would contribute to increasing the opportunity of the actual use of accounting information by the politicians. Secondly, resources which are required to develop new types of accounting information are also significant for improving the quality of accounting information. Frankly speaking, information that does not fit is likely to be disregarded. It will, therefore, be difficult to convince the users (e.g. Politicians and public sector managers) to take new and contradictory information into account, no matter how available, qualitative, or well-presented it is. For accounting information to be specific for each stage, there should be resources available to provide the new types of information that is not currently provided through the conventional accounting documents. Thirdly, the professional standards for propagating certain types of accounting information are considered as an essential factor for increasing the quality of accounting information. The Norwegian experience has indicated that the specific information required by the politicians cannot be provided by the traditional accounting system that is constrained by GAAP, but it requires a context bounded accounting system (Olson, 2001). This means that the supply side should provide extra accounting information even though the currently used GAAP does not provide this type of information. Therefore, the professional standards are required to disseminate and promote the need and significance of a certain types of accounting information and assist in producing and providing them. Fourthly, experiences with certain types of accounting information can also increase the actual use of accounting information that serves specific needs of top politicians. Finally, reducing the volume of discretion in producing the accounting information can also enhance the quality of accounting information. Discretion in producing accounting information seems to allow politicians to speculate on accounting numbers (Guarini, 2016). In other words, the discretion in producing the accounting information provides an incentive for using the discretionary accounting choices in an opportunistic manner to present an inaccurate picture of financial performance. Therefore, the improving the quality of accounting standards would reduce this behavior (Guarini, 2016). The producers should take all these factors into consideration to increase the quality of accounting information, and hence, enhance its actual use into practice by the politicians. Accordingly, the third assumption can be formulated as follows:

Assumption 3: *For the accounting information to be used, it should have the relevance quality.*

-Presentation: The notion is that the technicality and complexity of accounting information will be effectively reduced when the accounting information is presented in a proper way that facilitates its use by the users. According to the Cognitive Fit Theory, understandability of the

users increases when the information is classified, characterized and presented in clear and concise format (Beest et al, 2009 and Meblwa, 2014). Strong and Portz (2003) argued that accounting information presentation format affect the cognitive ability of individual actors to use accounting information. This is due to the fact that the way of presentation of the accounting information can impact financial decision-making accuracy and hence can enhance the actual use of the accounting information. In order to explain how the way of presenting the accounting information can increase the understandability of the politicians and hence increase the actual use of accounting information, I will present two practical cases that can explain to what extent the proper presentation of accounting information by the producer in a language and format understandable by politicians can contribute to both efficient and effective use of accounting information:

Case one is the Norwegian experience. In an attempt to increase the actual use of accounting information by the politicians, Norwegian public sector accountants have perceived that the specific accounting information required by politicians cannot usually provided by a conventional accounting system that is constrained by GAAP. Therefore, they have attempted to design a context bounded accounting system which can serve the specific needs of the top politicians and top-managers and carrying out the budget functions. Olson (2001) argues that a context bounded accounting system was defined as a system, which is constructed upon the ideas of the actors in the organization and their discourses related to the organization. This should be viewed in contrast to a situation when an accounting system is based on general discourses of external actors, i.e. a contextual discourse. If we, as public sector accountants, provide the needed information by politicians we shall not follow New Public Financial Management (NPFM) but we are going to follow the political discourse which is not guided by existing accounting theories and contrasts with the NPFM. The main focus of the politicians is on the cash flows: Financially, they focused on the cash flows. Simple, understandable and useful measures, but effective. Olson further notes that existing accounting theories are not guidelines in construction of context bounded accounting practice. This is also a very sharp contrast to NPFM, which almost totally has existing accounting procedures and control arrangements as a point of departure. This means that context bounded give the politicians information they want to include in their political discourses, while NPFM give the politicians information they have to adapt their political discourses to (Olson, 2001).

Case two is the case of Geologist and Astronauts. During the years between 1967 and 1973 one geologist Prof. Farouk El-Baz who worked on the choice of 16 distinctive areas on the moon landing by astronauts in order to obtain a larger gain of knowledge about the geological composition of the moon and learn the history of the moon formation and composition of the moon relationship configures the ground. During that time, he starts to provide the astronauts by information about the geological nature of the moon and what the areas are that they must landing on it and to bring some small pieces from the moon that helps in analyzing the geological composition of the moon. He starts to talk with the astronauts in geological terminology and he found out that it was extremely difficult for the astronauts to understand the geological terminology and even they were not interested at all in the geology. The solution was that he translated the geology in a language understandable by the astronauts by this way the astronauts became willing to work with him and they used the information provided to them to carry out their mission on the moon. So if we, as public sector accountants, will not do the same, the dilemma of not actual use of the accounting information by the politicians will permanently

continue in the future. We should understand the nature of the politicians and start to think in an innovative way on how we can translate the accounting information in a language, format, and reports understandable by the politicians regardless whether the innovative way (which will be considered as extra work from the public sector accountants side) is consistent with the GAAP or not. Based on the aforementioned, the fourth assumption can be stated as follows:

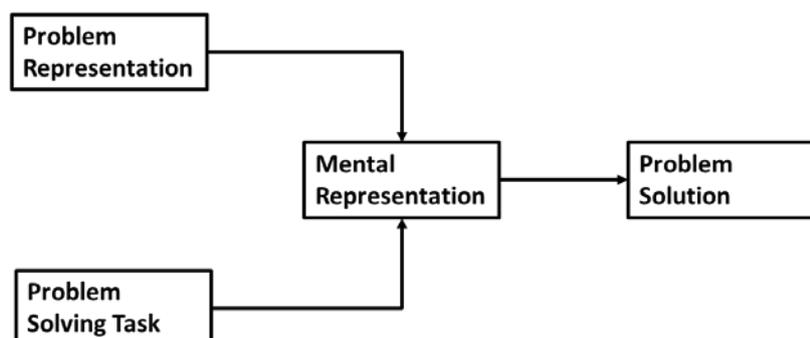
Assumption 4: *The proper presentation of information by the producer in a language, format and reports understandable by the politicians can contribute to both efficient and effective use of accounting information.*

3.3 Matching of Information:

This section is based on the cognitive fit theory that assumes that performance in a task will be enhanced when there is cognitive fit (match) between the information emphasized in the representation type and that required by the task type; that is, when graphs support spatial tasks and when tables support symbolic tasks (Vessy, 1991). Similarly, this assumption represents the core aspect of the information fit theory. The actual use of accounting information is a result of the matching relationship between provided information that suits each stage and the required information by the users for each stage. Matching relationship means that the information provided is specific to the problems the user face in each stage and hence the accounting information is fit for use. The research into consumer behavior shows that decision makers perform better when the problem representation matches the task to be performed (Vessy, 199; and Simkin and Hastie, 1987).

This suggests that the politicians as decision makers perform better when different information provided is adapted directly to different problems faced. Herein, the information fit results when the producers and users emphasize the same type of information that fits a specific stage and this can occur when mental representation formulated by problem representation is consistent with mental representation formulated by the task representation.

Figure 5: Model of Cognitive Fit (Vessey, 1991)



On the other hand, when a mismatch occurs between problem representation and task, cognitive fit will not result, since similar processes cannot be used to both act on the problem representation and solve the problem (Vessey & Galletta, 1991). In the other words, mismatching results in that mental representation formulated by problem representation to be inconsistent with mental representation formulated by the task representation and this will impede better problem solving performance (Hubona et al., 1998). Consequently, the fifth assumption can be formulated as follows:

Assumption 5: *The actual use of accounting information and hence its usefulness will be enhanced when there is a cognitive fit (matching) between the information provided by the producer in each stage and that information required by the user for each stage.*

3.4 Users Framework:

-Driving forces for use: While some studies focus on the factors affecting the use of accounting information by politicians in budgetary decision-making process (Raudla, 2012, Mbelwa, 2014 and 2015) and some others focus on the factors influencing the use of performance information to improve the performance in the public sector (Askim, 2007, Van Walle and Van Dooren, 2010, and Van Dooren and Van Walle, 2008, Gaspar and Mkasiwa, 2014), the IFT focuses on the use of accounting information in all stages of the policy decision-making processes and therefore, it will address the factors affecting the use of accounting information by the politicians from a comprehensive perspective. Most of current literature studies have determined the factors affecting the accounting information use based on different theories such as Institutional Theory, Organizational Learning Theory and Contingency Theory (Proeller, et al., 2010; Moynihan and Ingraham, 2004; and Moynihan and Pandey, 2010). These theories have assisted in explaining the factors characteristics that can affect the accounting information use such as institutional factors, contingent factors and individual factors. Mbelwa (2014) argued that all these theories do not explain accounting information as input which also include the technical characteristics that can be useful for decision making. The literature has addressed the determination of factors affecting the use of accounting information from different perspectives (Kurunmaki, et al., 2003; Mkasiwa, 2011; Vyas and Souchon, 2003; Assad and Goddard, 2006; Mzenzi, 2013). Some of these studies have been focused on the external environment and consider it as a crucial element in the emergence of legitimizing behaviour of using accounting information and activities in public sector budgeting decision-making that does not necessarily increase efficiency (Kurunmaki, et al., 2003). Other studies (Raudla, 2012 and Askim, 2008) have focused on both institutional elements (e.g., the powers and the role the legislature in the budget process, budget format) and individual characteristics (e.g., length of politicians; political experience) as the most likely factors that can influence the use of performance information. Furthermore, there were other studies that have addressed this issue from different dimensions such as external institutional factors, internal organizational related factors, individual actors related factors and processing of accounting information related factors (Mbelwa, 2014 and 2015). Based on the extant literature (theoretical and empirical), I will focus on the factors that are most likely to influence the use of accounting information by the politicians. These factors are as follows:

-Political competition and conflict:

The public sector accounting literature has indicated from both theoretical and empirical perspectives that the degree of political competition can affect the degree of accounting information use by the politicians. Moynihan and Ingram (2004) assumed that the greater the degree of political competition, the higher the expected use of accounting information by the politicians. The political competition can be enhanced by strength the role of the opposition parties against the ruling parties. Askim (2008) argued that the political competition is high when there is balance between the politicians who belong to the governing parties and the member of the opposition parties. A Norwegian study conducted by Askim and his colleagues

(2008) supports this assumption. This study found that municipalities were most likely to take benchmarking experiences into consideration when many parties competed to affect policies.

Moreover, an empirical study (Mbelwa, 2014) has explored that the higher the balance between the ruling and opposition parties, the higher the competition, which, in turn, enhances the use of accounting information by the politicians. In addition to the political competition, the degree of political conflict can also influence the degree of the accounting information use. As it is previously stated by Giacomini and his colleagues (2016) that political conflict levels can affect the three levels of decisions which are: low, moderate and high. Each level will, in turn, affect the degree of accounting information use and the type of accounting information use. Also Askim (2008) argued that high-conflict environments increase the opportunities that opposition parties employ performance information in their efforts to embarrass the governing parties in power, in particular, when the performance of governing parties is poor. Accordingly, one of the most driving forces to enhance the use of accounting information by the politicians is the political competition and conflict; therefore, strengthen the opposition parties can contribute to forcing the governing bodies to increase the use of accounting information.

- Laws and regulations:

Some of the practical problems that decrease the use of accounting information by the politicians are legal in origin (Ouda, 2005). Namely, when there are no regulations, rules and laws that do clearly require from the politicians to use the accounting information in all stages of policy decision making processes, this will lead to a lack of legal pressure and hence, reduce the commitment of the politicians to using such information. In reality, the lack of legal pressure could in part account for the governing body's lack of enthusiasm to pursue the development of government accounting system, which can enhance the financial accounting information provided to the politicians and give rise to increasing the chance for the use of accounting information. Empirical results support this notion, as Mbelwa (2014) argued that the availability and enforcement of updated financial rules, procedures, regulations and by-laws constitute generally coercive factors that influenced the use of accounting information and have contributed to influence instrumental-conceptual use of accounting information in budget decision-making processes. Thus, the legal pressure can provide the vehicle for compelling recalcitrant bureaucratic and politicians and other users to be committed to use the improved accounting information resulting from the developed government accounting and information system.

-Accountability framework and transparency:

Transparency and accountability are interrelated concepts and mutually enhancing. Without transparency there could not be any accountability. Unless there is accountability, transparency would be of no value. In fact, transparency is built on a free flow of information and it requires that the governments should be explicit about their fiscal objectives and should report on a wide range of economic and fiscal information (Ouda, 2005). The empirical results of Mbelwa's study (2014) indicated that the culture of transparency in local government can affect instrumental-conceptual use and reduce symbolic non-use of accounting information. Vyas and Scuchon (2003) defined the symbolic non-use of information in decision-making as the lack of export information use owing to either lack of information availability or avoidance of information that is readily available. However, it was indicated that the lack of transparency leads to symbolic

non-use of accounting information whereas its availability leads to instrumental-conceptual use of accounting information (Mbelwa, 2014).

In addition to the existence of transparency, the accountability requires a system to monitor and control the performance of government officers and organizations, particularly with respect to quality, inefficiency and the abuse of resources. Hence, open and rigorous systems of financial management, accounting and auditing, and revenue collection are also necessary. Therefore, there should be accountability framework that makes the politicians to be able to be held responsible for their decisions and actions and to be accountable for the consequences of their decisions. This will assist in making the politicians to make the best use of available information.

-Challenges and problems:

Generally, the politicians do not seriously tackle the root cause of their problems until the situation approaches crisis conditions and the need for remedial action becomes evident and broadly accepted by the unions and the population at large (OECD, Paris, 1988). The political commitment for the use of accounting information is obtained, either through the politicians becoming aware of a problem (awareness of a problem can occur either by a disaster or by the persistent efforts of actors proactively raising attention to an issue) or through a change of administration which alters the political priorities (Kingdon, 1984 p. 92).

It is also assumed that when there are severe challenges and problems face the politicians, this makes them to strive for the best use of accounting information. The accounting information can be used not only to solve the problems and challenges but also to justify or interpret them. It can also be used to find a rationale reasons for emerging these problems and challenges. This means that in such cases, the politicians will do their best to use the accounting information to justify their failure in achieving the targeted objectives because they have faced severe problems and challenges, especially if the accounting information can support their interpretation. Furthermore, they can use the accounting information to alleviate the consequences of these problems and challenges.

-Training, experience and qualifications of politicians:

In reality, the training, experience and qualifications of the staff that is going to use the accounting information in all policy decision making processes are essential and they should be taken into consideration while researching the use of accounting information. However, neglecting or not recognizing the training, experience and qualification of the politicians has been persistently mentioned as a constraint in using the accounting information in the public sector (Ouda, 2005). Generally, based on their popularities, the politicians are elected, not appointed or recruited like administrators. Mbelwa (2014) argued that the election of the councillors in Tanzania is based more on their political capability than on their educational level, let alone professional credentials. She gave an example, the legal framework, which governs election in Tanzania, allows any citizen to contest for councillorship as long as he/she has a sound mind and can read and write (Mbelwa, 2014). The similar situation takes place in most of the developing countries, for instance, in Egypt, according to the Egyptian constitution, 50% of the parliament members should be elected from the workers and farmers as long as he/she can read and write. So you can imagine a parliament member all his qualifications are about just his capability to read and write. It is fruitless to talk here about the usefulness of

accounting information and how it should be used in all stages in the policy decision making processes.

Accordingly, the need for training the politicians should be considered as part of the decision to increase the use of accounting information in the public sector. Thus, the training, qualification and experience of the politicians are of great importance for enhancing the use of accounting information. Moynihan and Ingraham (2004) argued that highly educated staff members are more likely to use the performance information than staffers who are less educated. The rationale behind this assumption is that the politicians with advanced degree and training are skilled at handling large amounts of formal, numerical and technical information. These skills are required to collect, analyze and use the accounting information (Askim, 2008). Some developing countries have solved these problems by offering a specific training to the politicians, such Tanzania. Mbelwa (2014) argued that the political actors and administrators have revealed that their knowledge was enhanced by participating training offered within and outside the organization, such as workshops and employee transfers. Other has attempted to train and educate the party's members whether the governing parties or opposition parties. This can enhance the parties' members' capability on understanding the financial statements and financial matters which can increase the opportunity for using the accounting information.

- *External pressure from donors and other parties:*

The external pressure does not only mean here the pressure that comes from outside the country such as the pressure that is exerted by the international organizations (such as IMF and World Bank). What we really mean, is the pressure that can be exerted by the following three parties:

- Pressure from the international organizations- IMF and World Bank;
- Pressure from outside the government e.g. from civil society and taxpayers; and
- Pressure from legislative and oversight bodies on the politicians/governmental entities to use the accounting information.

The first pressure is exerted by donors /the international financial institutions, such as International Monetary Fund (IMF) and World Bank (WB), on most countries to make the required economic reform, including the public sector accounting reform. This pressure is termed coercive pressure according to the New Institutional Theory and can more be observed in underdeveloped and transitional economies where international organizations require particular accounting innovations to be effected as a sine qua non of assistance being provided (Godfrey et al.1999). However, the donors usually follow up what the funded government did by the money. They have also set difficult conditions for access to the funds. In order for the politicians to be able to have access to the funds, they must use the accounting information to legitimize the funds. This is consistent with the empirical results obtained by Mbelaw (2014) that the existence of the coercive donor pressure increase symbolic-legitimizing use than instrumental use of accounting information in the budget decision-making process.

The second can be operationalized when civil societies have reached a degree of consciousness that enables them to measure and evaluate the performance of the government. This is in addition to the availability of opportunity for the civil societies to elect their real representatives, especially, who will hold the financial responsibilities and to be accountable to citizen and taxpayers. Moynihan and Ingraham (2004) found a positive relationship between the direct use

of performance information and strong citizen pressure in the public sector. Other study is also indicated that the lack of this kind of pressure is assumed to be a barrier for the use of accounting information especially in the developing countries, (Ouda, 2005). However, the empirical results have indicated that citizen pressure can be used to influence both symbolic-legitimizing use of accounting information such as in the mass media and instrumental-conceptual use of accounting information in decisions related to introducing and collecting a new fees or charges as own sources of revenues of local government (Mbelwa, 2014 & 2015). Finally, it is assumed that the pressure from the legislative and oversight bodies on the executive politicians is considered to be a real enhancing factor for increasing the actual use of accounting information. However, this kind of pressure can really occur when real structural reforms of government activities and tasks are taking place. Structural reforms aim at improving the quality of policy and management, improving information flows and strengthening incentives for performance; shaping the accountability relationships between politicians, civil servants and managers of public institutions. Accordingly, the structural reforms of government can exert real pressure on the politicians/governmental entities to use the accounting information (Ouda, 2005). The above-mentioned analysis can lead to the sixth assumption:

Assumption 6: *The mere existence of information and its proper presentation does not mean that it will directly be used, therefore, there should be driving forces and accountability framework for the politicians to use the accounting information.*

-The way and purpose of use of accounting information: The accounting literature has discussed three ways of using the accounting information by actors in the public sector (Diamantopoulos and Souchon, 1999; Vyas and Souchon, 2003; Kurunmaki, Melia, and, Lapsley, 2003; Amara et al, 2004; Walle and Bovaired, 2007; and Philemon, 2010; Raudla, 2012). These three ways are symbolic, instrumental and conceptual.

-Symbolic use of accounting information

Symbolic use is defined as information use for appearance's sake rather than for any intrinsic value it may have (Strieter, et al., 1999 and Vyas and Souchon, 2003). It is also described as using information politically while responding to a hidden agenda- e.g. self-promotion (Brown, 1994; Vyas and Souchon, 2003). Philemon (2010) argued that the actors use accounting information for political purpose rather than for enhancing the organizational efficiency. Mbelwa (2014) argued that the symbolic use of information is all about using information for legitimizing and confirming decisions. Vyas and Souchon (2003) have determined the eight key dimensions of symbolic use of information as follows: social use, power seeking use, affective use, legitimating use, self-promotion use, symbolic non-use, haphazard use, and information distortion.

First: Social symbolic use is defined as the use of information to consolidate relationships with information providers. The social use aims a building interaction relationship between the users and producers of accounting information, this, in turn, can enhance the matching relationship that the IFT is seeking for and enhance the accounting information quality that fit the decision making in different stages of the policy decision making processes. Vyas and Souchon (2003) argued that the symbolic social use of information can contribute to overcoming the culture differences between the producers and users of information. **Second:** Power seeking use of

information is defined as symbolic use of information to obtain, maintain, or enhance the power of the decision-makers (Vyas and Souchon, 2003). This means that the information use can be directed towards power-seeking rather than promoting the efficiency of the organizations (Boyne, 2002, Pilcher, 2005). However, some authors see that power seeking use can also be used to improve the organizational efficiency, if the actors use the accounting information for the power seeking with meaningful on the organization budget decision-making processes (Mbelwa, 2014). **Third:** Affective use of information is defined as the use of information to bolster levels of confidence in the decisions to be made (Vyas and Souchon, 2003). Menon and Varadarajan (1992) argued that rather than using information for its intrinsic and direct value to the decision at hand, information can be used to increase the confidence in the decision made. The rationale reasons for the symbolic affective use of accounting information is when there is a high fear of failure and the decision is made within a turbulent environment (Vyas and Souchon, 2003). **Fourth:** Legitimizing use of information is the symbolic use of accounting information to justify decisions made on the basis of intuition or preconceptions prior to objective analysis (Sabatier, 1978, and Vyas and Souchon, 2003). Most of studies conducted in the public sector of developing countries (Assad, 2001; Assad and Goddard, 2006; Mkasiwa, 2011; Mzenzi, 2013, Mbelwa, 2014) have indicated that legitimizing use of accounting information is conducted to obtaining external financial legitimacy. **Fifth:** Self-promoting use is defined by Feldman and March (1981) as the use of information to visibly portray knowledge and competence to others in the organization (Vyas and Souchon, 2003). Self-promoting use of accounting information will be more used when there are political competition and conflict and can prevail among political actors, especially in open public meeting to promote themselves to the voters (Mbelwa, 2014). **Sixth:** Symbolic non-use refers to a lack of information use owing to either lack of information availability or avoidance of information that is readily available (Souchon and Diamantopoulos, 1992 and Vyas and Souchon, 2003). In fact, the politicians are tending to use only the information which supports the decisions already made, and ignore all other information which does not or when information contradicts what the politicians believes (Vyas and Souchon, 2003). It has been also argued that information users "tend to look for supportive evidence and to ignore or resist negative evidence (Beyer and Trice, 1982). **Seventh:** Haphazard use/non-systematic use is described as the use of information on the basis of its availability or accessibility rather than its relevance (Glazer et al., 1992 and Vyas and Souchon, 2003). The haphazard use of information occurs when the politicians do not have time to make well-informed decisions by digesting the vast amounts of information that may be available to them (Rich, 1991). Finally: Distortion of information use occurs when the politicians distort information through manipulation or conscious modification that contradicts existing preconceptions in order to support decisions made on other grounds (Bettis-Outland, 1999 and Vyas and Souchon, 2003).

Generally, while most of the empirical studies have indicated that the symbolic use of accounting information does not help the organizational efficiency and lead to poor organizational performance (see Diamantopoulos and Souchon, 1999; Assad, 2001; Kurunmaki, Melia, & Lapsley, 2003; Amara, Ouimet, & Landry, 2004; Philemon, 2010; Mkasiwa, 2011; Mzenzi, 2012; and Mbelwa, 2014), they have demonstrated that the symbolic use of accounting information supports the external financial legitimacy (Kurunmaki, Melia, & Lapsley, 2003; Mkasiwa, 2011; Mzenzi, 2013).

-Instrumental-conceptual use of accounting information

The instrumental use of accounting information is mainly related to relevant information of decisions making that can affect the efficiency of organization and enhance its performance. Chua (1988) defined the instrumental use of accounting information as the use of information through analysis and evaluation, searching for data and testing for solutions. In addition, Kurunmaki et al., (2003) argued that the instrumental use is treating accounting information as a technical aspect which increases efficiency in the decision-making process. However, according to Duni (1986), instrumental use is not a separate dimension but rather a particular type of conceptual use. Some authors distinguish instrumental use from conceptual use whereas instrumental use is regarded as direct use of accounting information, the conceptual use is considered as indirect use of accounting information. Beyer (1997) sees that instrumental use involves using accounting information in specific, direct ways. Conceptual use involves using accounting information for general enlightenment; results influence actions but more indirectly and less specifically than in instrumental use. Moreover, Walle and Bovaird (2007) argued that the instrumental use is treating accounting information as a technical aspect which increases efficiency in the decision-making process. In this regard, information use does not only help to improve the technical quality of decisions, but also legitimizes the decision made. On the other hand, with respect to the conceptual use, it has been reported by Hall (2010) that the politicians and public managers use accounting information not only directly in specific decisions but also for getting a more general understanding of their work environment. The findings of the most empirical studies have found that the instrumental-conceptual use positively predict organizational performance and focused basically on the organizational efficiency (Diamantopoulos and Souchon, 1999; Amara, Ouimet, & Landry, 2004; Philemon, 2010). To this end, assumption 7 can be stated as follows:

Assumption 7: *The way of use of accounting information whether it is symbolic, instrumental or conceptual can help in determining the purpose of using it whether it is for external financial legitimacy or internal organizational efficiency.*

3.5 Information Use Audit:

Frankly speaking, whatever the information provided to the users by the producers, there is no absolutely guarantee that the provided information will satisfy the users' needs. Potential users assess the quality of accounting information often in a fundamentally different way than providers of accounting information. The gap is based on a misconception about what the producers think on what information should be provided and what the users will actually need. As such, this gap cannot be bridged either by users using the provided accounting information as is or producers conforming to constraints and limitation of their ability to provide the required information. Rather, I see that a new relationship between the producers and the users must be thought, which will be referred to as Information Use Audit (Mutual Feedback Relationship). In fact, unless there is a mutual feedback relationship between the producers and users, there could not be a real satisfaction about the information provided. The rationale evidence underlying this is what has been stated by Van Helden (2016) that "it is never absolutely clear in advance which accounting information will be helpful; politicians have to determine what they want to know and what information is available. Only then can the information be helpful in framing relatively complex problems". Therefore, existence of a mutual interaction between the producers and users is of a great importance because it shows the

producers where, how and whether which information is used by the users. Moreover, it matches what is needed with what is provided; this can contribute to knowing what ought to be provided to satisfy the users' need.

Furthermore, information use audit aims at ensuring a dynamic interplay between the producers and the users of accounting information. The provision of required information is an ongoing process which entails continuous interplay between the producers and the users.

Finally, one of the most important roles of the information use audit is to allow public auditors to play active role in scrutinizing accounting information and in the media to reduce perverse use of accounting information (Guarini, 2016). In fact, discretion in producing and using of accounting information can give the politicians the chance to manipulate the accounting figures for self-promoting or using it against his competitors. The absence of the public auditors from the appearance in the public media to scrutinize the accounting information will encourage the politicians misinterpret the accounting information or to using it in an incorrect manner. Therefore, the information use audit can assist in reducing the opportunistic behavior from the politician's side and can be considered as a barrier to the speculative use of accounting information (Guarini, 2016). Accordingly, assumption 8 can be stated as follows:

Assumption 8: *Unless there is a mutual feedback relationship (information use audit) between the producers and users, there will not be a real use of the accounting information provided.*

4 Discussion and implication for practice

This paper describes one of the first attempts at theorizing politicians' use of accounting information. It recognizes the fact that provision of information to fit different stages of policy decision making processes is a critical step towards increasing the actual use of accounting information by the politicians. However, unless such information is actually put to use, little will in fact have been accomplished. Therefore, the theoretical framework of the information fit theory suggested that enhancing the actual use of accounting information by the politicians will depend on interaction and collaboration of five dimensions: understanding the nature and characteristics of the two actors; operationalization of the producers' framework; matching the information between the producers and the users; operationalization of the users' framework; and information use audit.

Nature of the two actors:

Accordingly, the starting point of increasing the actual use of accounting information into practice lies in a deliberate understanding of the personal behavior and characteristics of both public sector accountants (producers) and the politicians (users). The latter, as indicated by Milton Friedman, spends someone else's money on someone else and they do not bear the consequences of their decisions but these consequences are borne by someone else. Thus, they are not keen enough to make the best use of the available accounting information. Therefore, there should be driving forces and accountability framework for the use of accounting information by the politicians. Most of the earlier conducted studies have failed to recognize the significance of understanding the behavior of the politicians and its impact on the use or not use of the accounting information in the policy decision making processes. This study has revealed that deep understanding of the behavior of the politicians and their attitudes can obviously explain why many politicians do not use the available accounting information at all or they use it under certain conditions. Moreover, understanding the personal behavior and characteristics of

the politicians can assist in determining the way that can urge them to use the accounting information.

On the other hand, the producers are more loyal to the compliance with the accounting regulations and policies rather than the type and amount of information required by the users. The logic here is that they are finally accountable for the use of accounting standards regardless of this compliance will satisfy the information needs of the users. Generally, certain information needs of the users cannot be provided by an accounting system that is constrained by GAAP, but it requires from the public sector accountants to do extra work and innovation to be able to provide the specific accounting information required in each stage of the policy decision making processes. This can, to some extent, be achieved by considering both standards-setting bodies and public sector accountants as the producers of accounting information, as both can make the required changes in the accounting standards to provide the specific accounting information needs for each stage.

Operationalization of the producer's framework:

Unlike previous studies, the IFT has recognized that the accounting information required will be differed according to each stage of the policy decision making processes. This means that what is required for the agenda-setting stage will entirely differ from what is required for policy formulation stage. For instance, the information required to create an issue and placing it into the political agenda will, to a great extent, differ from the information required to identify various alternative policies and to select the right alternative to implement. Therefore, to increase the chance of the actual use of accounting information, the producers should provide specific information that can satisfy the specific needs of each stage of the policy decision making processes.

It has also recognized that the type and the extent of information not only differ among the stages but also within the stage itself. For example, the accounting information for the decision making stage will differ according to the degree of conflict over decisions. In addition, the quality of information provided can also affect the degree of actual use of accounting information into practice. Therefore, there are some factors should be taken into consideration to increase the quality of information provided such as: competences of accounting specialists; experiences with certain types of accounting information; resources to develop new types of accounting information; professional standards for propagating certain types of accounting information; and discretion in producing accounting information. Thus, increasing the quality of the information provided can contribute to increasing the actual use of accounting information by the politicians.

Drawing on the Cognitive Fit Theory, the IFT recognizes the significance of the proper presentation of the accounting information to the users. Presentation of the accounting information in a format, reports and language understandable by the politicians is an essential factor in increasing the opportunity of the actual use of accounting information by the politicians. In addition, in order to provide the needed information by the politicians, public sector accountants should innovate and design a new accounting system which can serve the specific needs of the politicians. This does not mean that we will sacrifice the conventional accounting system that is based on GAAP, but it can be considered as extra work from the producers to provide the accounting information that the politicians want to include in their political discourses.

Matching of information

Building on the Cognitive Fit Theory, the fundamental aspect of the IFT is that the actual use of accounting information by the politicians will be enhanced and the politicians will perform better when the information provided matches the task to be performed. This means that the information fit results when both producers and users emphasize the same type of information that fits a specific stage or task. Consequently, matching problem representation to task leads to the use of similar, and therefore, consistent, problem-solving processes, and hence to the formulation of a consistent mental representation that emphasizes the same type of information (Vessey, 1991). This means that the problem representation a decision maker uses must be considered in the context of the task to be solved. On the other hand, if the information provided by the producers mismatch the information required by the users, this will not lead to enhancing the actual use of accounting information by the politicians.

Operationalization of the Users Framework:

One can infer from the aforementioned that increasing the actual use of accounting information by politicians depends on the one hand on to what extent the producers (supply side) do their homework in an efficient and effective way and on the other hand on the operationalization of the users' framework which aim at creating an accountability framework that urges the politicians and make them be able to use the accounting information in their decision making. This framework should include the driving forces that make the politicians to use accounting information in all stages of the policy decision making processes. Moreover, it comprises the way of use of accounting information whether symbolic, instrumental and conceptual and the purpose of using it, as the way of use can determine the purpose of use. Determination of the way and the purpose of use are important because each way of use needs specific information to achieve the purpose of using a specific way. For instance, the symbolic use of accounting information generally comprises eight key dimensions: social use, power seeking use, affective use, legitimating use, self-promotion use, symbolic non-use, haphazard use, and information distortion. Each dimension of symbolic use of information is used to reach a certain purpose. Accordingly, understanding the way and the purpose of use can help in providing the required information that can assist in achieving specific purposes.

Information Use Audit:

Unlike the previous conducted studies, the most important contribution of the IFT is that introducing the ***information use audit***. As stated by Van Helden (2016) " it is never absolutely clear in advance which accounting information will be helpful; politicians have to determine what they want to know and what information is available. Only then can the information be helpful in framing relatively complex problems". This concurs with Ouda's study (2005) that has concluded that the politicians themselves are not only unable to determine their information needs but also the information that should be provided to them. This result is consistent with Sutcliffe (1985) when said, "One of the biggest problems in identifying users' needs is their own inability to articulate what these are in any convincing way. They cannot assess the importance of information that has not previously been provided and, if asked, tend to ask for information that reflects the prevailing conventional wisdom". Anthony (1978) has also argued that users (e.g. politicians) can neither appreciate nor judge the importance of information that has not been furnished yet. Therefore, there is an urgent need for a Mutual Feedback Relationship (information use audit) between the producers and users of the accounting

information. This relationship is of a great importance for the following reasons: - first, it assists in overcoming the theory –practice gap as it shows the producers where, how and whether which information is used by users and whether or not the provided information is satisfying the users' needs or it requires specific information for specific problems. Second, it ensures dynamic interplay between both the producers and users due to the fact that the politicians are working in a turbulent environment and require dynamic information to be able to make their decisions in such an environment. Finally, it helps in reducing the distortion of accounting information by the politicians and reduces the perverse use of accounting information.

5 Conclusion and future research

This paper aims at explaining how, in what way, for what reasons and under what circumstances the accounting information can actually be used by the politicians. Therefore, it has attempted to develop a holistic framework for information matching relationship between the producers and the users of accounting information which reaching a level of maturity of a theory. According to the Information Fit Theory, the actual use of accounting information can be enhanced based on the following five dimensions: 1- Understanding the personal nature and characteristics of the producers and the users of accounting information can contribute to understanding their way of thinking and behaving; 2- Operationalization of the producers framework that aims at providing and proper presenting the required information that suits each stage; 3- Operationalization of the users framework which create a climate fit for urging the politicians to use the accounting information; 4- Matching of information provided in each stage with that information required in each stage will enhance the actual use of accounting information by the politicians in practice; and 5- Finally, creating the information use audit to close the theory-practice gap through creating a mutual feedback relationship and ensuring dynamic interplay between the supply side and demand side.

In addition, future research can address the personal behavior and characteristics of both the producers and the users and how they can affect the actual use of accounting information.

Moreover, while it is assumed that the improving the quality of accounting information can enhance the actual use of accounting information by the politicians, there is a lack of research about how the improved quality can increase the actual use of accounting information by the politicians. In addition, future research can study how cognitive fit can lead to matching of accounting information between the producers and the users and how both producers and users can emphasis the same type of information. Furthermore, future research can address how understanding the way and the purpose of use can help in providing the required information that can assist in achieving specific purposes. Also the issue of creation of a mutual feedback between the two actors and how this issue can ensure dynamic interplay between the two actors need to be researched. Finally, future research is required to empirically test the validity of the IFT.

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