
One Step Beyond: Is the Public Sector Ready to Let Go of Budgeting?

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Abstract

There have been numerous attempts at reforming public sector budgeting in recent years, with most of these attempting to improve efficiency and effectiveness by switching emphasis from inputs to outputs and outcomes. However, proponents of Beyond Budgeting claim the problems associated with traditional budgeting systems are such that the solution is not to reform budgeting, but to abandon it in its traditional form entirely, advocating the need for a more flexible approach based on the principals of devolved managerial responsibility and adaptive management process. Before attempting to implement such a fundamental change in approach it is necessary to determine firstly, whether the organisation is dissatisfied with the current budget system, secondly, the extent to which the organisation is currently working according to beyond budgeting principles or has the structures and systems capable of supporting the beyond budgeting philosophy, and finally, the extent to which the organisation would be in a position to satisfy the preconditions needed for the successful implementation of beyond budgeting.

The focus of this study is to review the current position of a sample of Irish Local Authorities in respect of these three questions.

The research targeted twenty two senior and front line managers in three different types of authority using data gathered in the field by means of a structured questionnaire and a series of semi-structured interviews administered in tandem.

The results suggest considerable dissatisfaction with the current budget process suggesting that it is time consuming, out of touch with reality and largely incremental, but indicate that the structures and systems currently in place in this area of the public sector are not yet conducive to the introduction of an approach based on Beyond Budgeting principals. The research indicates that the biggest obstacle to the introduction of these changes may be a lack of commitment to change and the unwillingness of management and in particular, the finance function, to loosen central control over the budget process.

Keywords: Public Sector, Local Government, Budgeting, Beyond Budgeting, Culture

Introduction

Whilst it is widely accepted that budgeting systems in both the public and private sectors have a common purpose in helping to plan, control, organise, communicate and motivate, public sector budgets historically have played an even more important role. Ultimately those holding political office must account to the electorate for their stewardship of public funds. According to Wildavsky (1974) a public sector budget essentially records the outcome of the struggle between politicians as to whose views will ultimately prevail in the determination of policy.

In Local Government the annual budget cycle has historically, not only determined the policies, plans and objectives, but also acted as the principle method by which the sector implemented organisational and structural accountability (Goddard, 2004). An incremental approach to budgeting has traditionally been used in Local Government as well as the wider public sector with the primary focus being on the control of inputs to the system rather than the level of services provided which led organisations to place little emphasis on the results achieved. However, worsening economic conditions in the 1970's made reform of the budget process a political priority in light of sustained fiscal pressure.

Performance budgeting was one of the first serious attempts at linking inputs to outputs and outcomes within the public sector framework. Though first developed in the U.S. in the 1970's it

moved over to the U.K and Ireland appearing in a number of forms including Planned Programming Budgeting Systems, Management by Objectives and Zero Based Budgeting (McGill, 2001). Unfortunately, one of the major weaknesses of Performance Budgeting was a difficulty in accurately measuring input costs within a cash based accounting system as cash often failed to provide good information, particularly with regard to capital asset investment and utilisation decisions (Diamond, 2002). In an attempt to overcome these and other problems associated with cash based accounting systems, Resource Accounting and Budgeting incorporating accruals accounting, was proposed in the UK in 1995. After a long transition period resource accounting was implemented for UK central Government expenditure in 2001-2002, with resource budgeting following in 2003-2004, (Heald, 2005). Limited accruals accounting had been used by Local Authorities for many years prior to this but it was not until 2001 that they also started to implement full Resource Accounting. (CIPFA, 2000)

Both Performance Budgeting and Accruals Accounting and Budgeting involved making improvements to existing budget systems in an attempt to improve their efficiency and effectiveness as a management information tool, but neither proposed abandoning budgeting in its traditional form altogether. The proponents of Beyond Budgeting however suggest it is not enough to simply tinker with the budget process, as all budgets have inherent problems, but rather the solution is to abandon the traditional budget process in its entirety. This approach is two pronged and involves designing a more flexible and adaptive organisation, whilst also replacing the fixed annual budget with a series of rolling forecasts in conjunction with a greater use of non-financial performance indicators such as customer satisfaction and quality measures (Hope & Fraser, 2003). However not all would agree on the suitability of this type of approach within a public sector context. Johnson (2005) commented that here the budget primarily '*represents the financial expression of policies resulting from politically motivated goals and objectives*' (p.71).

Drawing on the work of de Waal (2005), who developed the beyond-budgeting entry scan (BBES) as a tool to assess the desirability and feasibility of implementing beyond budgeting within an organisation before abandoning budgets completely, this paper examines the current status of Local Government budgeting by gathering data from a sample of three Irish local authorities. The purpose being to firstly examine current attitudes to the budgetary systems being used, secondly, to determine to what extent the organisation is currently working according to beyond budgeting principles and establish whether the existing budgetary and structural processes are conducive to the introduction of beyond budgeting principles and thirdly, to determine the extent to which the organisation would be in a position to satisfy the preconditions needed for the successful implementation of beyond budgeting.

The paper also seeks to determine if there are differences with regard to how the budget process is perceived between different types and sizes of authority, and between senior and middle management.

Literature Review

The traditional approach to public sector budgeting has been incremental where the existing foundation for the budget is laid from the previous year, with any analysis restricted to relatively small adjustments to this base. Incremental budgets re-enforce the status quo but do not reflect the fact that most public sector organisations face a complex set of ever changing needs and problems (Coombs & Jenkins, 2002).

These traditional routines can then cause budgets to become institutionalised (Burns & Scapens, 2000), "*habit, history, tradition and routine are the defining characteristics of incremental budgeting whereby this year's budget is likely to be only marginally different from last years*" (Seal, 2003, p93).

The problems caused by the inherent continuity and stability of incremental budgeting were manageable when the public sector was faced by a benign external environment, but became more noticeable as public finances worsened in the 1970's. Greenwood (1983) suggested the reason for this was that the *"underlying assumption of incrementalism is growth"* and therefore *"traditional incremental arrangements are inappropriate for the management of sustained fiscal pressure"* (p167 - 8). Worsening economic conditions, coupled with growing public deficits, made reform of the budget process a political priority, and led to a search for *"new modes of control in the public service"* (Hoggett, 1996, p9), and a shift in focus from the concentration on inputs, to one which linked inputs with outputs and outcomes. This efficiency is forced on private sector companies by the need to maximise return on investment, but there is little comparable requirement in the public sector.

Performance budgeting (PB) can be placed in the context of major changes occurring in the public sector, such as the introduction of New Public Management, (NPM) (Hood, 1991), which advocated the *"adoption of what is considered private sector management styles and techniques and a greater stress on frugality (economy and efficiency in resource use)"* (Lapsley et al, 2000, P215-6). It attempted to shift the focus from *"process accountability to accountability for results"* and placed a greater emphasis on *"improved financial reporting, monitoring and accountability"*, (Hoque et al, 2001, p305). It came in a number of forms, such as Planned Programming Budgeting Systems (PPBS), Management by Objectives (MBO) and Zero Based Budgeting (ZBB). These approaches were perceived to have a number of advantages including their emphasis on a coherent approach to budgeting and performance appraisal and their requirements for increased cross departmental cooperation to achieve specific objectives (Coombs & Jenkins, 2002). Despite these apparent strengths, the history of Performance Budgeting has often been one *"of high hopes and disappointing achievement"* (Dean, 1986, p1). While *"fiscal pressure is commonly associated with a limited but discernible movement away from incrementalism"*, (Greenwood, 1983, p168), in reality progress towards challenging the dominance of incremental budgeting in the wider public sector as well as in Local Government, has been slow. (Seal, 2003).

Introducing change into any organisation can be difficult, but particularly so when dealing with large public sector bureaucracies *"performance budgeting fails at the first hurdle if the shift from input to output based budgeting is not accepted and practiced"* (McGill, 2001, p 387).

Midwinter (2005) suggested that these modernisation programmes are built on *'unrealistic assumptions'*, with the new approaches, at best, being described as *"refining incrementalism"* (p29).

Ultimately therefore, Killian may have been right in stating, rather pessimistically, that *"PB, if it ever arrives will be a long time coming"* (Killian, 1999, p.25).

Diamond (2002) suggested that *'Spending recognition is critical for budgetary management'*, (p7) and that a major weakness of PB was its difficulty in establishing costs of outputs. This has been cited as one of the principle reasons behind the introduction of accruals accounting (Robinson, 2000), with Paulsson (2006) suggesting that accruals output based budgeting (AOBB) was the logical next step in the reform process. AOBB focused on outputs, in terms of goods and services produced, rather than on cash and was considered capable of overcoming many of the problems associated with previous budgeting systems, therefore contributing to better resource allocation, (Robinson 2000). It enabled organisations to capture the *"full or real cost of producing goods and service and this should lead to performance improvements (in the sense of better value for money and more targeted expenditure of public funds) not capable of being replicated by traditional input focused systems"*(Carlin, 2006, p4-5).

Resource accounting and budgeting, an accrual based accounting system, was introduced to UK central government through a White Paper in 1995, although partially adopted during the late 1990's it was not finally implemented until 2001-2002, (Heald, 2005). In Ireland, accruals accounting also formed part of various public sector reforms and the programme 'Better Local Government' (1996) cited it as one its main objectives, with full implementation planned for 2003 (DOELG, 2000). The accruals accounting and budgeting introduced to the public sector in Ireland and the UK is based on similar principles operating in the private sector. Indeed, the International Federation of Accountants Public Sector Committee has used international accounting standards as a basis for the creation of their international public sector accounting standards. (Paulsson, 2006).

However the question remains as to whether these developments are sufficient to overcome the problems long inherent in public sector performance measurement systems.

"Traditional budget methods are too time consuming and costly, while being too unresponsive to today's competitive and turbulent environment. Furthermore they are counter productive in that they are usually affected by gaming, corporate politics and horse trading tactics.", (Neely et al, 2003, p22).

This is a damning indictment of budgeting, but one which has attracted growing interest in the academic and business communities over a number of years. With an emphasis on the private sector Hope & Fraser (1997) argued that if companies are to compete successfully in an "information age" which is characterised by a highly competitive and rapidly changing business environment, then they need to become leaner, more responsive and market focused. This "budget bureaucratic complex", they purport, is the greatest single obstacle to change and attempts to implement a culture of enterprise and learning often fail because management behaviour is "snapped back into its old shape by the invisible power of the budgeting system" (1997, p21). This could, arguably, be equally applicable in the public sector given the limited success of reform initiatives in recent years. The weaknesses of traditional budgeting identified by Hope & Fraser (2003) include the following:

- Traditional budgets are too time consuming to prepare and add little value to an organisation
- Organisations place too heavy a reliance on the agreed budget which can lead to dysfunctional management behaviour with regard to the objectives of the organisation as a whole
- Conformance to a fixed annual budget does not fit comfortably within a drive for continuous improvement
- The focus of traditional budgeting processes is internal and they lack sufficient external focus
- For the most part budgets are not based on a rational, causal model of resource consumption but are the result of internal bargaining and power struggles

They argue therefore that there is a strong case not simply for attempting to improve the budgeting system, but for abandoning traditional budgeting and putting in place new organisational structures with alternative steering mechanisms that concentrate on maximising value rather than minimising costs.

As part of this 'Beyond Budgeting' philosophy they identified two stages in the implementation process. The first was concerned with developing a more adaptive organisation by "making the performance management process more relevant to its users" (2003², p36) this involves dispensing with fixed performance targets, instead setting goals aimed at relative improvement, and secondly, switching from central control to a system that includes "effective governance from the centre and that also supports local decision-making", (2003², p85).

This includes removing the “*barriers to empowerment*”, (2003², p145) by implementing a governance system based on clear principles and boundaries and instilling a “*culture of responsibility instead of dependency*” (2003², P149) by giving people the freedom to make decisions consistent with the organisations goals and governance. Their studies suggest that organisations who abandon budgets and implement this adaptive and radically decentralised approach will release the enterprise, energy and capabilities of people and will gain a “*unique source of competitive advantage*”, (2003², p208) In the context of a local authority this would necessitate a number of fundamental changes to, for example, traditional hierarchical organisational structures, approaches to individual performance measurement, the annual nature of budget setting and the concept of a ‘fixed’ budget.

While many organisations would agree that improvements could be made to the annual budget process, not all agree on how this should be done, and “*instead of abandoning it altogether, it seems that companies are simply adapting it*”, (CIMA, 2004, p3). Wildavsky (1974) indicated that the budgetary process is an integral part of the political system, a view supported by later authors including Covaleski & Dirsmith, (2002) who noted that Budgets are a central element of the politics and power of organisations, and so there may be a reluctance to let go of them completely. “*The tendency is simply to eradicate the term budgeting and soften some of its past blame-related connotations, while several other inherent weaknesses remain, such as the time and effort it takes to create them*” (Neeley et al, 2003, p28)

Implementing beyond budgeting however requires much more than this, it requires a huge commitment in time and resources, as well as willingness to let go of the comfort zone of well known processes and procedures (McVay & Cooke, 2006).

“If budgeting is flawed in the private sector, its hopeless in the public sector, government departments, having completed a laborious budgeting exercise, are told by their treasury department how much they can have. Despite all the time and energy they spend on the process, the final allocation is often based on a political decision, an incremental figure based on last year’s budget or pie in the sky”, (Cassell, 2003, p24). Whilst the comments above indicate that there are numerous problems associated with public sector budgeting, not all believe that Hope & Frasers concepts are relevant to public sector organisations. Johnson (2005) identified a number of potential obstacles to the application of beyond budgeting principles in local authorities. Firstly, the legal requirement to produce a budget, secondly, the presence of financial regulations which largely restrict the movement (transfer) of funds from one budget heading to another, and finally, the ability or willingness to accept change which would effectively remove the comfort derived from ‘*the predictability of the traditional budgeting process*’ (p.68).

Public sector organisations are different from the private sector in that they are primarily agents of central Government through whom policy is implemented, while private sector organisations are answerable to the owners of capital in the form of shareholders. This has led to a divergence in the development of their respective accounting systems with government emphasis traditionally being on “*reliability, accountability and legality rather than on maximum effectiveness & flexibility*”. (Dittenhoffer, 2001, p452). The budget process in the public sector, including local authorities, is not just an accounting measure, but can also be used to “*patrician decision rights and control behaviour*” (Fruitticher et al, 2005, p171). It has even been suggested that it is used as an “*oppressive tool by an authoritarian autocratic management*” (Reid, 2002, p125).

However, despite potential stumbling blocks in the application of the full beyond budgeting philosophy in a public sector, and particularly a local authority context (Johnson 2005), it is not

unreasonable to suggest that there may be scope for a move away from the traditional rigid approach to budgeting & performance measurement. An approach encompassing at least some of the elements of beyond budgeting could help address a number of the main weaknesses inherent in traditional budget systems.

The question is, are such organisations ready, willing or able to implement this type of change? de Waal (2005) whilst recognising the potential value of the work of Hope & Fraser and the Beyond Budgeting Round Table (BBRT), suggested it was advisable to first gauge the desirability and feasibility of implementing beyond budgeting principles before attempting to reform traditional budget systems. The beyond budgeting entry scan (BBES) was specifically developed for this purpose and sought to determine if the organisation already had any elements of the flexible structures and adaptive management processes necessary for successful implementation (de Waal 2005).

Research Objectives

As previously discussed, there have been many attempts at improving public sector budgeting systems, with only a limited amount of success. Proponents of the beyond budgeting philosophy suggest that the solution is not to simply modify traditional approaches but to abandon the traditional annual budget setting process in its entirety and move towards a system which is more flexible, has a more external customer focus, and empowers managers with the freedom to act on opportunities by removing binding resource constraints (Hope & Fraser 2003). However before attempting to implement beyond budgeting principles it is important to examine whether the desire for change exists within an organisation and if the conditions necessary for its implementation are present (Neeley et al, 2003). The purpose of this research is to explore attitudes towards the budgeting systems currently being used in a sample of Irish local authorities to ascertain whether or not these conditions exist. The research poses a series of questions (Appendix A) under three objectives, based on de Waal's (2005) Beyond Budgeting Entry Scan (BBES) as follows;

Objective 1

Is the organisation currently dissatisfied with its budget process?

Objective 2

To what extent is the organisation currently working according to beyond budgeting principles?

Objective 3

To what extent would the organisation be in a position to satisfy the preconditions needed for the successful implementation of beyond budgeting?

Research sample

The Irish Local Government system is comprised of five city councils, twenty nine county councils and fifty four smaller town or borough councils. The research was carried out on the Irish local authority sector because its accessibility to the authors and because its budgetary development history has followed a pattern similar to that discussed in the literature review (Callanan et al, 2004). The Local Government Act of 2001 which introduced many of the reforms associated with New Public Management principles gave the Minister the power to amend the accounting codes of practice used by Local Authorities (s107). A limited form of accrual reporting was subsequently introduced in 2002 with full implementation in the Annual Financial Statements of 2003, (DOELG, 2000).

Local Authorities in Ireland vary in structure and control, these differences have been incorporated into the research sample, which although relatively small, is considered to be representative of the

Irish Local Government sector as responses were obtained from representatives of one city council, one county council and one town council. This type of approach has also been adopted by other authors including Goddard, 1999 & 2005. To ensure comparability, respondents were selected based on the standard Irish Local Government Administrative Structure. The research targeted the same five Directorates in both the county and city councils collecting data from each *Director*, including the Finance Director (FD), who are the most senior managers and ultimately responsible for the running of the Directorates, and the associated *Administrative Officers (AO)*, who are middle management and more involved in the operational management of the Directorates. In both types of authority the Finance Director (FD) is responsible for co-ordinating the budget submissions of each of the other Directorates and is directly involved in negotiating changes to these submissions.

In the much smaller town council there is the equivalent of one Director and one Administrative Officer for all services both of whom were surveyed.

This gave a total sample size of twenty two managers from three different types of local authority, five Directors and five Administrative Officers from both the city and the county, and one Director plus one Administrative Officer from the town.

Data Collection

Research data was collected using a series of semi-structured interviews and a structured questionnaire administered in tandem (Appendix A). The questionnaire aimed to elicit scaled responses on the research questions, while the interview was intended to gather more expansive responses, thus helping to triangulate the findings by incorporating a richer source of contextual information (Lillis, 1999). Also the semi structured interview enables the researcher to dig beneath the surface to obtain the respondents view of the world, in a way that the questionnaire alone would not allow (Abernethy et al, 1999). The questionnaire used a Likert scale, as this is relatively simple to administer and has been shown to be efficient at measuring attitudes.

The questionnaires were administered face to face by the researcher and respondents were given time to answer all questions. On completion of the questionnaire the researcher conducted a semi-structured interview with each respondent to get more detailed comment on the questions, or any specific aspects of the questionnaire that the respondents wished to elaborate on. The interviews were recorded unless the respondents did not wish to go on tape, in which case the researcher took notes of the conversation. Questionnaire data was coded one to five, with five indicating a strongly positive response, and one indicating a strongly negative response (Appendix B). Data was then transcribed on to an excel spreadsheet where percentages responses were calculated by local authority type and respondent category. The qualitative interview data was transcribed into a word document and sorted according to question number. This was considered sufficient in view of the sample size and the researcher chose not to use a qualitative data analysis software package.

Confidentiality

The study was undertaken with the agreement of the authorities in question, although confidentiality was maintained by omitting from the report the names of both the authorities and the personnel interviewed.

Validity

Validity refers to the absence of systemic measurement errors and is usually spoken of in terms of internal and external validity. Internal validity can sometimes be low in field studies, but combining the interviews with the questionnaire should help to overcome this problem (Birnberg et al, 1990). The sample in this study is not random in the statistical sense and therefore external validity will

necessarily be reduced (Birnberg et al, 1990). However this may, in itself, offer opportunities for further studies across wider populations or settings.

Findings and Discussion

The findings and discussion are presented in research question sequence and include a summary of the questionnaire results (Appendix B), followed by opinion from the subsequent interviews.

Objective 1

Is the organisation currently dissatisfied with its budget process?

Questions 1-4 (Appendix A) were designed to address Objective 1 and produced a wide variety of responses (Appendix B). In the *town*, both respondents were satisfied with a process that they felt was suited to the public sector, *"where consensus is very important"*, even though this often caused decisions to be taken for *'political rather than fiscal reasons'*. In both the *county* and the *city*, the FD was unsure. Sixty percent of other *county* respondents were dissatisfied, split equally between Directors and AO's, one of whom added that it was a waste of valuable time as *'it goes on for a month and we end up with something we could have predicted after a day'*.

By contrast forty percent of respondents the *city* expressed a positive opinion with only thirty percent expressing dissatisfaction, including one Director who criticised its *"straight jacket formula"* and an AO who bemoaned the lack of transparency in how *"the final allocation is arrived at"*. Another Director was more emphatic, saying it was *"a load of rubbish and a huge waste of time, as the manager has decided what you are going to get before you make your bid"*. A number of these comments indicate that the budget setting process is perceived as time consuming and invariably leads to an outcome which may well have been predicted at the start therefore adding little value to the organisation. This adds weight to the findings of Seal (2003) and Neely et al (2003) and echoes one of the key weaknesses of traditional budgeting identified by Hope & Fraser (2003²).

When asked about their level of involvement in the budget setting process both respondents from the *town* expressed satisfaction, as did forty percent from the *county* including the FD who said, *"It's my budget so I have a big input"*. However another Director was un-sure, claiming there was *"no dialogue backwards and forwards between those that submit and those that decide"* and thirty percent were dissatisfied, citing a lack of *"feedback"* or any *"real involvement"* in a process where their input constitutes little more than an *"administrative role"*. In the *city*, two Directors were very satisfied, including the FD who said he was central to the whole process whilst fifty percent were dissatisfied, including one Director who said *"it's an early involvement, you make your pitch and it is carved up and then you get back your answer"*. One AO added that *"what ever finance decides to give us, that what we get"*, while another said they *"are never sure how the final allocation is arrived at"*.

In terms of the extent to which the current budget setting process distributes resources effectively, the majority of respondents across all authorities were either unsure or did not believe current systems were adequate. In the *county*, a couple of AO's suggested it was a fair system which *"attempted to give people at least what they got last year"*, while the FD was unsure and suggested the budget *"is largely incremental in nature"*, another Director suggested you *"get an allocation if you got one last year"*. Such comments add weight to the opinions expressed by Coombs & Jenkins (2003) and Burns & Scrapens (2000) that local authority budgeting remains largely incremental, is institutionalised in nature and serve only to re-enforce the status quo.

When asked *'Would you agree the budget setting process is sufficiently flexible to respond to changing circumstance?'* responses were again mixed.

Both respondents from the *town* disagreed and suggested there was “no wriggle room” and “too many non-discretionary elements”. Whereas in the *county* four Directors, including the FD, agreed, although he admitted it was “inflexible in lots of ways”. Four AO’s and one Director disagreed with the Director saying “it is hard to get new issues on the budget setting radar”. In the city, fifty percent agreed, with the FD saying, “we can pull stuff around if circumstances have changed dramatically”. Forty percent disagreed citing the ‘fixed’ labour content of the budget and the constraints placed by limited income. One Director suggesting the city manager set a low commercial rate increase as a priority and “so everything else had to work its way back from that”. An AO simply added “it is not, once it is set, it is set”.

The results of the survey suggest that, with the exception of the smaller town council, there is major dissatisfaction with the current local authority budgeting system. Significantly, the finance directors, who arguably have most control over the system, were unsure about their attitude to it, with each distinguishing between the operation of the system and the system itself. The reasons for the dissatisfaction were varied, but most were similar to problems that previous reforms had attempted to tackle. Some believed the system was process rather than strategy driven, something which the philosophy of New Public Management (NPM) had attempted to reverse, (Hoque & Moll, 2001) though with little success based on the evidence from this research. Others mentioned a lack of flexibility, which traditionally has been a feature of public sector budgeting, and was one of the reasons behind some of the earliest reforms, (Dittenhoffer, 2001). Several others suggested the process did not facilitate knowledge sharing, again one of the major arguments put forward for the abolition of traditional budgeting by the proponents of the beyond budgeting philosophy (Hope & Fraser, 2003).

Increased participation has often been cited as one of the aims of public sector budgetary reform, (Paulsson, 2006), but it appears significant numbers are still not satisfied with their involvement. The town was an exception to the rule; although it is not certain if this is because of current procedures or more likely is a function of size. Both FD’s were satisfied with their involvement perhaps not surprisingly, as both regarded it as “their budget” and they play a pivotal role in the allocation process. This “Ownership” of the process is seen as a major impediment to change, with many other respondents suggesting finance would be unwilling to cede control under any circumstance. Interestingly, several respondents spoke of insufficient dialogue between them and finance, something which was previously highlighted by Goddard, 2004 and Cassell, 2003.

One of the central arguments in support of accruals accounting and budgeting was that it would make more efficient use of scarce resources (Carlin, 2006). However less than 30% of respondents agree it has, with one FD being adamant that, “efficiency doesn’t come in to it enough because of a lack of output measures”. Others suggested it was still very difficult to attempt to move resources from one area to another, something which has been a long standing criticism of traditional public sector budgeting. Interestingly the largest proportion of respondents, 41%, were undecided on the issue. However when asked whether the current systems were sufficiently flexible to respond to changing circumstances responses were more emphatic with 50% believing the current budget system is still not flexible enough. The interpretation of flexibility varied however, with some referring to the constraints placed on total expenditure by limited income, while others referred to the difficulty in moving existing resources from one area to another.

The findings in relation to objective one of this study, ‘Is the organisation currently dissatisfied with its budget process?’ indicate a significant level of dissatisfaction, especially in the larger county and city councils. This dissatisfaction centres around the a number of key issues including the time consuming nature of the process, the predictability of outcomes, the lack of flexibility within the

system and the limited extent to which the system is a driving force in improving efficiency and effectiveness given limited financial resources. However, the extent to which respondents were neutral in a number of key areas is perhaps indicative of a reluctance to acknowledge weaknesses in the process which would add impetus to the call for change, potentially disputing the status quo and leading to erosion in the power base of some at senior management level. As Johnson (2005) points out, with particular reference to the public sector, *'the alternative of the beyond budgeting model places considerable emphasis on the need for organisational, managerial and cultural change...this will present considerable behavioural challenges..individual managers might become overwhelmed by the complexity of decision-making in such an un-regulated decision making environment'* (p.71).

Objective 2

To what extent is the organisation currently working according to beyond budgeting principles?

Questions 5 -14 (Appendix A) addressed this objective & solicited a variety of responses (Appendix B) as well as some interesting comments.

In relation to whether or not respondents agreed that their organisation operated a decentralised structure, the *town* Director agreed but noted *"some decisions are centralised"*, though the AO disagreed. Again this may well be due in part to the relatively small size of the authority.

In the *city*, almost half disagreed, with the FD suggesting *"too many decisions are being made at the top"*, a theme that was repeated by several of his colleagues. One Director said rather forcibly that, *"the vision for this place is coming off the top floor"*, while another said it is *"all driven from the centre"*. An AO suggested they were becoming more de-centralised but added, *"all financial decisions were still centralised"*. In the *county* two Directors disagreed, saying all *"key financial decisions are centralised"*. A couple of AO's were unsure, but admitted *"a lot of decision-making rights are held at the top"*. However, several colleagues believed they were more decentralised than most authorities and the FD concurred, but added, *"a lot of the major decisions and decision-making processes are centralised"*. These responses indicate that at least in this sample of local authorities, the concept of devolved responsibility appears to be somewhat alien. This is further reiterated in responses to the question asking whether managers in your organisation have the freedom to make decisions autonomously. The *town* Director disagreed, saying it *"was not possible in the context of such a small organisation"*. In the *city*, two Directors disagreed, with one likening it to a *"Muppet organisation"* where managers are not allowed to make decisions, while the other suggested *"the freedom to make decisions is pretty much curtailed"*. Two AO's also disagreed, claiming autonomy was only allowed *"for the mundane decisions"*. The FD was unsure, but conceded *"too many of the important decisions are kept in the centre"*. One Director agreed with the statement, but noted that key decisions would still always *"have to be signed off by the manager"*. One Director suggested the problem was not about having the freedom, but having the courage to make decisions. In the *county*, although the majority of respondents agreed that there was a certain degree of autonomy this was limited, with the FD saying they had freedom within their own areas, while another agreed but *"only within their allocated budget"*. One Director disagreed and referred to *"controls on budgetary matters"*, while an AO suggested autonomy was *"more imaginary than real"*.

These findings are particularly interesting when considered with reference to the fact that one of the core principles of NPM was to *"decentralise managerial authority and the operation of decentralised financial management systems"*, (Wright, 1995, p583).

The town produced some seemingly contradictory results, but this may possibly be because they interpreted decentralisation in a purely physical way. Fifty percent of the city did not believe their

organisation was de-centralised compared to only 20% for the county. Significantly, several in both the city and county distinguished between financial decision-making, which remained centralised, and other decisions which were more likely to be de-centralised. Interestingly, several respondents in the city referred to the management style of the city manager when discussing these questions, while none of the county respondents referred to the county manager. This evidence would suggest that the authorities in question are not at present operating in line with one of the cornerstones of the beyond budgeting philosophy in that the organisation must change its focus from top-down control to bottom-up empowerment (Hope & Fraser 2003²) despite the stated intentions of reforms introduced in Ireland under the NPM initiative (Wright, 1995). By failing to adopt a more decentralised approach, Hope & Fraser (2003²) believe the organisation is missing the opportunity to release the enterprise, energy and capabilities of its employees from which it could gain a *'unique source of competitive advantage'*. There appears to be no reason why this should not be as applicable in the public sector as the private sector, even though the concept of 'competition' may be in terms of improving internal efficiency & effectiveness rather than profit.

Regarding the way targets are set & whether or not these are dynamic, in that they can be adjusted up or down depending on circumstances, answers varied by type of authority as well as by administrative level. In the *town*, the Director said *"adjustments can be made easily"* but the AO disagreed and noted that *"targets tended to be relatively fixed in nature"*. In the *county*, all except three AO's agreed, with one saying the increasing focus on performance indicators has led to *"a continual review of targets"*. However, although agreeing, the FD noted *"that targets are flexible but that doesn't necessarily improve performance and quite often targets are changed downwards"*. A number of AO's were negative towards the statement, with one saying *"dynamic suggests you react quickly, we tend to react slowly"*. In the *city*, fifty percent agreed, although only two of these were Directors. The FD disagreed and said *"we set targets and kind of lock ourselves into them and heaven and earth couldn't change our minds"*. Another Director said targets *"are not reviewed, evaluation never takes place, it's a roll over from year to year, more of the same"*. An AO when asked simply said, *"no never"*. In total almost 60% of respondents believed their organisations used dynamic targets, something which is an essential requirement of beyond budgeting although there is no evidence to suggest that changes are made in response to the needs of service users. One significant exception was the city FD, who suggested it was almost impossible to change targets once they have been set. The ability of an organisation to focus on the needs of its customers in a core element of the beyond budgeting philosophy, and should, one would expect, also be the focus of a service providing public organisation such as a local authority. The results indicate that this is increasingly becoming the case with the *county* FD saying customer focus was *"the single biggest change that has happened to local government in the last five years"*. However one Director was unsure and said *"there was still a lot of work to be done to convince all staff"*. In the *town* responses were also positive, the Director agreed that *"the focus is on trying to deliver satisfactory services to all our customers"*, while the AO said *"the focus is improving all the time"*. In the *city*, half of the respondents either agreed or strongly agreed with the statement, although one Director added that the diversity of their services means *"who the customer is and where the customer fits in can be problematic"*. The FD however, suggested they are not trying to win *"the heart, mind and soul of customers"* while another Director went further and claimed that customer focus *"is not even part of our ethos"*. These comments suggest that the move towards an external focus rather than internal focus is starting to happen in the sector, though this could be hastened, the proponents of beyond budgeting would argue, by devolving responsibility for value creating decisions to front line teams and making people responsible for customer outcomes rather than annual budget targets (Hope & Fraser 2003²).

Question nine related to management styles within the authority and asked whether the prevailing management style in your organisation can be described as coaching - in that it is supportive and not directive. This is viewed as one of the essential pre-requisites for the successful implementation of a beyond budgeting approach, where an emphasis is placed on allowing people *'the freedom and opportunity to act at their own discretion'* (de Waal 2005, p.56). In the town, the Director agreed and suggested there is a *"lot of freedom"*, although AO said they operated a *"hierarchical system that does not lend itself very well to a coaching type system"*.

In the city only one respondent, a Director, agreed, while another was unsure and noted that style can vary greatly between departments. The finance Director suggested *"a fair bit of the directive stuff goes on"*, while another Director described it as *"very much command and control"*. Yet another said *"coaching, supportive, allowing you to make decisions on your feet, you must be joking"*. Four AO's, also disagreed, with one simply saying *"absolutely not, I think it is a dictatorial system"*, while another simply said *"a man coaches himself"*. The response in the county was more positive, with thirty percent agreeing management style was *"generally supportive"*. One Director was unsure however and suggested it ranged *"from supportive to directive and everything in between"*. An AO was more adamant and added that *"generally speaking I would say directive"*, something which a Director said was a throwback to the old public sector ethos.

The proponents of beyond budgeting stress the need for flatter organisational structures, along with supportive and coaching style of management. The research suggests significant differences between the county and the other two authorities in their respective adherence to this principle, mirroring trends identified earlier in the findings, such as decentralisation and managerial autonomy. In the county, the responses were more positive, even among those who disagreed, with many suggesting the style was changing more and more towards a more supportive style. The management culture in the city seems to be radically different however, with 70% of respondents believing they do not have a coaching or supporting style of management. These were also more strident in their disagreement compared to their county colleagues, with talk of *"command and control"* and even of a *"dictatorial"* system. Interestingly, the view was widespread across both levels of management. This type of management style is clearly not conducive to the creation of a more flexible organisation where managers at the operational level are given considerably more delegated responsibility. Though these findings are based on a relatively small sample, they could be indicative of a major impediment to the implementation of even limited aspects of the beyond budgeting philosophy in the public sector, and specifically local government, namely the dominance, and apparent reluctance to get rid of hierarchical bureaucratic management structures (Goddard, 1999; Reid, 2002).

In terms of the extent to which targets take into account competition in the market, responses were somewhat predictable given the nature of the organisations in question. Overall, less than 20% of respondents believed their respective organisations set targets in relation to the competition, and a significant number did not believe they had competition, even though they are providing services that are being replicated by private sector operators. This however calls into question the meaning of competition which should not perhaps be viewed in terms of alternative service providers alone. In a beyond budgeting environment the importance of setting targets in relation to comparable organisations is recognised, as is the importance of ensuring that targets can be adapted based on the performance of competitors (de Waal, 2005).

When questioned about the extent to which strategy setting in your organisation is continuous and bottom up, few agreed with the statement. In the county only one respondent, a Director, agreed and he stated that the organisation consulted *"across a wide range of stakeholders"*. The

FD however said, *"we do talk about involvement of bottom up, but generally speaking no, it is the opposite"*, while another Director said *"in theory yes, but its some time away from being achieved in reality"*. One AO said *"there is a lot of so called consultation, but at the end of the day we are told what the strategy is going to be"*.

In the *city*, only two agreed, with a Director saying they heed all stakeholders, while an AO said the opportunity is there for everyone to have an input. The FD was unsure, but added that *"consultation and participation are two changes of culture we are trying to do, whether we are getting there or not is another thing"*. The remainder disagreed, with one Director saying they pay lip service to consultation but that most strategy was *"set upstairs"*. One AO concurred and said *"absolutely not, strategy is set and determined by the manager"*, while another said strategy was *"definitely"* set from the top down.

Bottom up strategy setting could be described as the ultimate in devolved responsibility, and so it was interesting to see almost 70% of respondents did not believe strategy to be continuous and bottom up. However, whilst disagreement was widespread across all authorities, there was a significant difference between the responses of directors and AO's, with 82% of AO's disagreeing compared to only 55% for directors.

As for the extent to which organisations makes use of rolling forecast looking , for example, six quarters ahead, respondents were virtually unanimous in their disagreement.

In beyond budgeting, continuous rolling forecasts are intended to replace the annual budget process, but the research suggests most respondents believe local authorities are a long way from this at present. In the *town*, both respondents strongly disagreed, with the AO saying only *"very rudimentary forecasting was used"*. In the *county*, ninety percent disagreed, with the FD saying, *"I can answer that quite definitely, and say definitely not"*.

In the *city*, two respondents agreed, but only in relation to the capital programme, and three others were unsure. One Director said they do not use rolling forecasts because projected improvements can lead to finance stepping in and cutting back your budget. Another said *"there are very few areas where there is any focus on the year after the present one"*. In terms of the extent to which resources in each organisation are allocated on the basis of need and not last year's budget, responses were also fairly negative. In the *town* council the Director said that budgets *"are zero based"*, though the AO commented that budgeting *"tends to be incremental in nature"*.

In the *city*, one Director said services are reviewed every year, but interestingly the FD was unsure, saying that a *"lot of people had a ' we hold what we have attitude' but that additional resources tend to be on the basis of need"*. The remainder disagreed, with one Director saying resources are largely based on the previous year, while another simply said, *"no, 1.78% on non-pay, carry on"*. Another Director commented *"where you have such a broad range of services, it is difficult to decide which should have priority and as some of your services are statutory; your capacity to make judgements is severely restricted"*. An AO noted he had put in a lot of work preparing the estimates, but he *"might just as well have added 3% to the previous year"*. In the *county*, the FD agreed and said they were *"moving away from incrementalism lowly"*, although he conceded that core services still tend to be incremental. However half disagreed, with one Directors saying *"special needs are taken into consideration but zero based budgeting has not become the norm"*. One AO added *"you only have to put something new into the estimates to see whether we are incremental or not"*.

Recent reforms in public sector budgeting have attempted to shift emphasis from inputs, to outputs and outcomes, and incremental budgeting was often seen as an impediment to this. However, despite these reforms, only 18% of respondents believed resources are now allocated as needed. Significantly, the AO's, who are more actively involved in preparing the budget submissions, had higher disagreement levels than the directors. The results seem to reflect previous studies where it was shown that progress towards challenging the dominance of incremental budgeting has been slow, (Seal, 2003, Midwinter, 2005). Even the finance directors were not convinced, with one saying that "core services" are still incremental, while suggesting new services may not be. A number of respondents posited this as evidence of a movement away from incremental budgeting, possibly reflecting what Midwinter described as "*refining incrementalism*", (Midwinter, 2005, p29)

By contrast, responses relating to the extent to which organisations are perceived to have an efficient and effective management information system that includes financial as well as non-financial information were more positive.

In the *town*, the Director said there was "*ample information*" available, although the AO was unsure, suggesting they "*have a long way to go*".

In the *county*, seventy percent agreed, including four Directors, although each of them concurred with the FD that, "*we don't rely enough on non-financial performance indicators, we haven't developed them, we haven't tested them and we haven't used them as much as we should*". One Director disagreed however on the basis that the system was "*not user-friendly*".

However, in the *city* only three respondents agreed, including one AO who later added that he "*was not so sure about the non-financial part*". Forty percent of respondents were unsure, including one Director who said the "*system is only effective if you can make a decision based on it*" and he believed it was producing a lot of non-relevant information. Three Directors disagreed, with the FD saying they "*had the bones of a very effective management information system*" but that it was not producing enough non-financial information. One of the most effective methods of establishing linkages between inputs and outputs is to develop appropriate performance indicators and an information system to support them, (Diamond, 2002). The results show 50% of respondents believe the sector is doing just that, although a significant number believed the system was not producing enough non-financial information. There was also evidence of insufficient system training and difficulty in understanding the financial data, problems that were also high-lighted in previous studies by Paulsson, (2006).

The findings relating to objective 2, to what extent is the organisation currently working according to beyond budgeting principles, indicate that a number of key aspects do appear to have been adopted by the authorities surveyed, albeit as part of a general move towards improving accountability and broadening the traditional view of performance measurement within the sector. Recognising that performance measurement needs to become more externally focused, with an emphasis on meeting customer need and expectations of quality rather than simply viewing performance in terms of meeting the budget.

Objective 3

To what extent would the organisation be in a position to satisfy the preconditions needed for the successful implementation of beyond budgeting?

Questions 15-17 (Appendix A) addressed the key issues in relation to this objective.

Respondents were first asked whether they believed their organisation is prepared to change the current budget setting process. In the *county*, the FD said they would definitely be prepared to

change *"if the need arose"*, but forty percent disagreed, with one Director saying *"it hasn't changed for a generation and I can't see why it will now"*, while an AO said there would be no changes *"because of the central control being held over the budget by the finance department"*. In the *town*, the Director felt they would change if *"it was deemed necessary"*, but the AO disagreed, saying it was a national model which was outside of their control. In the *city* fifty percent disagreed, with one Director saying there was absolutely no will to change, and an AO claiming *"finance was not willing to let go of the process"*. Another Director was unsure, but suggested the current system suited the centralised command and control structure in place. However forty percent agreed, including the FD who suggested they would be prepared to change *"if necessary"*.

A genuine willingness to change, rather than doing so only under sufferance, is crucial to any change process, and 46% of respondents did not believe their organisation had that will. The comments also indicate that there is a strong view amongst respondents from areas other than finance, that it is finance departments who are unwilling to change unless specifically required to do so. Adding further weight to the views expressed by Burns & Scapens (2000) and Seal (2003) that traditional routine and habit cause budgets to become institutionalised. When asked about the capability of the organisation to change the current budget setting process, almost 80% of respondents believed they had the skills to manage any change process, although a vocal minority believed they were not capable of change under any circumstance.

In the *town*, the Director stated that *"anything can be achieved with proper training and support. In the city eighty percent of respondents agreed the "skills were there if they wished to change the budget system"*. Two AO's disagreed however, with one saying, *"the mindset of the current leadership would have to change first"*. In the *county* there was also widespread agreement with FD saying, *"we definitely would be capable of changing because we have a wide variety of skills and we hire some of the best people in local authorities"*. Two disagreed however, including one Director who said we *"would find it difficult to change the mentality of a generation"*.

Unfortunately when asked 'Has your organisation the freedom to change the current budget setting process?' what appears to be the main barrier to the implementation of a beyond budgeting philosophy in the sector was very clearly highlighted.

In the *town*, both respondents disagreed strongly, referring to the statutory format of local authority budgeting. In the *city* a similar pattern emerged, nobody agreed, although fifty per cent were unsure, including the FD who said, it would be difficult to sell the benefits of change to the elected members. Half the respondents, including four Directors, disagreed, with most again referring to the difficulty in getting political approval. Whilst in the *county*, forty percent agreed with the statement, including the FD who said that if *"we had the will, we could lobby and we could change practically anything"*. Fifty percent of respondents either disagreed or strongly disagreed, with each of them referring to the statutory nature of the current budget process. However, this perception of the impact of statutory requirements on the budgeting process may be misguided. Whilst there is a legal requirement to prepare a balanced budget (DOELG, 2003) and certain pages are statutory on the direction of the Minister, the detailed line by line budgets produced on an annual basis are largely a function of custom and practice rather than legislation.

Conclusions

The first objective of this study was to determine how satisfied a sample of Irish local authorities are with their current budget process, the research suggests there is widespread dissatisfaction with a budgeting system that is *"a huge waste of time"* and that *"needs to better reflect reality"*. Problems that have traditionally been associated with public sector budgeting continue to dominate

discussion, with many bemoaning a lack of any *“real involvement”* in an allocation process that is *“largely incremental in nature”* and that fails to *“squeeze maximum efficiency from resources”*.

The second objective was to determine the extent to which the authorities in question are currently working in accordance with beyond budgeting principles and if the systems and structures currently in place in this area of the public sector were conducive to the introduction of beyond budgeting. The findings indicate support for the conclusion that dissatisfaction with the current system is not sufficient reason to introduce a concept as radical as beyond budgeting. The central premise of beyond budgeting is that an organisation must switch focus from top down control to bottom up empowerment, become more customer-focussed and market orientated and provide managers with the resources to do what is necessary to achieve their objectives. While a number of these changes have been incorporated into the many reforms proposed in the public sector over recent years, progress towards their implementation appears to have been slow.

The research indicates that while there has been some movement towards decentralisation of decision-making within the public sector, most *“key financial decisions”* remain centralised. Management structures have also remained largely hierarchical and strategic direction is firmly *“driven from the top down”*.

While increased customer-focus has been described as the *“single biggest change that has happened to local government in the last five years”*, there has been less emphasis on other market orientated systems. Very little attempt has been made to pre-empt, or even respond to the actions of competitors, with many firmly believing there *“was no real competition”*. Competitive benchmarking therefore has not become the norm, and would be difficult to implement in any case because of a management information system which *“from a non-financial point of view is still very poor”*.

Attempts to allocate resources based on need appear to have made little progress. Although there is some evidence that the sector is *“moving away from incrementalism slowly”*, public sector budgets have remained largely *“incremental in nature”*. Indeed there was some suggestion that this type of budget was particularly suited to the public sector because of the difficulty in evaluating all options open to them in allocating resources.

The third objective of the study was to see if the public sector was capable of or willing to introduce a concept such as beyond budgeting. The study indicates that, while progress towards implementing changes may be slow, there is a widespread confidence that the *“skills were there if they wished to change the current system”*. However, this research adds weight to previous studies which suggest that commitment to change may not be present, as management and politicians alike are often unwilling to loosen central control over the budget process, in particular the study highlighted considerable concern amongst service managers that *“finance was not willing to let go of the process”*. This is perhaps indicative of the point made by Wildavsky (1974) that the incremental, fragmented and predictable procedures associated with traditional budget systems help secure agreement between participants thereby reducing conflict. This helps to maintain a status quo which essentially acts as a comfort blanket for those directly involved in the process.

Further Research

As a result of the research undertaken it is clear that a number of related areas may warrant further study.

While a radical change, such as the introduction of beyond budgeting to the local government sector would require the commitment of management and politicians, this research has

concentrated only on the attitudes of the executive branch of local government in Ireland. An interesting area for further research would be to repeat the survey with the elected members from the same authorities. It may also be interesting to repeat the study in a larger sample of local authorities across the UK.

Appendix A - Questionnaire

Objective 1

Is the organisation currently dissatisfied with its budget process?

Research Questions

How satisfied are you with the current budget setting process

Very satisfied Satisfied Unsure Dissatisfied Very dissatisfied

Would you like to comment on your answer above?

How satisfied are you with your level of involvement in the current budget setting process?

Very satisfied Satisfied Unsure Dissatisfied Very dissatisfied

Would you like to comment on your answer above?

Would you agree the current budget setting process distributes resources efficiently?

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Would you agree the current budget setting process is sufficiently flexible to respond to changing circumstance?

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Objective 2

To what extent is the organisation currently working according to beyond budgeting principles?

Research Questions

Would you agree your organisation operates a decentralised structure?

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Managers in your organisation have the freedom to make decisions autonomously
Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Targets in your organisation are dynamic, that is they can be adjusted up or down depending on circumstances

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Your organisation is currently focussed on customers

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

The prevailing management style in your organisation can be described as coaching, that is supportive and not directive

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Targets in your organisation are set in relation to the competition

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Strategy setting in your organisation is continuous and bottom up

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Your organisation makes use of rolling forecasts that look 6 quarters ahead

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Resources in your organisation are allocated on the basis of need and not on the previous years budget

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Your organisation has an efficient and effective management information system that includes financial as well as non-financial indicators

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Objective 3

To what extend would the organisation be in a position to satisfy the preconditions needed for the successful implementation of beyond budgeting?

Research Questions

Your organisation is prepared to change the current budget setting process

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Your organisation is capable of changing the current budget setting process

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Your organisation has the freedom to change the current budget setting process

Strongly agree Agree Unsure Disagree Strongly disagree

Would you like to comment on your answer above?

Appendix B

Objective 1

Overall	Q1	Q2	Q3	Q4
Strongly Agree	5%	32%	9%	5%
Agree	36%	18%	18%	36%
Unsure	18%	14%	41%	9%
Disagree	41%	36%	32%	45%
Strongly Disagree				5%

City				
Strongly Agree	10%	20%	10%	10%
Agree	30%	10%	20%	40%
Unsure	30%	20%	40%	10%
Disagree	30%	50%	30%	40%
Strongly Disagree				

County				
Strongly Agree		40%	10%	
Agree	30%	20%	10%	40%
Unsure	10%	10%	50%	10%
Disagree	60%	30%	30%	40%
Strongly Disagree				10%

Town				
Strongly Agree	100%	50%	50%	
Agree		50%	50%	
Unsure				100%
Disagree				
Strongly Disagree				

All Directors				
Strongly Agree	9%	27%	9%	9%
Agree	27%	18%	9%	55%
Unsure	18%	18%	55%	
Disagree	45%	36%	27%	36%
Strongly Disagree				

All Admin Officers				
Strongly Agree		36%	9%	
Agree	45%	18%	27%	18%
Unsure	18%	9%	27%	18%
Disagree	36%	36%	36%	55%
Strongly Disagree				9%

Objective 2

Overall	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14
Strongly Agree	9%	5%	5%	14%	9%		5%		9%	5%
Agree	45%	45%	55%	50%	14%	18%	14%	9%	9%	45%
Unsure	9%	18%	9%	9%	23%	18%	14%	18%	18%	32%
Disagree	36%	32%	23%	27%	55%	59%	68%	59%	59%	18%
Strongly Disagree			9%			5%		14%	5%	

City										
Strongly Agree	10%	10%	10%	10%	10%				10%	
Agree	40%	30%	40%	40%		20%	20%	20%		30%
Unsure		20%	10%	10%	20%	30%	10%	30%	10%	40%
Disagree	50%	40%	30%	40%	70%	50%	70%	40%	70%	30%
Strongly Disagree			10%					10%	10%	

County										
Strongly Agree	10%			20%						
Agree	50%	60%	70%	50%	30%	20%	10%		20%	70%
Unsure	20%	20%	10%	10%	30%		20%	10%	30%	20%
Disagree	20%	20%	10%	20%	40%	70%	70%	90%	50%	10%
Strongly Disagree			10%			10%				

Town										
Strongly Agree	50%	50%	50%	100%						50%
Agree					50%		50%		50%	
Unsure						50%				50%
Disagree	50%	50%	50%		50%	50%	50%		50%	
Strongly Disagree								100%		

All Directors										
Strongly Agree	18%	9%	9%	18%	18%		9%		18%	9%
Agree	36%	36%	64%	45%	18%	27%	18%	9%	9%	45%
Unsure		18%	9%	9%	27%	36%	18%	9%	18%	9%
Disagree	45%	36%	9%	27%	36%	36%	55%	64%	45%	36%
Strongly Disagree			9%					18%	9%	

All Admin Officers										
Strongly Agree				9%						
Agree	55%	55%	45%	55%	9%	9%	9%	9%	9%	45%
Unsure	18%	18%	9%	9%	18%		9%	27%	18%	55%
Disagree	27%	27%	36%	27%	73%	82%	82%	55%	73%	
Strongly Disagree			9%			9%		9%		

Objective

Overall	Q15	Q16	Q17
Strongly Agree	5%		
Agree	23%	77%	23%
Unsure	27%	9%	23%
Disagree	41%	9%	41%
Strongly Disagree	5%	5%	14%

City			
Strongly Agree			
Agree	30%	80%	10%
Unsure	20%	20%	40%
Disagree	50%		50%
Strongly Disagree			

County			
Strongly Agree	10%		
Agree	10%	80%	40%
Unsure	40%		10%
Disagree	40%	20%	40%
Strongly Disagree			10%

Town			
Strongly Agree	50%	50%	
Agree			
Unsure			
Disagree	50%	50%	100%
Strongly Disagree			

All Directors			
Strongly Agree	9%		
Agree	27%	91%	27%
Unsure	27%		9%
Disagree	36%	9%	55%
Strongly Disagree			9%

All Admin Officers			
Strongly Agree			
Agree	18%	64%	18%
Unsure	27%	18%	36%
Disagree	45%	9%	27%
Strongly Disagree	9%	9%	18%

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