ACCOUNTING FOR THE SALVATION ARMY: A NARRATIVE APPROACH

A Thesis Submitted
In Fulfilment of the Requirements for the Degree of
Doctor of Philosophy

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DECLARATION

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program; any editorial work, paid or unpaid, carried out by a third party is acknowledged; and, ethics procedures and guidelines have been followed.

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August 2015

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DEDICATION

This work is dedicated to my late grandfather, Major Arthur Humphreys, a man of gentle spirit and humility. He taught me about the beauty found in music and song. Grandfather was a traditional Salvationist who practised his beliefs until his death. He knew what being a Salvationist meant and had no doubt in his mind that he was serving his Lord and was proud to wear his uniform as an officer in The Salvation Army.

ABSTRACT

In 2015 The Salvation Army will celebrate 150 years of service to the community. The organisation which today has spread throughout the world traces its origins to the work of William and Catherine Booth, itinerant evangelists in Victorian England. Originally called the Christian Mission, the focus was on Christian evangelism, personal salvation for the individual based on the belief of the time that the spiritual change of an individual was the way to improve their position in society. By the 1880s William Booth realised religious attention was more likely when individuals were not economically and physically challenged, and assisting them in a practical way was demonstration of the Christian values. The rise of social service activity initially came about through the actions of individual Salvation Army members and ultimately by the official endorsement by the organisation of a separate social service arm.

In the 1890s the social service of The Salvation Army was set up via its own unique trust deed. The rationale for the separation between the evangelical and social operations was to allow people to direct their support to the preferred area of activity being undertaken. The people who The Salvation Army served were often the least able to provide the financial support for the organisation. William Booth needed to make constant calls for money; this placed him into conflict with many sections of Victorian England.

Financial accountability and integrity were at the forefront of both the criticism and the defence of the organisation. The use of financial reporting, annual reports and other narratives has been a constant feature of the organisation since its inception.

In the current period The Salvation Army is generally recognized by the public as primarily a social service organization. This view is at odds with how the leadership of the organisation sees the organisation, namely as a part of the Christian church with a single mission expressed in the dual form of spiritual and social services. This potential identity mismatch forms an important component of this thesis. In particular the thesis draws on information from United Kingdom, Canada and Australia to examine how the organisation has grappled with its identity problem and the way this has been reflected in its diverse approaches to accountability.

The research question looks at the identity of The Salvation Army as it is constructed through its narrative accountability. In the 1890s the dominant identity was the spiritual side of The Salvation Army and funds in the spiritual side subsidised the then newly formed social side. Post World War I the social side began to become the dominant funds source for the organisation. In the current period the financial flow is heavily dominated by the social service component of The Salvation Army activities.

Drawing from the work of the philosopher Paul Ricoeur, a hermeneutic analysis of The Salvation Army is undertaken. By locating the formation of The Salvation Army within part of its historical context a 'sense' is developed as to how the organisation and its founder William Booth responded to its historical position and the rationale for setting the dual organisational structure. Documents produced by the organisation across a number of countries and in the public domain were accessed and analysed. Following Ricoeur the many narratives identified within these documents were reconfigured to recreate the description of The Salvation Army from a narrative accountability perspective. The stated forms of accountability are reflected in the context of the annual reports and how they approach fiscal compliance requirements. However the forms of accountability used by The Salvation Army have been contested since the 1890s.

The outcome of this study shows how the organisation manages to cultivate an image of a social work dominated organisation. Any conflicts in identity and accountability are carefully minimised by the overwhelming success of the social service narrative. However internal narratives of The Salvation Army claim a holistic response to meeting its obligations by the dual mission of spiritual and social.

The application of the narrative accountability as demonstrated through Ricoeur's work allows for any organisation to have its identity validated through the use of a hermeneutic analysis. This research contributes to the ongoing discussion of organisational identity and accountability.

Key words: The Salvation Army, Accounting, Accountability, Narrative, Identity, Ricoeur

Contents

1.0 Tables

1.1 Figures

1.2 List of Abbreviations

TSA   The Salvation Army

COS   The Charity Organisation Society

DES   Darkest England Scheme

1.3 Key Internet Sites Used in the Research

The United Kingdom Charity Commission

https://www.gov.uk/government/organisations/charity-commission

The Salvation Army – United Kingdom

http://www.salvationarmy.org.uk/

The Salvation Army Canada and Bermuda

http://www.salvationarmy.ca/

Salvation Army Canada Finance Department

http://salvationist.ca/departments/finance/

The Salvation Army Australian Eastern Territory

http://salvos.org.au/

The Salvation Army Australian Southern Territory

http://www.salvationarmy.org.au/home

The Salvation Army International Headquarters

http://www.salvationarmy.org/

1.4 Key Terms

***Attestation*:** an assurance that the self believes in the truth or validity of something, it is a statement of conviction and confidence rather than knowledge and certainty.

Emplotment: constitutes the episodic dimension of narrative and characterises the story as it is made up of events by transforming the events into a story

General: The head of The Salvation Army. This is both an administrative, all assets are held in the name of the General (legal form is a Corporation sole), and spiritual leadership function.

Hermeneutics: Both a theory and a method of interpreting text. In hermeneutics texts are a means of transmitting experience, beliefs and judgements from one subject or community to another. Hermeneutics is experienced through common sense reasoning and not a-priori theory.

Hermeneutic circle: The process of continual interpretation and understanding. As each reading improves understanding, it becomes the basis for the next readings preunderstanding. The hermeneutics circle can be a limiting process in which one only knows to what one is disposed and prepared to know.

***Idem* identity**: The identity as sameness, this may be understood as a chronological construct.

***Ipse* identity** - The self or the identity that has the ability to reflect and to act. The self as displayed by character and consistency. Under Ricoeur Identity requires both the ipse and idem form

Language: Language is a social construct. Language is homogeneous and unified in every utterance, every instance of speech. The language system belongs to all its users at any time, unlike any other social institution. A language exists as a social fact because there must be a community of speakers in order to have the language.

Metaphor: The traditional view metaphor is regarded as a rhetorical device whereby a figurative word is substituted for a literary one on the basis of an apparent resemblance. Under Ricoeur's thought a metaphor proclaims a new meaning that corresponds with feeling oneself as a fundamental unity of identity

and difference. Metaphor shows how one feels or sees the temporal character of one's own being in relation to other temporal beings and the temporality of Being.

Mimesis$_1$ in which the world is received to perception in a prefigured, pre-narrative form,

Mimesis$_2$ in which the pre-narrative reception is configured into a narrative form by emplotment and,

Mimesis$_3$ is the process by which the narrative transfigures our ideas of that world.

Narrative: Narrative provides the opportunity to tell our stories and to build and reflect on that telling. Narrative organises the structure of human experience. Narrative is involved in an intentionally reflective process. Narrative is fundamentally an activity of the mind, a way of gathering knowledge of practice, a way of knowing. Narrative practices are intentional, reflective human actions, socially and contextually situated.

Reading: Reading is an act of interpretation. Reading completes the reception and understanding of a 'text'.

Territory: geographic area in which The Salvation Army operates. Each territory has a Territorial Commander (Commissioner) and a specific legal structure.

Text: a written artefact that captures the discourse. Under Ricoeur actions are seen as text and therefore capable of interpretation

Chapter 1 Introduction

1.0   Overview

This thesis is an investigation of The Salvation Army (TSA) from an accountability perspective by examining the use of annual accounts and annual reports and what they convey in terms of the nature of the organisation and the relationships between its major components. Given the importance of TSA in many countries, but primarily in Britain and its colonies, its approach to accountability is an important issue.

To prepare for this analysis it is necessary to understand TSA and how its history has influenced its current self-concept and how it approaches accountability. Thus it was necessary to become immersed in prior research on the organisation including approaches using a variety of disciplinary perspectives. Thus this chapter explains the range of prior research examined and then outlines those themes most relevant to the current research project.

This chapter provides a brief overview of the countries on which the research focuses, the motivation for the research, the research approach chosen and why it is appropriate, and the specific research questions which will be addressed.

TSA is an organisation which usually enjoys very favourable public recognition and high degrees of trust and has been called the 'most effective organisation in the world' (Watson and Brown, 2001) and identified as an enduring charitable organisation (Booz et al., 2004). However TSA seems to suffer from a public identity mismatch (Hazzard, 1998) with confusion as to whether TSA is primarily a church or a social agency or a combination of both.

TSA is a well-studied organisation. Studies include official histories (Sandall, 1955, Gariepy, 2009), authorised bibliographies (Begbie, 1920, Booth, 1925), historical studies (Hattersley, 1999, Bolton, 1980, Cleary, 1993), revisionist history (Murdoch, 1994), political studies (Woodall, 2005, Barnett, 1922), personal stories (Joannides, 2007, Joannides, 2012), social studies (Garland, 2004, Garland, 2008) and accounting studies (Irvine, 1999, Howson, 2005), studies on its social work (Fairbank, 2001, Gauntlett, 1954, Hull, 2004, Satterlee, 2004, Cleary, 1993,

Garland, 2004, Green, 2003), its theology (Needham, 2004, The Salvation Army, 1998, The Salvation Army, 2008), its political aspirations (Woodall, 2005) and its social relevance (Milligan, 1982, Shepherd, 2006). This list is in no way exhaustive but is indicative of the breadth of study that the interest in TSA has promoted.

1.1 Accounting and Religion

Study of religious organisations and the role of accounting is well established. Laughlin (1988) drew upon the sociological work of Durkheim (1995) and Eliade (1959) and he utilised the sacred/secular dichotomy to investigate the role of different functions within a church organisation. This work highlighted how the accounting function was used to support the sacred role of the church. The conflict between the two revealed they were potentially incompatible. The sacred/secular dichotomy became dominant in accounting research including with Booth (1991, 1993), Lightbody (2000, 2003), and Parker (2001, 2002) but has been questioned by Irvine (2002) and revisited by McPhail et al. (2005), Jacobs (2005), Jacobs and Walker (2004), Hardy (2008) and Berry (2005). Given the importance of church based organisations in the non-profit sector different ways of looking at religious organisations were explored by Hardy and Ballis (2005) and Hardy (2008) with the use of socialising accountability. Joannides (2012) used different forms of accounting and accountability to investigate the limits of textual accountability. This literature focused primarily on the Christian form of religion. Other studies have looked at the Islamic religion, for example Afifuddin and Siti-Nabiha (2010) and Tinker (2004) and Hindu, Buddhist form, for example Jayasinghe and Soobaroyen (2009).

1.1.1   The Salvation Army - who are you?

TSA traces its origins to 1865 (Begbie, 1920). Originally it was an evangelical Christian movement, one of many similar groups that existed at that time (Hazzard, 1998, Murdoch, 1994, Hattersley, 1999) with a focus on individual spiritual salvation (Booth, 1883, 1891, 1925). However, spiritual salvation did not give a person physical warmth or food if they were cold and hungry. From the official account it became apparent early in the organisation's history more was needed than offering a spiritual solution to an individual's problems, a material solution was

needed to address the practical problems people were experiencing (Sandall, 1955, Booth, 1890, Murdoch, 2003).

TSA used catch cries and slogans which it developed to explain the TSA approach. The "Soap, soup, salvation" attributed to the founder of TSA, William Booth, was perhaps one of the first that linked the spiritual and material needs together (Begbie, 1920, Booth, 1925). In recent times, the phrase "Heart to God, Hand to Man" has been used to typify the work and motivation of The Salvation Army (Munn, 2009).

In the Christian Bible (ESV, 2001) Jesus said in Matthew 22 v 37 – 40

> And he said to him 'You shall love the Lord your God with all your heart and with all your soul and with all your mind.' This is the great and first commandment. And the second is like it: 'You shall love your neighbour as yourself'. On these two commandments depend all the Law and the Prophets.

Reading[1] the heart/ hand statement of TSA through the words of Jesus, demonstrates a flow and a link. Jesus stated that the commandments of God established a clear relationship between the individual and God. The relationship has obligations and responsibilities (Grenz, 2000). A requirement for accountability is established showing how the individual has met the commandments. The Heart/ Hand flow represents in practice TSA's interpretation of the commands and examples of Jesus in the pursuit of a 'pure' religion. Heart to God, Hand to Man is the link between those who are in practical need to those who are motivated by a spiritual obligation to meet the need. Though service to man is a common idea within the Christian religion, TSA is unique in that it led the way when it set up organisations to implement the two requirements, spiritual and social, and as such institutionalised the requirements (Railton, 1912).

There is a tension in meeting the command, as we who read the command, live in a society dominated by governments and others in authority that make competing demands. This was no different in Jesus' time and he was challenged about to whom to give obedience. In the Bible we are told

> Jesus said to them, 'Render to Caesar the things that are Caesar's, and to God the things that are God's'   Mark chapter 12 verse 17

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[1] As will be developed throughout this thesis reading is an act of interpretation.

TSA has developed its unique understanding and ways of dealing with this tension (The Salvation Army, 2008). The influence of the founder and the time period in which TSA was formed has both significantly aided and hampered its development.

TSA's founder and first General, William Booth, looked at his obligations solely in terms of his accountability to God. Booth believed he was called by God for a specific purpose and believed he was ultimately responsible to God for his actions (Begbie, 1920, Hattersley, 1999). Booth's response to authority and those who opposed him however, was at best tense (Hattersley, 1999; Murdoch, 1994). This attitude and behaviour reflected Booth's personal understanding of the Christian gospel and the importance of the individual making a response to the Christian message of salvation. Within this thesis it will be established that Booth's attitudes set many of the practices developed by TSA.

Gariepy argued that in order to understand TSA there must be an understanding of its mission and its calling:

> Salvationists have never subscribed to the artificial dichotomy between the sacred and the secular. The Army's founder William Booth summarised the approach to the down-and-out as offering 'soap, soup, salvation'. He reminded his followers that they must offer to the hungry bread for their bodies before offering the Bread of Life for their souls. The time honoured slogan defines its mission "Heart to God, Hand to Man". Its spiritual and social work are as the two blades of scissors, each essential to the other to provide its cutting blade (Gariepy, 2009, xv,xvi)

The official view of TSA is that it is a holistic organisation with a unified purpose, mission, and identity (The Salvation Army, 2008) with the spiritual and the social activity being fully integrated. Writers sympathetic to TSA (Begbie, 1920; Sandall, 1955; Bolton, 1980; Woodall, 2005; Gariepy, 2009) reflect this unity of message. However, others have challenged this holism and argued Booth created two discrete organisations within one (Murdoch, 1994, Murdoch, 2003). The identity challenges today are the results of Booth's decisions. Booth made a deliberate choice to create two separate legal structures to allow separate funding sources for its work (Railton, 1912).

The stated internal holistic view of TSA however, does not appear to be reflected in the annual reviews and financial statements of a number of TSA reporting environments that release annual reports and financial statements on their respective websites.

Despite the claim that the work of TSA is done through both the church and the social side (Shepherd, 2006), the reports of the two Australian TSA territories specifically state that their review is for the social side of the organisation only. There is no discussion on the church side of the organisation. Railton's (1912) words regarding the deliberate use of two funding sources are echoed throughout the legal processes used by Australian TSA (that is for the purposes of this thesis the two territories and the overall Australian office). The current practices are very clear to provide, at times, detailed reports on their social service activity, but they take a legalistic approach and exclude any substantial discussion on the church side of their activity. The reports do not explain why the church side is excluded nor do they reveal how to obtain such information. This will be more fully explored in Chapter Six.

TSA Canada was very slow[2] in achieving compliance with Canadian accounting standards and charity law and finally produced consolidated financial accounts for 2010 showing the combined church/social activity. However, the lack of attention given to the impact of including the church activities in the consolidation and the level of accounting disclosures minimise the church aspect of its operations. TSA Canada clearly identifies itself as the largest non-government provider of social services. This will be discussed in chapter six.

In the United Kingdom, the founding location of TSA, TSA is required to be registered separately as a charity for each of its religious and social activities and thus there are multiple registrations linked to TSA. The two main registrations cover the general work of TSA (church) as one registration and the social service work as the second registration. In the 2012 Annual Review (dated 31 March 2012 and issued May 2013) there is a one page summary of the activities of TSA based on the addition of the two operating funds. (This reporting format will be discussed and explored in depth in chapter six.)

Where is the unified report that shows and explains in one place the two sides of the organisation, if the two sides are considered essential by the organisation in understanding TSA?

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[2] The Canadian Accounting Standard on Consolidation was effective from 1997. TSA Canada argued for many years the inclusion of the individual church information was immaterial. By 2009 TSA Canada finally worked on producing a consolidated set of accounts, as discussed in Chapter six.

At the 2009 International Leaders Conference the then General, General Clifton, (Clifton, 2009) had need to restate that the identity of TSA is not just a social agency nor is it just a church, but it is both, working together. The General reminded a 'very vocal minority' of the mission of TSA. This reminder seemed to imply that the clear 'official' view that TSA has of itself is not shared by some of its own members.

People external to TSA when asked what TSA is, most often respond that it is a 'social agency'. Many respondents are often surprised to learn TSA sees itself as both a church and a social agency (Hazzard, 1998, Rader, 2000, Power, 1999).

This study will look at the publicly available documents produced by TSA in order to make sense of the differing views and internal tensions. The approach taken will reflect the philosophy outlined in the Bible which states

> Jesus said "for by your words you will be justified, and by your words you will be condemned." Mathew chapter 12 verse 37

Words create, words form, words become who you are - ideas now reflected in narrative identity studies (Atkins, 2008, MacIntyre, 2007, Ricoeur, 1991a, Ricoeur, 1992).

In studying the text produced by TSA, and by following the work of Ricoeur (1992) and other academics that have followed his approach, the form of accountability, and the explanations of action, used by TSA will be discussed and analysed. One of the texts used by TSA to communicate its story is the annual review and financial statements, and it is these texts which form the basis of investigation of how TSA gives its account.

The aim of the thesis is to examine the accountability of TSA through an analysis of published annual reports, including the annual financial statements contained therein, using an academically justifiable method of analysis. The subject has been chosen to reflect the accounting background of the researcher and his involvement in Christian theology. However, the primary aim is to contribute to the academic discipline of accounting through an explanation of accountability using an interpretive methodology and is case study based (Berry and Otley, 2004). TSA has been chosen as an interesting and productive case study because of a personal

interest, explained below, and because it has been identified as a major institution not primarily involved in commerce which has endured because of its strategic focus over a very long period of time (Booz et al., 2004). Consistent with the research methodology adopted it is recognised that the research is influenced by the background, values and social environment of the researcher and in the next section an attempt will be made to outline the most important elements of that background in so far as it is relevant to this research. Thus as Gadamer (Gadamer, 2004) teaches we are informed by our history and our traditions, and, we inform our history.

1.1.2 Acknowledgement of my possible biases

I was firmly immersed into TSA practices and culture being a child of TSA officers (ordained ministers). I left TSA as an adult. Today I have no active involvement with TSA, though I maintain a Christian belief. I have the advantage and the disadvantage of being an 'insider'. I understand the language used by the organisation but at times the stories read could be clouded by my own experience.

The study of TSA, at times, became a challenge to my own identity. In understanding the stories and narratives of the organisation a parallel journey was being undertaken, in determining what part the organisation had in the formation of my own identity. The study became a reflection on my own identity as the stories told to me in my youth, were subjected to critical review and analysis. The personal journey is not discussed as part of this thesis. However, it is acknowledged that my history and traditions provided the original understanding of the narratives.

1.2 Motivation for the Research

The work of Arrington and Francis (1993) provided the original focus for this study. In their paper, Arrington and Francis developed the argument envisioning a greater role and understanding of 'accounting' from a cultural sense – rather than the economic based processes used in the current view of 'accounting'. The account provides the rationale for the moral dimension of economic activity. Arrington and Francis drew from the early writings of Paul Ricoeur to apply a hermeneutical approach to the understanding and explanation of the economic accounts[3]. The significance of the Arrington and Francis paper will be explored more completely in

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[3] Hermeneutics is both a theory and a method of interpreting text. Grondin, J. 1994. *Introduction to Philosophical Hermeneutics*, Yale University.

the following chapters. This study accepts part of the challenge of Arrington and Francis as expressed by them as:

> In situating a dialogical model of accounting in the context of work, (Roberts, 1991) is limiting the economic account in two ways. First, the experience of work is just one among many identifiable sociological categories of economic citizenship, all of which can be seen as both sites where economic accounts are given and sites where the model of speech is hermeneutically and morally appropriate for theories of accounting. One thinks, for example of families, local communities, **churches, clubs schools etc., as such sites. Attending to the relevance of economic accounts to these sites is an important part of moving toward more general theories and understandings of economic accounting as cultural practice.** What these sites have in common is a particular hermeneutical and moral horizon for which the model of speech is the paradigmatic instance of account giving. Citizens of these identifiable communities share a sense of social solidarity—not quite a consensus with respect to experiences, values, beliefs and desires but at least a common economic, moral, political, and social identity; a common 'citizenship'. They recognize themselves as members of an identifiable community; and, with that, they accept particular substantive expectations and obligations that follow from their citizenships. They understand that in describing and debating economic questions, hermeneutical and moral concerns are limited to and identified with particular substantive claims that define what it means to be a citizen of this particular community. **To be a citizen is to know that the way in which the teleological and the deontological character of action will be interpreted is, for this community, predictable, describable and presumed somewhat binding on agents.**" (1993:120) (Emphasis added)

Though lengthy, this quotation formed the original starting point for my study. Selecting a church - TSA- was based on my previous membership of the church. I considered I would have the level of knowledge and understanding assumed by Arrington and Francis, this proved to be a challenge in itself.

In reading the economic accounts of the Australian Territories of TSA the first challenge was the accounts were not of a church but a social agency. This issue initially disrupted the process of analysing the accounts as suggested by Arrington and Francis. A careful rereading of Arrington & Francis's work provided guidance on a number of points as how to undertake this study:

- The philosophical project was found in the works of French philosopher, Paul Ricoeur;
- The use of hermeneutics and discourse as a way of understanding 'text';
- Identity claims, and,
- Narrative accountability.

From the reading of the later work of Ricoeur (1992) and subsequently most of Ricoeur's translated work, a theoretical framework for this study was developed.

The guiding phrase to understand some of Ricoeur's arguments was captured by Kaplan, (2003, 92):

> Identity is constitutive of accountability; narrative is constitutive of identity.

Subsequent work by Arrington (2007) appears to support the approach being taken.

 Ricoeur argues the importance of understanding the 'Self' is through the 'stories' we tell about ourselves and our actions. We continually tell, modify, re-tell the stories over time and in the process we construct an 'identity' recognised by others and our self, our stories (narratives) and our identities have temporal characteristics. We live and work with others in society, and part of our 'obligation' of being in society is how we explain (account for) our actions. Words, deeds, writing, speech and our very lives are all 'text' under Ricoeur's philosophical work - and being 'text' they are capable of being interpreted and explained.

These concepts therefore provide a boundary for the research questions.

1.3   Research Questions:

- Do the public accounting disclosures and various discourses aid in the continuing development of The Salvation Army identity, as illustrated by an analysis of three jurisdictions in which The Salvation Army operates?
- In the development of The Salvation Army identity, how has The Salvation Army's use of narrative accountability ebbed and flowed over time?
- How have the Australian arms of The Salvation Army, as represented by the Eastern and Southern territories, developed their own forms of narrative accountability?

1.4   Why use Ricoeur?

Ricoeur's work extends over a long period of time and has seen him enter into a form of dialogue with a wide range of philosophers and philosophies. Ricoeur's approach to study has been to look for and connect the variety of thoughts in the areas of study like phenomenology, structuralism, narrative theory deontological and virtue ethics, liberalism and communitarianism.

Ricoeur as a modernist philosopher was well versed in Continental and Anglo-American analytical philosophy, post-modern philosophy and in his own tradition of phenomenological hermeneutics. One of the important aspects of Ricoeur's work is in hermeneutics and the convergence of language and action. Ricoeur has used the term hermeneutics to simply mean 'interpretation'. There is an emphasis on the interpretation of symbolic systems which relate to how we act and react within society.

The use of Ricoeur has been applied in areas like theology, organisational studies and even in accounting. The advantage of using Ricoeur's narrative theory is that it allows a detailed analysis of how an organisation presents itself. As will be discussed throughout this thesis, Ricoeur's understanding of interpretation allows for accounting and accountability disclosures and discourses to be reconfigured, to understand why organisations behave in the manner in which they do and how they establish trust with their stakeholders. Organisational narratives demonstrate accountability for their actions, and to identify themselves as an organisation that allows other stakeholders to align with the organisation (Kaplan, 2003, Dauenhauer, 1998, Simms, 2003, Pellauer, 2007).

A significant view drawn from Ricoeur's work is that once a discourse (either speech or text) becomes an artefact (generally via the production as text) and is commonly available, it is free from the subjective intentions of the author. The text now has multiple possible and acceptable interpretations.

1.5 Data Used in the Study

All data utilised in this study was accessed via publicly available sources.

No interviews were conducted with formal representatives of TSA in Australia or other countries. This will be justified in terms of theories used which stress what the documents convey as opposed to what was in the minds of the writers.

The annual review and annual financial reports of the Eastern and Southern Territories' of TSA in Australia were accessed via the respective websites for the period 2006 to 2014. Additional TSA documents were accessed from the United Kingdom, Canada and the International Headquarters websites of TSA in those jurisdictions. These locations were chosen because of the similarity in legal

systems, the length of time TSA has operated in the respective countries and the impact of social service activity on how the TSA developed in the respective countries. This study is significantly different to Joannides (2009) which provided a study of TSA in non-Anglo countries and drew on personal experience in understanding the accountability within the TSA from an attendant's viewpoint, and Irvine (1999) which used institutional theory and looked at the conversion of accounting systems within an Australian territory of TSA.

Acts of Parliament and trust deeds that formed the operating and origination documents of TSA were retrieved and read for a number of legal jurisdictions. Compulsory filings of data with government regulatory authorities are on public record and provided an additional source of information and confirmation. Internal reviews conducted by the various TSA territories were accessed from their respective websites. Secondary works, histories and newspaper articles are available via libraries, digitised repositories located on the web and in published books.

As there were no human subjects involved in this research there was no need for ethics clearance.

The data being within the public domain is acknowledged to have been written for a different purpose to that being pursued in this study. The data allows this study to be replicated and its interpretations validated or challenged. The public data allows for analysis utilising different theoretical frameworks to provide additional deep and rich descriptions.

1.6   Data Analysis Methods

The analysis of data starts with Rorty's (1992) advice to take seriously what is said. The initial reading acknowledges and takes seriously what the author of the text has said. The primary method of analysis is hermeneutics[4] and has a history in the accounting literature (Francis, 1994, Heracleous, 2007, Llewellyn, 1993, Arrington and Francis, 1993, McKernan and MacLullich, 2004, Chabrak, 2005). The use of hermeneutical analysis is used in other disciplines, for example, organisational studies (Bakir and Todorovic, 2010, Barrett et al., 2011, Phillips and Brown, 1993,

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[4] Traditional Hermeneutics is both a theory and a method of interpreting text.
Ricoeur developed hermeneutics to include the interpretation of actions and human activity.

Thatchenkery, 2001, Sonsino, 2005), theology (Stiver, 2001, Thiselton, 2007, Osborne, 1991, Kearney, 2007), nursing studies (Geanellos, 2000), contemporary social theory (Kögler, 2006), and cultural studies (Leichter, 2012).

Following Ricoeur's development of hermeneutics (Ricoeur, 1985, Ricoeur, 1988, Ricoeur, 1992) the data is subjected to the three tier mimetic interpretation[5]. The analysis moves through the three stages outlined by Ricoeur.

Ricoeur's mimetic concepts are discussed in more detail in chapter three as they form the basis of understanding the formation of the narrative identity concept used in narrative accountability. However whilst this thesis undertakes a mimetic based analysis of TSA in addressing the research questions, it is acknowledged that the reader of this work will, in effect, conduct a second mimetic analysis by reviewing this work in line with their pre-understanding and undertake their own reconfiguration. The possibility of alternate interpretations of the data is acknowledged, but as Ricoeur argued hermeneutics allows for multiple interpretations but only from one perspective at a time.

The use of hermeneutics provide for a rich and deep understanding and explanation of TSA's narrative, identity and accountability.

- [5] $mimesis_1$ pre-figuration - at this level the common understanding is acknowledged. Based on the location of the reader, text is naively understood. At this level the impact of tradition, education and existing culture heavily influences the first form of understanding.
- $mimesis_2$ configuration - expanding the world to include greater linkages to context, history and themes which influence the text, and finally
- $mimesis_3$ refiguration - is based on the act of reading. This is the part which unites the world of the text to the world of the reader. This allows for the re-joining of the text leading to explanation, interpretation, and argumentation and understanding thereby providing a thick description of the data.

1.7   Significance of this study

In undertaking this study into TSA the thesis aims to:

- Extend and supplement the Arrington and Francis general theory of accounting as a 'cultural practice',
- Add to the literature on accounting as narrative,
- Develop understanding of Ricoeur's work as it applies to accounting theory and practice,
- Introduce identity theory as an additional way of understanding the role of accounting and accountability in society.

1.8   The structure of the thesis

This study will be developed through the following chapters:

Chapter 2 The historical context of The Salvation Army

In this chapter a number of key historical themes and events are discussed with a view to understanding how those events influenced the world views of the early leaders of TSA and their approaches to their mission and in particular their views on public accountability. The rise of charity regulations in the United Kingdom as a result of increased levels of charity fraud, the dominance of the Charity Organisation Society and how it set itself in conflict with the churches in terms of charity provisions, the influence of John Wesley and evangelical Christianity in terms of the relationship between belief and work. Given the importance of military activities in the early period of TSA formation, militarism had a strong influence in relation to the best way to organise and portray British Christianity and that will be discussed. The chapter concludes by briefly looking at the key impacts that influenced William Booth, and thus the formation and development of TSA.

Chapter 3 Narrative

Ricoeur's philosophical work on the three main concepts of narrative, identity and accountability are introduced. The chapter focuses primarily on the narrative concepts utilised by Ricoeur in the development of his narrative identity theory. The narratives using both historical and the recent activity of

TSA are introduced and analysed. A presentation of some of the money narratives are introduced as a counter to the established official narrative. The sacred / secular dichotomy used in accounting literature is discussed in terms of the TSA context.

Chapter 4 Identity of TSA

Within this chapter Ricoeur's concepts of identity are explored noting Ricoeur's view of the shared relationship between the narrative, tradition and identity. The impact the shared understanding has on reading of a text is developed. Organisational identity studies, especially the seminal work of Albert and Whetten (1985) and their concept of Central, Enduring and Distinctive, are explored as a secondary means of understanding an organisation's identity claims. TSA identity statements, both historical and current, are presented and analysed.

Chapter 5 Accountability

Ricoeur's framework of accountability is developed. In this chapter the links between the three concepts of narrative, identity and accountability are addressed. Booth had a very strong sense of accountability only unto God; therefore a discussion of Christian accountability is introduced to aid in understanding Booth's view of accountability. Ricoeur's theological writings provide a further lens to aid in understanding Booth's actions. TSA specific accountability claims are analysed in the context of the identity projected by TSA.

Chapter 6 Accountability Discourse

This chapter looks at the specific types of accounting disclosures used by TSA in three countries- United Kingdom, Canada and Australia. The analysis looks at the type and level of disclosure for the church operations and the social service operations produced by each of the countries. Specific focus is on a major event in Canada which moved to a full consolidation of accounting activity. Another critical event examined is the impact of the Royal Commission into Institutional Child Abuse within Australia in terms of the level of financial

impact and disclosure. The chapter specifically looks at the identity conveyed by TSA in its reporting.

Chapter 7 Discussion and Conclusion

The overall discussion and conclusions of the thesis are provided. The limitations of the research, including the impact of the researcher's biases in undertaking the investigation are outlined. Using Ricoeur's narrative accountability process and concepts to investigate different types of reporting regimes provide productive future research opportunities. The increased use of narrative disclosure and story telling by companies from the expected widespread adoption of the integrated reporting framework and requirements provide new opportunities to apply narrative analysis.

1.8.1   Next Chapter

In the next chapter a brief history of TSA is provided, it is not intended to produce a detailed historical account of TSA, as this has been done by others. In this study history is used to demonstrate how the formation and characteristics of TSA were a response to and shaped by the social, political, economic and religious influences of its period and the decisions and beliefs of the founders William and Catherine Booth. The history will assist later in the thesis in understanding the conflicting pressures in relation to TSA accountability.

Chapter 2 The historical context of The Salvation Army

2.0   Introduction

In understanding the creation of TSA in 19th century England a number of changes in political, economic, religious and social awareness occurred making the 19th century England a place of radical change[6]. It is not the purpose of this chapter to provide a detailed account of 19th century England nor is it a rewriting of the history of TSA. The TSA story has been presented on numerous occasions as discussed in chapter one. Additionally the work by a TSA senior officer compared two figures from the time, Karl Marx and William Booth, as both of them attempted to deal with the underlying social issues presented in 19th century England from very different assumptions and perspectives (Woodall, 2005).

TSA is often considered to be a product of its environment (Bolton, 1980, Eason, 2003, Hattersley, 1999). TSA as Clark observed was:

> perhaps the most significant and notable product of this exciting period, for it used with great success all the elements of applied romanticism – the rhetoric, the melodrama, the music, the evocative ritual and[the] symbolism… of war (Clark, 1962,189).

This chapter builds on the work of Irvine (2002) that looked at how TSA used financial reports as a means of legitimizing itself within its society in the earliest years of operations. Thus this chapter will look at the history of TSA and how the social forces then in play shaped the legal structures and reporting/accountability practices adopted. These precedents will be shown to persist to influence substantially, but not exclusively, current accountability approaches.

As will be discussed in chapter three, the first form of understanding comes from the time and location of the reader (Ricoeur, 1988, Ricoeur, 1992). The reader of the narrative is already conditioned by their own history to naively interpret based on the accepted view of the narrative. To expand the level of understanding exposing the historical context of the text allows a fuller understanding and interpretation to be undertaken by a reader (Prasad, 2002, Thatchenkery, 2001). Narratives, in the form of sense making (Weick, 1995, Czarniawska, 1997a,

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[6] See for example Woodall (2005) study on Willim Booth for an analysis of late 19th century England.

Czarniawska, 2004) are produced and read within a context. The context of the reader and the context of the narrator may produce very different interpretations for the same text. Accordingly Silverman (1997, 2001) warns against imposing views or filtering in ways that the original participants may not have envisaged. Rorty (1992) encourages a researcher in the first reading to take seriously what the author/ narrator has said. In effect Silverman and Rorty recommend that in the first reading the reader needs to consider what the author was trying to convey even if subsequent thoughts may incorporate elements of current knowledge as well, such a view is consistent with the pre-understanding used by Ricoeur.

To understand how TSA operates, a hermeneutic analysis (Barrett et al., 2011, Sonsino, 2005, Heracleous, 2007) of the societal context of TSA provides insight as to why the organisation adapted business structures, music, business practices and other practices into its own form and its use of so much of the late 19th century Victorian culture. Adaptation was a key idea used by the Booths in dealing with its own society and in applying methods of evangelism outreach, organisational structure and response to societal issues (Eason, 2003, Booth, 1883).

The themes discussed in this section represent a microcosm of the vast changes that occurred in the 19th century England. The specific themes have been selected because they provide a way to commence the hermeneutic process of identity construction leading to an explanation as to why William Booth structured TSA to meet two very discrete functions: spiritual and social service activity.

2.1   Charity in 19th Century England - Reforms and challenges

By the middle of the 19th century the place of charity in British society was undergoing significant changes. The established church, notably the Church of England and the Roman Catholic Church, had become clearly aligned with 'the Establishment' and those with privilege and often ignored their religious obligations to those less well off. The established churches had significant charitable trusts under their management but by the 19th century the general population were increasingly becoming dissatisfied with the behaviour and control of the assets and lack of payments to beneficiaries of the trusts as outlined below.

2.1.1 The Influence of Charity Reform in 19th century England.

Fishman (2005a, 2005b) provided an analysis, from a legal viewpoint, of how the common form of charitable trust[7] was reformed in the first half of the 19th century. Fishman illustrated the abuse of charitable trusts through the study of the Rochester Cathedral Grammar School (Fishman, 2005a, 389-399) and the Saint Cross Hospital (Fishman, 2005a, 399-407). In both examples nepotism, financial manipulation and disregarding the original purpose of the original trust exposed the behaviour of the main established churches. A common feature of the abuse involved the distribution of the money held in the trust. In times of increasing income from trust account money resulting from higher returns, the trustee would pay the fixed nominal amount to the beneficiaries and redirect the surplus to other activities or direct to the trustee(s).

Fishman (2005b, 731-740) discussed the work of Sir Peter Broughman who exposed significant abuse in the use of charitable trust entities and other charity breaches in relation to church property, provision of education and distributions designed for poor relief. These exposures caused such a disruption that there were significant societal changes in how the role of charities would be understood, and ultimately charities would be regulated by the second half of the 19th century. The increased level of exposure of charity abuse being reported in newspapers like *The Times* aided the rise of changing societal expectations of 'the establishment'. The high level of exposure that these cases provided, allowed authors like Charles Dickens to criticise both the churches and the establishment in writing some of his classic works, for example *Christmas Stories* and *Household Works.*

The difficulty with the existing law in the early 19th century England was that any problem with the trust could only be corrected through a proceeding brought in Chancery. This required the involvement of the Attorney General who would act on the information supplied by an individual complainant. The process was both very costly, and as it involved the Attorney General in a compliant it would only be actioned in extreme cases. Fishman (2005a) points out that in the first quarter of the 19th century charities routinely mismanaged the established trusts.

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[7] The concept of a charitable trust can be traced to Queen Elizabeth 1 where the definition of the purposes of a trust was established. The *Charitable Uses Act of 1601* (known as the *Statute of Elizabeth*) (43 Eliz I, c.4)

Significant political and legal activities lead to the redefining of the purposes of a charitable trust. The motivation, according to Fishman (2005a, 724) was for the government to bring under control the vast assets of charitable trust which were misspent, defunct or obsolete and to redirect them to other 'national' priorities like education. However the modifications to the laws in 1853 and 1859 referred to above were not easily achieved.   An attempt in 1846 to pass the Charities Reform Bill failed because of the level of opposition mounted against the bill on behalf of the established churches, the courts, municipal corporations and established universities, in other words 'the establishment.' By the second half of the 19th century, public opinion was very suspicious of any organisation that constantly called for money (Fishman, 2005a, 2005b).

Fishman argued that charitable accountability was a process of ascertaining whether the assets devoted to charitable purposes were actually put to their proper purpose and that the information about the use was made available to the public. In most of 18th century Britain the production of information had high levels of strict compliance, for example in the 1780s   of 13,000 parishes only 14 failed to lodge the required report. However the quality of the information was sadly lacking as the reports were often incomplete thereby rendering them effectively useless. This state of affairs continued throughout the 19th century (Fishman, 2005b, 725).

The beginning of the charity regulation process saw reform of charitable trusts by *The Charitable Trust Act of 1853* and the creation of a permanent Charity Commission in 1859. By 1860 the purposes of trusts were more clearly defined following the passing of Charitable Trusts Act and the establishment of a regulatory body (the Charity Commission) with some of the regulatory powers needed to supervise trusts. In particular the Charity Commission had the following powers:

1. advising upon the application of the trustees, or others, concerned with the application of trust matters in administration relating to how the trust should be conducted,

2. supervising and investigating the charities including their accounts and taking any appropriate action if deficiencies were noted, and

3. the ability to apply for a judicial intervention to appoint trustees or remove trustees or offices who were not acting within their obligations and their rights (Fishman, 2005a, 2005b).

London was a changing environment, moving from being a place for the genteel to live, to a place where people came from other parts of the country to attempt to find work - classic urbanisation. In 1883 the *Parochial Charities Act* was passed appointing additional Charities Commissioners to act as temporary Commissioners to examine all city charities and to characterise them as either ecclesiastical or general non ecclesiastical. The statute distinguished between active parishes on the circumference of the city of London and a second category of parishes with substantial endowments but little population. The charities in the active regions catering to the working class arrival were being overwhelmed by the demand on their services as a result of the increased level of urbanisation (Baker and Collins, 2002, Rogers, 1991).

The early work of the Charity Commission (Fishman, 2005b) focused on charitable trusts - but by the 1880s the Commission was itself the target of significant criticism from social reformers for failing to deal with abuses in education endowment - a system used by churches, the universities and other colleges (Baker and Collins, 2002). The move to increasing charity regulation and accountability was firming in the public arena. However the Charity Commission was severely restricted in its operations due to statutory limits on its ability to conduct independent investigations. The lack of an audit function and the need to have actions decided in the courts that showed a reluctance to change the existing practices. Fishman (2005b, 772) showed the extent of legal difficulties in proving a trust had acted incorrectly, and the difficulty in taking the purposes of the trust and aligning it with the then current requirements. In late 19th century England the Charity Commission did not have the power to change or challenge the purposes of a charitable trust.

Fishman's work showed that the 'established' churches had become a place of privilege and elitism. Charity in the way of helping the poor was now compartmentalised into those deserving – poor because of unfortunate change in circumstance, or the undeserving- those whose lifestyle was considered the result of moral corruptness. The likelihood of any of the poor being welcomed into the

church was increasingly remote. This was an issue William Booth needed to confront within the early days of TSA operations (Booth, 1925, Fairbank, 2001).

By the 1880s England was in a domestic depression, there was the beginning of the decline in its international economic dominance, and increasing consolidation and monopolisation within industry as the industrial revolution reached a mature phase. Poverty was becoming a permanent issue and the working class started to agitate for both political and economic reforms to meet their specific needs (Woodall, 2005).

Charles Booth (1888) produced the first 'sociological' survey of the extent of poverty in the East end of London[8]. He conducted house by house interviews and looked at the rolls and other information held by the charitable organisations to estimate the extent of the 'poor' in London (Bales, 1999, Brydon, 2006, Booth, 1888). Charles Booth looked at the role of the State which was considered complementary to private and religious charities.

During the 1880s there was a major battle between those who supported the charities having responsibility for the needs of the poor and those who saw the role of the state as being the preferred way. There were challenges to demands for and the ideology of philanthropy (discussed in the next section) and the role of private charity changed. The middle and upper classes were resistant to change but were becoming aware of the plight of the poor. The concepts of social justice were beginning to emerge. The dominance of the ideas of liberalism and economic *laissez faire* were under challenge by a move towards a welfare state.

2.1.1.1 *Looking Ahead*

The introduction of the Charitable Trust Act (1853) saw a change in the behaviour of churches and other charitable bodies in how they structured their trusts (Fishman 2005a, 2005b). Trusts would now have procedures in place to allow oversight and ensure distributions were in line with the trust purposes. William Booth did not just follow the examples of the other charities; instead he opted for audited accounts but kept total control of all assets and money to himself. This will be discussed in the Accountability chapter.

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[8] William Booth used Charles Booth's estimate as a basis for calculating his submerged 10%
BOOTH, W. 1890. *In Darkest England and the Way Out,* Atlanta, The Salvation Army Supplies and Purchasing Department.

2.1.2 The Charity Organisation Society

In the 19th century, society was going through many changes: social, political, economic and theological. The established ways were under threat and how parts of society dealt with the changes showed both progressive and reactive responses. The following section discusses the establishment of a Victorian institution the Charitable Organisation Society (COS). The various perspectives discussed below show the creation, operations and influence this body had in dealing with pauperism and charity. COS, whose founding narratives reveal conflicting objectives, had both political and religious influence, notably, with the Conservative parts of the upper class.

COS was formed by an amalgamation of the poor law district committees and partially succeeded in moving Charity relief to a coordinated approach. The society (COS) tapped into the religious obligations to provide charity, but challenged how charity relief was used indiscriminately. As the previous discussion showed, the established churches and schools were often guilty of abuse of trust in charity administration, but COS counted as members and office holders highly ranked establishment clergy and bishops (Mowat, 1957).

The electoral reform in 1867 saw a new body of eligible voters that started to influence politics. Many of these voters came from the new industrialists and were often members of the nonconformist church. With the election of Gladstone, a parliament that now included many nonconformist and reform minded backbenchers, the disestablishment of the Church of Ireland[9], the rise of voluntarism, an increase in the separation of church and state tensions, and the fear that the Church of England could be disestablished forced the conservative elements in society to find a way to respond to the challenges. In a sense the 'establishment' churches involvement with the COS could be seen as an attempt to influence the charity debate (Mowat, 1957, Leiby, 1984, Vincent, 1984, Roberts, 2003, Clark, 1962).

As the following discussion will show various authors attempted to explain the formation, objectives and operations of the COS, whether it was a political

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[9] The disestablishment meant that the funds formally collected for the church was no longer automatically going to the official state church since most of the members of the population did not belong to the state sanctioned church.

response, a social response, or an establishment religious reaction. Irrespective of the driving forces, COS had significant impacts on charity operations in Victorian England.

In the early part of the 19th century, the state sanctioned way of dealing with the poor and those needing assistance was via the administration of the Poor Law Act 1834 and the workhouse system. Charitable activity was widespread ranging from religious charities through to private charities. The aiding of the poor was disorganised and prone to favouritism. The dominant view concerning the poor was that those who were 'deserving' would receive the aid (Walker, 2004). But with the exposure of charity scandals, changes in economic conditions, and increased urbanization of the large cities, society was changing in its understanding of those who were poor, and with that change came a battle over the role of charitable organizations. In late 19th century England social philanthropy and activity was considered part of middle and upper class Victorians' 'duty' (Mowat, 1957, 263, Bowpitt, 1998) and some saw a need to harness this philanthropy into a more efficient system of assistance as opposed to the ad hoc system used by the established charities.

In 1869 the Charity Organisation Society of London (COS) was formed (Mowat, 1957, Leiby, 1984, Vincent, 1984, Roberts, 2003, Clark, 1962). This society was a federation of district committees that corresponded to the poor law divisions of metropolitan London. Through these committees the cases of people applying for help were investigated with relief being either given or denied. One of the key aims of COS was to remove the need for charity to exist by the elimination of poverty. COS considered that by the careful and scientific assessment of those in need, and by the delivery of the appropriate level and form of assistance to the individual, the individual would no longer need further assistance.

Mowat, (1957, 260) quotes from an 1875 COS report that states COS aims were:

1) systemic cooperation with poor law authorities, charitable agencies, and individuals

2) careful investigation of applications for charitable aid

3) judicious and effective assistance in all deserving cases

4) the promotion of habits of providence and self-reliance

5) the repression of mendacity and imposture

Further the quoted statement continues to say

> that the chief aim of the Society is to deal with the causes of pauperism rather than with its effects, and permanently to elevate the condition of the poor by application of the above principles, combined with pecuniary and other material assistance.

COS did not oppose charity generally but did opposed its indiscriminate use and making people reliant on handouts rather than improving their lot in life. From the 1889 annual report an additional statement reinforcing these values states:

> that acts of charity may produce well-being, the utmost care must be taken to strengthen the moral nature of the individual who may be in distress, and to call out for his aid the sympathy and assistance of his family and those upon whom he is in any way dependent. Everything should be done to help distress in such a way that it does not become a matter rather of public than of private concern; that it is met, and, if possible prevented, within the private circle of family and friends. (Mowat, 1957, 261)

According to Mowat, COS could be considered the peak social philanthropic organisational body in Victorian England. The governing body of COS was filled with key 'establishment' figures, for example the patron of the society was the Queen, the president the Bishop of London, and an effective list of the Victorian who's who (Mowat, 1957, 261). As will be discussed in the following sections COS had a political as well as charitable focus, and it drew heavily on the political conservatives of its time – notable the priveleged and 'establishment' people.

As COS carried out its mission, it sought to improve the condition of the poor. One method it used was to undertake examination of and reporting on a number of issues or subjects that specifically related to managing poor relief activity, for example night refuges, vagrancy, soup kitchens, meals for schoolchildren. One success COS had with these reports was with its report on the dwellings of the poor ultimately leading to the *Artisans Dwellings Act* being passed in 1875. Authors Mowat (1957), Bowpitt (1998) and Leiby (1984) discuss how COS was the forerunner to the establishment of social work, case management and reporting on social issues and considered this to be one of the lasting legacies of COS.

 COS was opposed to inefficient handling of money and championed the proper recording and auditing of the books of charitable societies. COS set a good example by having their own accounts audited and it encouraged other charities to follow its lead (Mowat, 1957, 262). The use of an audit was a feature of TSA reports and enshrined as a requirement in the 1878 Trust deed setting up the organisation (Irvine, 2002).

COS undertook its work from the principle that ultimately society is based on charity and that charity must be science based derived from social principles and observation, it must be organised, it must have a definite social purpose (Mowat, 1957, 264). COS sought to bring together the members of the community for the fulfilment of these purposes. This in turn depended on the recognition of common principles, the adoption of a common methods and self-discipline, training and cooperation (Vincent, 1984, Mowat, 1957).

In the COS view traditional poor relief, simple handouts, had the opposite effects in that it served as a tie to dependence and a permanent obstacle to individuals practicing thrift and moving to social self-reliance (Mowat, 1957, 263). The major work of COS was done via its casework district committees. These committees determined whether or not people would be classified as 'deserving' poor and therefore eligible to receive support and funding. COS opposed socialism and old age pensions and other forms of welfare from the State.

COS and TSA often came into conflict in how to deal with the ongoing issue of the poor in London. In the 1890s the secretary of the COS Charles Loch wrote a damning report on the William Booth's Darkest England Scheme (to be discussed in chapter four and five). Booth dismissed his criticisms by saying that the philosophy of the Charity Organisation Society was very much survival of the fittest whereas TSA was for the salvation of the unfit (Hattersley, 1999, Booth, 1890, Sandall, 1955).

COS appealed for support from the community. The annual reports were full of case histories of how COS aided and improved the lot of those people that it had helped. In these reports, COS would run an advertisement asking for particular sums of money for each case that had been reported on (Mowat, 1957, 266). The technique had an advantage in that it aroused the sympathy of those who were reading it and secondly it was an educational process. This technique was rapidly adapted by Booth in TSA reports. (Watson and Brown, 2001, 90)

Whilst Mowat's view of COS may have been influenced by the fact he was an official historian for the Society, Roberts (2003) looked at the work of the COS and its activities in relation to the Christian ideal in terms of the duty of charity. COS was acknowledged as a major late Victorian institution. COS pursued morally

conditioned dominant social thought in late Victorian England to identify a point of distinction between the 'deserving' and 'undeserving' poor.

Roberts argued COS sought to impose discipline on the charitable to observe professionally certified and coordinated methods of relief giving. This was seen as a way of reconciling a system governed by a market organised society with the Christian duty of charitable behaviour. Roberts's interpretation of the 19th century political activity provides another lens in understanding the context of charity operations. Roberts argued that 19th century England was in a state of change and the establishment of COS may have been a political as well as social reaction to the changes.

London in the 1860s saw a population increasingly segmented in its economic functions and employment expectations. This growing division caused major concern for those in the middle class and upper classes as the rise of 'social Darwinism'[10] was beginning to be identified as the large city metropolitan environment was becoming a location for the deprived and degraded of the population. Concern was increasing but consensus as to a solution was not found (Roberts, 2003, 42-44).

Roberts (2003, 43) argued that in early 19th century the metropolitan decision-makers as a matter of priority set out to overhaul the public systems of social order and enforcement. This resulted in greater policing of vagrant acts and more rigorous implementation of the various poor laws. Secondly, it became common for the voluntary activity of charities to be focused on specific needs. The majority of these charities were religious organizations.

In the 1860s the London City fathers attempted to adopt traditional approaches to address the problems being experienced. First there was a focus on crime control, the tightening of poor laws and vagrant administration; secondly there was the expansion of charitable activity. However, increasingly there was a need to coordinate and to organise such activity (Roberts, 2003, 44). Roberts, however, demonstrated that the issues of metropolitan crime control and pauperism were in fact not statistically different from prior periods (Roberts, 2003, 43-44).

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[10] Survival of the fittest

Following the commercial credit crisis in 1866, the theoretical flaws identified in poor law administration (Walker, 2004) became a widely visible social problem. The debate concerning the poor law administration, especially within London with its huge number of economic migrants, meant that the experience did not fit easily into the work house system set up by the Poor Law of 1834 which was based on birth registration locations as the basis for aid. Roberts (2003, 44) demonstrated from 1865 to 1867 the expense of metropolitan poor relief rose from £905,640 to £1,316,759; the number of paupers in December 1867 had risen 43% over the number two years earlier.

The result of this increasing level of demand saw the East End London church parishes' ability to meet the demand far outweighed their financial capacity. A number of responses were identified but part of the issue for the London authorities was the conflict between how the poor law/ work house system worked and the use of charities governed by the churches. Indiscriminate charitable giving was acting as a stimulus to pauperism and this was considered to be a condition of distressed habitual dependency (Roberts, 2003,44). In attempting to provide some coordination of the giving of relief there was a tension with the religious based associations that believed they had a duty to obey their inclination of the heart, which is considered to be a duty towards God, and not to obstruct the workings of a market based society (Roberts, 2003,43).

2.1.2.1   *Charity Organisation Society - A political response?*

Politically, the 1860s saw increasing changes to the right to vote via the enactment of the 1867 *Reform Act*[11] and the election of Gladstone who brought with him a radical change in the political process. The separation of church and state, whilst beginning in the early 18th century impacted on areas like education, local administration and the provision of social welfare, was accelerated following the disestablishment of the Church of Ireland in 1871. Society had to deal with a move from religious volunteerism and looked at practical administrative issues of dealing with the increasing numbers of poor. The conservatives in British society were concerned about the possibility of the idea of voluntarism being expanded to other

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[11] The 1867 Reform Act effectively gave the right to vote to the majority of males

areas such as the disestablishment of the Church of England and consequently with the redirection of "its" resources (Roberts, 2003,48).

The Rev. W.H. Freemantle was considered by Roberts to be one of the pivotal figures in the early history of the COS district committee development. The Rev. Freemantle was a rector at a major church in London and acted from 1861 as the chaplain to Bishop Tate who had become the Archbishop. The Rev. Freemantle also acted as the Whig[12] party spokesperson throughout the Irish disestablishment process. He articulated a vision for a renewed English church establishment by encouraging the participation of the widest range of voluntary efforts in the parish by the laity. The formation of COS was heavily dominated by the traditional elite classes and those politically opposed to Gladstone and his reform agenda (refer to Mowat's description of COS membership previously discussed). Those who were thought by Roberts (2003, 49) to have founded the COS reasserted their commitment to a more tightly focused goal of charity organisation, as well as their political opposition to the Gladstone government.

Roberts (2003, 56) argued that Rev. Freemantle contended that to survive a new age of electoral democracy the English church had to become much more than the Church of the people. Freemantle articulated his 'community vision':

> "we cannot, indeed, expect the parish church to be a spiritual home of all the parishioners, but we can still make it a centre of good in which the rich may aid the poor, and the school may become a nursery of the Christian family, and various institutions may arise for mutual good and for common interest far beyond our own boundaries" quoted in Roberts (2003, 57)

Between 1869 and 1874 in Freemantle's original parish of Marylebone the work towards setting up an association of voluntary relief agencies was explored. The experiment was designed to raise people to become energetic, self-reliant, and industrious by ensuring there was a link between those who were 'inquiring' and those who were the 'relieving bodies'. The result of this linking was the oversight of training and of existing district visiting agencies to ultimately become COS certified, judicious and organised modes of work.

Rev Freemantle invited Miss Octavia Hill to set up the system needed for COS to administer its programmes (Walker, 2006, Roberts, 2003). The appointment of Miss

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[12] Whigs were the political conservatives and comprised mainly of society upper class who traditionally were the ones who had the right to vote.

Hill helped Rev Freemantle to resolve a dilemma about practical charitable action. Significant numbers of women were involved in charity work. COS had a view that whilst women could handle basic task relating to household management it was men who needed to assess the relief applicants suitability for assistance (Roberts, 2003, 58).

As Walker (2006) established Octavia Hill would train women in household management through the use and promotion of detailed and accurate reporting. Miss Hill had a reputation for administrative and social policy firmness. Miss Hill, though important in bringing women up to a standard in record keeping and household management, still functioned in accordance with society expectations of gender roles. As charity administration was moving to a more professional basis and the need to address the gender issue, women were held to be easier to mobilise but harder to control, whereas men were easier to train in abstract principles but difficult to recruit to the practical work of domestic visitation. The actions of Miss Hill allowed the executives of the Marylebone COS committee to rethink its attitude towards women, charity and professionalism. From the late 19th Century into the early 20th century the role of women as domestic helps were changing as increasing numbers of women were involved in the assessing of charity clients (Bowpitt, 1998).

The formation of COS tapped into social thinking concerning the obligation to provide charity, and as a response to political changes which potentially threatened society 'elites'. COS sought the removal of indiscriminate handouts which COS viewed as not aiding in the resolution of poverty. Their contribution to ongoing charity management can be seen as the use of case management and social work techniques are in existence in most aspects of charity management today. But as will be discussed in the following section COS pursued its objectives via a scientific non-religious approach and placed it in direct conflict with many Victorian churches and other religious based charity providers.

2.1.3 The quest for control of charity

There was a battle for the control of charity between the churches, most notably the nonconformist church[13], and the organizers of COS. In the late 19th century charity

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[13] A non-conformist church was any church other than the Church of England and the Roman Catholic Church.

organisers considered themselves to be highly religious people working within a religious tradition. To understand the moves by COS or the associated charities bodies that existed in the Britain, it is important to understand how they viewed the problems they were dealing with. Those organised charity bodies assumed that the need for charity was actually a disadvantage to individuals in achieving self-sufficiency. The other charity organisations believed relief should come through private and voluntary channels. As discussed by Roberts, and supported by Leiby, (1984), in the late 19th century many within the 'establishment' opposed on principal political solutions and legislation, particularly in relation to concepts like social welfare, for example old age pensions.

Leiby (1984, 526) argued that COS, and most notably its secretary Charles Loch, hoped that the movement for the organising of charity would actually create a 'church of charity'. Loch's interpretation of the functioning of the charity would act completely free of any form of legislative interference. Loch's view was that the use of social legislation and government behaviour would not work. COS however, as previously discussed, was highly critical of the established religious charities because in their view the religious bodies were simply giving alms[14]. Under the COS concept of charity it was a relationship between the helper and the helped rather than simply the gift of help.

Leiby (1984, 526) asserted that to understand the conflict between the Christian churches and COS, the theology of love needed to be understood. The writings of the apostle Paul say that love is a manifestation of the Holy Spirit.   Paul's writings in the letters to the Corinthians state that it is the Holy Spirit that links God and His creation and unites the community of believers. Whilst, from a theological perspective, there were many arguments as to how God communed with His creation, it was considered that when the Holy Spirit came upon a person it caused their behaviour to change. One of the transformations was that it brought individuals into a common body, a community of believers (Grenz, 2000). The great command to reflect in Christian behaviour was to love God before all else and love thy neighbour as thyself. Christians therefore expressed their love of God in every act of their lives; they would love God by loving man. The Gospel of Matthew refers to Jesus saying that if you do things for the least of my brethren,

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[14] Alms in this context meant material relief without any social understanding.

you are doing them unto God. Accordingly the church based charities considered giving to the poor as one form of expressing the love of God. When COS challenged the free giving of material relief they did so from a theological background that takes for granted the religious ideal of community as a group of people held together by the spirit of love[15].

One aim of the COS critique of the institutional churches was in support of the idea of community. The objective for the COS was to develop the religious sentiments of personal and social responsibility. COS argued that although the charity of institutionalised churches was well-intentioned it was misguided because it weakened rather than strengthened the social sentiments of love and duty, it forced recipients to become dependent on the Church handouts or required recipients to accept the church requirement for conversion as a precondition of help. COS believed that the motive of charity was to provide support and strengthen the individuals and not to just provide relief without further development of the individual. Much of COS's arguments can be seen in modern ideas of work for the dole or compulsory training. COS sought to improve the deserving individual by providing opportunities for the individual to become socially productive by for example aiding in retooling or limited forms of education.

As discussed by Mowat (1957) part of the work of the COS focused on the creation of the social work and case work as a means of assessing suitability of individuals for support. From Leiby's arguments there is no Christian theological equivalent for the term social work. Whilst the concept of social work was developed in the 19th century there has been debate as to what it actually meant. Further evidence of the debate is found in Bowpitt (1998).

Bowpitt (1998, 678) contended that social work had two distinctive features: the first a quest for social improvement which went beyond just alleviating the needs being faced at the moment, and secondly, it embraced the belief that the social improvement could be affected by social action as distinct from individual spiritual regeneration or state intervention.

Helen Bosanquet, one of the original workers with COS, saw social workers as people with expertise in methods for social improvements. One of the methods was

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[15] Additional discussion on the theology of service and accountability is found in the chapter on Accountability.

considered to be charitable work. Bosanquet defined this work as improving the lives of others and not from what Bosanquet claimed was the selfish motive of spiritual regeneration of the individual. Charles Loch echoed the same theme and regarded charity as a branch of social work. Bosanquet quoted in Bowpitt (1998, 678)

> …what we aim at in all social work… is that both the whole community and every member of it shall be progressive, on the rising scale. We shall not be satisfied if the community as a whole can show a momentary increase in wealth, or learning, or culture, unless all classes within it are partaking intelligently in the social life, sharing in its progress, a source of strength and not of weakness.

By comparison, the majority of established and non-conformist churches identified three purposes of charity consistent with biblical teaching. First, compassion, or charity is the unconditional response to an immediate need. Secondly, it is a testimony in that the charitable action bears witness to the character of a loving God.   The third purpose is personal regeneration where the charity channels God's love as a means of changing lives. Charity was seen as revealing the divine character as it conveys the divine love and is used to effect a total personal regeneration. The work of John Wesley and the Methodist movement in the 18th and 19th century is closely aligned with the third purpose that charity was meant to bring personal regeneration. TSA was strongly influenced by Wesley in the understanding of its mission (Green, 2003, 2010).

John Wesley (Wesley and Jackson, 1872) preached the Protestant belief of 'justification by faith alone' which was an important aspect in the alignment of faith and good works. Under Wesley's theological interpretation, good works was not an option but was considered to be an essential characteristic of the life lived by faith. Theologically, Wesley argued that faith and charity were bound together to aid in the transformation in a believer's life. For the early Wesleyan Methodist, charity in the form of practical care was understood as a way of showing the love of Christ to those who were poor especially those poor who were alienated from traditional sources of social support. Charity reflected evangelistic methods because it was adapted to the needs of the individual. Being based on the local church it was considered highly localised and organised.

The Evangelical Christians[16] developed the idea of using practical care to bring about both personal and social change. The introduction of a social gospel (Brydon, 2006, Leiby, 1984) showed the mainly evangelical churches were aligning themselves with those who were in impoverished areas to lead to a world of social action dominated by evangelical belief. The idea of using charity as a precursor to improving the spiritual life of those who were in need had a profound influence on philanthropy until the end of the 19th century. However, the belief of the charity organisations like COS was that rational methods, informed by the developing social sciences, could bring about changes that were considered to be an anathema to Evangelical Christianity.

In 19th century England the traditional understanding of charity from the Christian perspective was under threat. Bowpitt (1998) argued that in the late 19th century people were beginning to sense the world through 'rational' understanding. Man was seen to be able to manipulate and control more of their environment than they had previously thought possible. Secondly, demographic changes were putting a new social group, the migrant labour force who were moving from country to the cities, out of the reach of the traditional churches. Thirdly, there was an increasing move to undermine Christian belief itself. The development of higher critical Liberal philosophy and the intellectual onslaught from science saw many Christians in late 19th century seriously question their own religious beliefs.

The church in general was increasingly seen as unrepresentative and unreliable, as Fishman (2005a) demonstrated with his discussion on charity scandals at the beginning of the 19th century. Given this area of personal doubt, COS's viewpoint that social work would provide a better solution and those who followed it could see that Victorian England society were being urged to engage in social service in order to reflect the higher development of the possible self in themselves and others. Freemantle, Loch and Bosanquet were influential members of COS and they were influential in giving charity a new kind of legitimacy, it divorced charity from furthering the aims of the establishment and the churches they dominated, and devoted the use of charity to the moral and social improvement of the world. The approach applied by the COS allowed rational application of social scientific

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[16] The evangelical Christians in 19th century were part of the nonconformist churches, they placed a strong emphasis on personal salvation and employed a variety of theatrical methods to attract the working classes to their meetings.

knowledge to the solution of social problems. This approach allowed for the development of professional social work.

COS was an important player in the rationalisation of charity. In its battle with the churches COS adopted three main strategies for the ideological and institutional struggle over charity activity. The first strategy was to discredit the work of others, the second strategy was a contradiction, in that COS tried to secure the cooperation of those who they would discredit, and the third strategy involved the development of professional expertise.

COS accused churches and church charities of disorganisation in their loose accountancy methods, their lack of coordination and the indiscriminate giving of charity. The dispute between the COS and Dr Barnardo's Children's homes over accounting irregularities and alleged misappropriation ultimately ended up in court, with Barnardo's being completely vindicated (Bowpitt, 1998, 685). There was a similar dispute between COS and TSA over the use of money for poor relief and the transparency of the accounts produced by TSA.

COS accused church charities of being emotional and sentimental in the giving of charity and would use charity as a method of bribing the poor into making confessions of belief whether it was real or not (Bowpitt, 1998). As Leiby (1984) pointed out, the Evangelical belief was completely misunderstood by COS. Charity from an Evangelical viewpoint was as an example of divine love, which meant you met the social and physical needs before you could preach the Gospel of the love of God, otherwise those hearing the Gospel would see it as hollow.

COS sought the cooperation of the charitable public in its interpretation of charity. In attempting to improve and coordinate the efforts COS would seek the cooperation of churches in other charities to ensure that there was effective and efficient assistance being provided to the approved persons. However, whilst COS would claim that they were advancing social work, the evangelical Christian movement argued that relief was not enough, nor the so-called scientific charity as the theological interpretation required the churches to meet physical needs first. The conflict in the understanding of charity between the COS and TSA is noted by William Booth when he criticised the use of scientific charity methods when it was

used by COS, who in turn accused TSA of sentimentality and effectively forcing those who were dependent on charity to become even more reliant (Booth, 1890).

COS developed educational programs for allowing the proper assessment of need. The use of casework, the results of investigations, the publication of a body of literature on social questions and issues allowed the COS to develop a level of expertise that society in late England accepted and ultimately demanded other organisations follow. Ultimately, the churches had to accept the need for a more professional approach to the relief of suffering.

The different perspectives presented showed that the 19th century was a turbulent period in English history. The 'establishment' had lost credibility with peoples' trust in churches and old charities had been significantly lessened as a result of charity abuse. The political and economic changes were causing realignments to occur throughout society. The economics of the industrial revolution saw the move of workers from country areas and smaller towns to the bigger cities and areas of employment. Migrant workers overwhelmed the existing social structures and relief agencies. A new class of poor were being created, a class targeted by trade unions, socialists' political parties and ignored by the 'establishment'.

Religious beliefs were under challenge – people wanted answers that conformed to the new scientific methods. The rise of secular humanism and the pursuit of a better life challenged the churches in how they delivered their messages. Yet people needed to have their basic needs met. To support the most vulnerable in society were within the Leviticus commands given by God to Moses. Love God, Love thy neighbour was the command given by Jesus. The religious message was to have a spiritual and practical impact. The established churches often forgot the message and the nonconformist churches reinterpreted the commands to reflect that if one worked, then God would bless you. In 19th Century COS gave an alternative view: charity without the religious constraints.

The industrial revolution brought great prosperity to England, much of it going to the new middle classes. Many of the new entrepreneurs being members of the nonconformist church linked prosperity to God's blessing, if you worked hard you receive rewards both temporal and spiritual. This idea of prosperity is reflected in

attitudes relating to commerce and the spread of British culture and norms throughout the world.

2.2   Commerce, Military influence and the American factor

2.2.1   The contested link between Protestant Christianity and economic development

'Commerce and Christianity' is an expression associated with the English explorer David Livingstone (Livingstone, 1857). Whilst this particular concept was not unique to Livingstone it captured the wide spread assumptions about the nature of Britain in terms of its civilising mission. The ideological background of the 18th and early 19th century Christians had a view that it was God's purpose for Britain to be the light at the top of the hill and to introduce and provide God's blessings to the rest of the world (Stanley, 1983).

The 19th century Evangelical[17] Christians incorporated much of the 18th century concepts of rationalism and mechanisms into their philosophical systems. The intellectual structure of the evangelicals was essentially Newtonian in orientation. The evangelicals believed that God was the supreme Governor of the universe and that His governance was ordinarily reflected in the regular operation of the natural order according to the natural laws which God had imposed upon it. The Newtonian mechanism meant if one was able to discover the embedded laws then one would be able to improve, control and manipulate the natural world for the benefit of mankind. Evangelicals considered what was true of God's physical government would also be true for His moral government. According to the evangelical's history, therefore, nature proceeded according to a fixed set of rules leading to the ultimate fulfilment of the defined purpose of God - restoration and salvation of His world to its original created state. The Evangelicals viewed God's action through the idea of 'providence', God's blessings translated into material wealth (Stanley, 1983, Funnell and Williams, 2014).

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[17] Evangelical Christian is a description of Christian belief at variance to the Roman Catholic Church orthodoxy. Evangelicalism is part of the protestant branch of Christianity. In the 19th century England churches were classified as Roman Catholic, Church of England (Anglican) and Dissenting Churches. Within each of these three classifications different religious practices and doctrines developed. The key issue was the role of personal salvation. Within all churches groups of evangelical members were formed.

The 19th century evangelicals, heavily reliant on natural theology, noted that order implied purpose and purpose behind any display must therefore be commensurate with the evident greater design. In 19th century Britain, the British considered the vast amount of territorial possessions and power that had been granted onto Britain as part of God's blessing. The Victorian Christians concluded that Britain was in a unique position as it was exalted among the nations and therefore Britain had a purpose to spread God's good grace, God's virtue and happiness throughout the world. The 19th century Victorian Christians therefore believed that the supreme expression of Britain's purpose and mission was to bring God's message to the world. By attaching the machinery of commerce to Christianity, Britain experienced reciprocity in terms of trade and dependence on the trade to increase its economic wealth. Civilizing the 'heathen' meant introducing them to items and habits from the civilizing country in exchange for goods and materials. The Christian nation was given a tangible reward because of its obedience to the Christian missionary imperative (Stanley, 1983).

Wilberforce in 1859 argued that commerce was the machinery laid down to the wants of man by the Almighty Creator of all things, to promote the intercourse and communion of one race with another, and especially of the more civilised races with the least civilised. Wilberforce, typical of his time, acknowledged that commerce could not achieve its purpose if it was not attached to Christianity (Stanley, 1983, 75). Commerce could spread the Gospel only if one of the trading partners was Christian (Livingstone, 1857).

Christian expansion followed the missionary imperative. The evangelical prescription for India, Africa and China initially embedded the commerce Christianity link. However, by the end of the 19th century the link was beginning to lose its traction and the churches looked at the mission imperative being a purely spiritual purpose only.

Religion impacted business activity. The religious imperatives found in the early Industrial Revolution gave credence to the operations of the businesses and reflected God's blessing on work. This industrialism was shunned by society's elite who obtained their income through property holdings, and who considered these factories to be beneath them. Accounting practices relating to cost and management

control were being developed in this period (Weber, 1905 , Funnell and Williams, 2014).

 At the end of the 18th century religious teaching was part of a complex matrix comprising social, economic and political environments that had a significant impact and influence on the behaviour of the early industrialist, for example Wedgwood (ceramics), Bryant and May (matches) and Cadbury[18]. Each of the industrialists developed and operated their own factory/industry and their individual information needs were met by applying various accounting practices which they developed. Unlike mercantile practice, these practices were not shared (Edwards et al., 2009).

Jacobs (2005) showed that John Wesley's teaching and Methodist principles did not envisage a sacred/secular dichotomy.[19] John Wesley saw the imperative between how resources are used and the required levels of accountability. Wesley's oft quoted teaching 'gain all you can, save all you can, and give all you can' (Wesley and Jackson, 1872) reflects a Protestant view on resource management. The use of accounting maintains the link between what one has and what one does ultimately demonstrates the stewardship of rendering an account to God. The dissenting protestant churches[20] had a unique identity in their ability to proclaim earnestness of their beliefs and the application of these teachings.

Funnell and Williams (2014), similar to Stanley, noted the importance of Newtonian laws. Nature was seen as a machine and, therefore, it could be understood like any other machine. With this knowledge nature could be controlled and improved upon by the application of knowledge - that is reason. As previously discussed what was true in the physical environment also applied in the moral. Social advancement in that world view was no longer controlled by the entrenched privileged elite but advancement came through the individual's own efforts.

The dissenting protestant churches held a common belief in the Lutheran doctrine of 'justification'. This concept, based on the writings of the apostle Paul, stated that a

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[18] The majority of early industrial revolution industrialists were members of the non-conformist churches.
[19] This concept comes from the work of DURKHEIM, E. 1995. *The elementary forms of religious life*, The Free Press, it was originally applied by LAUGHLIN, R. 1988. Accounting in its social context: and analysis of the accounting systems of the Church of England. *Accounting, Auditing & Accountability Journal,* 7**,** 19-42. into the role of accounting and religious organisations.
[20] those who were not part of the Anglican Church

believer could enter into the presence of God through their free will by an act of faith in Jesus Christ. Thus if individuals sought the blessings of God, they were first required to accept the religious need for salvation. Weber's view on the spiritual capitalism may be argued to be a more accurate explanation of 19th century England than the views expressed by Durkheim (1995) and Eliade (1959):

> '.. the influence of those psychological sanctions which, or originating in religious belief and the practice of religion, gave direction to practical conduct and held the individual to it' (Weber, 1905, 97)

The dissenting Protestant members quickly established a commercial advantage by consistency between their religious beliefs and their business practices. These members of dissenting Churches were known for their honesty and accuracy in their business dealings (Funnell and Williams, 2014).

The Protestant understanding of Calvin's concept of election/predestination (Calvin, 1995) was interpreted as being the proof of one's election was via the fruits of one's own occupation. The accounting development prior to the Industrial Revolution was primarily designed to assist the needs of the merchant class (Edwards et al., 2009), but by the time of the industrialist such accounting system were now inadequate. The industrialist needed to develop their own accounting systems to produce greater understanding and awareness as to the effectiveness and the efficiency of their operations as a demonstration of their piety.

The dissenting Protestant believed that all work was considered as part of one's duty unto God. Performing one's work to the best of one's ability was part of one's duty to God and the undertaking of this work was seen as honouring God. Genesis chapters one and two in the Christian Bible show that God created the earth and God gave to man the responsibility of looking after it, to subdue it, so that it would become fruitful.

The dissenting churches called on everyone to play their part in contributing towards the ultimate well-being of the community. All work was ordained by God and wealth was seen as a consequence of businesses dedication. Providence therefore meant that meeting God's objective was allowing you to receive material benefit.

Protestant beliefs sanctioned business activity. Condemnation was a consequence of the neglect of one's calling. Therefore if one failed in their duty and business declined it would be seen that the person was not in God's grace and therefore would be shunned by the church for failing to use the entrusted resources wisely. Wealth of itself did not imperil the soul only if it was misused. Wealth was required to be used to benefit those who laboured in the business.

The development of accounting systems aided the ability of businesses to identify both efficiency and profitability. It also showed the commitment of the business to fulfil their obligation to others. Order was regarded as an expression of Protestant piousness.

Miller (1990, 323) quoting Savary 1676, though applied in a different historical context, shows the importance of accounting and order:

> But if order was an end to be sought in all spheres of commerce it was in accounting that it was held to reside essentially. Order consisted first and foremost in keeping exact books of account.

The negative aspect of this belief, however, was if there was financial ruin, it was seen as a loss of order and therefore a fall from God's grace resulting in being shamed and shunned by the church.

The need for order was demanded and imposed on the workers. Workers who failed to meet the standard would be severely disciplined. If workers failed to meet the required standard on an ongoing basis they would be dismissed and considered to be 'undeserving' poor because they had failed to meet their obligations under God. The factory owner/ industrialists wanted obedient, productive, pliable and compliant workers. An issue reflected in writings of Catherine Booth (1883), producing good workers was consistent with their view of the outcome of individual salvation.

Business success, therefore, was tied to accounting practices because they were able to link the efficient use of resources and time. The Protestant belief is that man is accountable to God for the time on earth. As stewards of God's resources this required the opportunities to allow the industrialist to present the effect and benefit of the use of the resources and to show how the industrialist allowed others to fulfil their obligations. The dissenting Protestants believed that ultimately the use of

accounting aided in the stewards reporting that was required by God. There was no sacred/secular dichotomy.

The 19th century view of 'deserving' and 'undeserving' so strongly applied in the poor law and workhouse system, in part comes from the work ethic beliefs of the industrialist. The belief that by obedience to God meant that blessings would flow dominated much of the thinking of those responsible for poor relief. The church and society in general could not see the link between the 19th century version of capitalism and poverty creation.

2.2.1.1 Looking ahead

As will be discussed in the following chapters, William Booth firmly believed that if he were obedient to God's commands the necessary resources would be made available. TSA history is full of the just in time receipt of money as Booth grew the TSA. Booth had his view of meeting the religious imperatives and this will be discussed in the chapter on identity. The issue of accountability unto God is discussed more fully in the chapter on accountability. William Booth believed he was called by God and therefore accountable only to God (Hattersley, 1999, 400), but Booth failed to understand the aspect of 'giving to Caesar'- the duty to the state which was another part of Christian teaching on accountability and service.

2.2.2 Church and Christian militarism

British Commerce spread throughout the world, assisted by the presence of the British Military (Anderson, 1971, Stanley, 1983). The linking of commerce and Christianity, the imperial nature of moving the British system into the world also saw the rise in British society of improved acceptance and tolerance of the British Army. The seminal paper by Anderson (1971) on the rise of Christian militarism reveals that the Crimean war was the turning point in the attitude to the military. From that time the troops commenced to be referred to as the People's Army.

As the missionary work and the linked commercial activity would go into the countries where Britain was in residence, there was the development of missionary work among the troops. The Victorian view of the soldier/saint developed following the Crimean war and that idea took about a decade to fully mature.

The rise of Anglican Evangelicalism and the sense of the military being part of the church militant did not fully come into popular thinking until the 1860s. The churches moved more of their own resources into the military and the Navy with increasing use of various forms of chaplains and support. Coupled to the activity of the churches with the military also saw an increase in voluntary work. Women did most of the work with the soldiers. The Florence Nightingale view that a soldier could be rough with a heart of gold became very dominant. The Nightingale nurses believed that the soldiers were teachable and helpful and ultimately the soldiers would be beneficial members of society on their return from military duty.

By the 1860s there was an increasing imitation of military work and discipline in religious works. Various para-military organisations were founded between the period 1878 to 1883 and these included TSA, the Anglican Church army, and the Boys Brigade. The use of military style hymns increased in popularity with the use of these hymns becoming more accepted in religious circles for use congregationally and in the home. The use of military style hymns by the American revivalist would show the Christian endeavour as a battle not only for the individual but also for all of society.

Christian militarism became the product of the interaction between religious practices, moral, social and political values, and the acceptance of the role of the military in the pursuit of the churches' belief that under God's providence England was to take God's message to the world. Commerce and military provided the vehicles for the 19th century Christians therefore to promulgate Christianity and its beliefs throughout the world. 'Onward Christian Soldiers marching onto war', the opening words of one of the late 19th century's most popular hymns were written in 1864. One of the distinctive features of TSA, founded in1865, is its use of military structures, titles, uniforms, flags and disciplines.

2.2.3 The influence of the American Evangelicals

A new type of evangelical movement started in the 1850s and was heavily influenced by American Evangelicals. These evangelicals took from their Methodist based tradition a theology that people were the prime actors in their own salvation, flexible structures which in turn allowed individual initiative whilst imposing control on the untrained laity, minimised the distance between the pulpit (the

ordained minister) and the pew (the general congregation - there was less of a separation between priest and parishioner than was common in the established churches). This millennialism[21] view of an improved society thereby giving the impetus for social reform, and gave hope to city and country types of people.

Murdoch (1994,15-20) points out that three of these Evangelicals, James Caughey, Charles Finney, and Phoebe Palmer had a significant influence on the behaviour and thinking of William and Catherine Booth.

James Caughey was considered to be the father of the 'scientific' method of evangelism which drew heavily on a reasoned emotional delivery of a message designed to illicit a response. Between 1841 and 1847 the American preacher James Caughey was a significant preacher within the nonconformist circuit reference (Hattersley, 1999, Murdoch, 1994). Caughey's method of preaching was emotive, theatrical and at times manipulative. Caughey would preach divine punishment and hellfire, would target individual members of the audience challenging them until they would publicly repent of any alleged sin. Booth in his preaching style adapted and adopted much of Caughey's preaching technique, especially the accusatory approach.

Charles Finney was a preacher who utilised showmanship and emotion to tap into people's feelings and was able to link the gospel message into this emotive environment, an approach adopted by William Booth.

 Phoebe Palmer, the female evangelist, was very influential in her approach to ministry and preaching which was adopted by Catherine Booth and her preaching in TSA. Palmer heavily influenced Catherine Booth in her understanding of the role of women in ministry and preaching - another distinctive characteristic of TSA is women ministers.

The three evangelists had a major impact on how TSA developed its holiness doctrine and the role of the individual in their salvation (Hattersley, 1999, 105-106). Booth institutionalized the methods and practices of the American Evangelists in early TSA operations and religious beliefs.

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[21] Millennialism refers to the 1000 year reign of Jesus Christ before the final cosmic battle between good and evil. This is found in the Book of Revelation in the Christian Bible. There are multiple views of the impact of millennialism on eschatological thinking.

2.3 Conclusion

In 19th century England the combination of social, economic, political and religious influences set up a society that believed that if you were doing the right thing God's blessing will be upon you. The changes brought about by political reform, the changes through legal and charity reform, the arguments relating to what made a person 'deserving' or 'undeserving' were all in a melting pot by the middle of the 19th century.

William Booth was born in Nottingham on 10 April 1829, exposing him to a period of great upheavals and significant new and major influences. Booth saw firsthand the effects of the new industrial order and the impact industrialism had on people's lives (Begbie, 1920). How Booth responded to the legal challenges relating to trust via the creation of the charitable trusts that set up TSA and its social work arm, the principle of adaption by taking what was considered the best of the time for use by TSA ultimately became the "founders influence" in the establishment of TSA's narrative, identity and accountability. This chapter has provided a limited analysis of some of the 19th century themes and provides a basis for the ongoing hermeneutic and discourse analysis of TSA.

The next three chapters will look at the three central concepts of narrative, identity and accountability. Each chapter will start with the underlying Ricoeurian framework, followed by a review of the organisational studies literature related to the particular area and, finally TSA's response both from historical and current perspectives.

Chapter 3 Narrative

3.0   Introduction

A narrative is not just a story; a narrative brings together a variety of events, facts, characters, actions and many emergent stories and orders them into a plot, a coherent retelling of actions. A narrative is not necessarily given in a linear manner following strict temporal structures that details the chronology of the story but presents a reasoned demonstration of a story. A narrative functions in making human action intelligible. A narrative aids in understanding what, when, who and at times why, certain events and actions are related to each. Through the use of narrative Ricoeur develops his identity theory.

Narratives and their interpretation, whether in written or spoken form, are integral to many of our activities. Examination of this in various environments helps us understand how we give meaning to communications. In other words, interpretation will be shown to depend on many factors including the environment in which it occurs and the experiences and perceptions of the recipient. Thus, context is important particularly given the ambiguity of words and the frequent use we make of metaphors. Ricoeur's work has significant influence on interpretation theory and his work is drawn upon to assist in examining the use of narrative by TSA to create their corporate identity.

In this chapter the first of the three concepts, narrative, identity and accountability, used by Ricoeur in the development of his narrative identity theory will be explored. Within this chapter the focus will be on Ricoeur's development of hermeneutics, his theory of interpretation, the role of metaphor and language, and discourse as a process in understanding texts. Ricoeur develops his theory to show that actions are like text and are able to be interpreted. As Ricoeur's theories are presented his use of hermeneutics and the development of understanding, explanation and interpretation, is introduced through the Ricoeur's adaptation of the mimetic interpretation of text.

Kaplan (2003, 4) noted that hermeneutics[22] is a theory of the operation of understanding in relation to the interpretation of texts. According to this hermeneutic tradition understanding is always affected by history, prejudice, authority and cultural tradition. These conditions of understanding inform all interpretation, occur in language[23] and are constituted by our membership in a historical community.

This study relies on a hermeneutic analysis of texts undertaken within the dual context of historical theme and current practices. First, within the historical and cultural situation, as discussed in chapter two, hermeneutics provides the socio economic understanding for the original interpretation. This context provides the basis for understanding TSA in late 19th century. Secondly, narrative is read in line with a specific type of analysis that has been used within the accounting literature, notably the sacred/secular dichotomy which has been used in prior studies of religious organisations. The appropriateness of this dichotomy for this study will be discussed. In chapter two on the historical context it was argued that the sacred/ secular dichotomy is actually inappropriate to understand 19th century England. TSA authors like Gariepy (2009) have argued that the sacred/secular dichotomy is a construct not accepted by TSA in the performance of its operations. Finally a review of selected narratives presented historically and currently by TSA are undertaken to complete a mutliperspective analysis of TSA narratives.

This chapter's discussion on narrative provides the foundation for the discussion on identity and accountability discussed in subsequent chapters. As Kaplan (2003, 92) demonstrated in his analysis of Ricoeur :

> …narrative is the constitutive of identity, identity is the constitutive of accountability.

The structure of the chapter looks first at the concept of narrative and its central ideas are introduced, the purpose of this is to show how narratives explain action. Narrative is always about doing something. Through the development of language and discourse narratives allow the determination of the identity of the author of the

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[22] GRONDIN, J. 1994. *Introduction to Philosophical Hermeneutics*, Yale University. A study in the development of hermeneutics from its use in the study of ancient texts to its present form as a philosophical method.

[23] Language in this context refers to being part of a community. De Saussure in his studies noted that to use language was to be part of a linguistic community, language has a social context. Language has a social unity such that using a language system belongs to all users in that community at any time. SAUSSURE, F. D. 1983. *Course in General Linguistics,* London, Duckworth.

action. Action will always have an association to time and identity. The narrative allows the identified author to take or deny responsibility for actions, but allows others to cast judgement on the author's claims.

Finally, following Ricoeur's ideas of mimesis a TSA narrative will be developed. As an accounting based study the specific narrative relates to the financing of the mission, how TSA was financed, accounted for and how it represented itself.

TSA as an organisation that was created in the 19th century had no natural source of funds, unlike the State church, the Church of England, and the other historical church, the Roman Catholic Church. The narrative relating to financing the mission will address in detail much of the discussion of how TSA constructs itself through its history. TSA sees its mission as holistic, combining the social and religious sides, as a unified expression of its mission. The tracing of the financing of the mission narrative becomes a foundation stone in ultimately determining its accountability.

The aim of this chapter is to provide the theoretical background for the interpretation of how the narrative identity is presented by TSA. This identity is constructed in formulating its own understanding of 'itself' and in discussing how 'it' presents itself to external parties.

3.1 Hermeneutics

In hermeneutics, texts are a means of transmitting experience, beliefs and judgements from one subject or community to another. Hermeneutics is experienced through common sense reasoning and not a-priori theory. To understand something employs attributes, which already presuppose an understanding of that thing. Interpreting arises in language, one's own or a foreign one, or in observed action, in confirming a theory and in distinguishing between the background knowledge and facts (Ricoeur, 1981, Kaplan, 2003, Kögler, 2006). Interpretation always occurs within a context. In any study contextualizing the event provides for the first form of interpretation which Ricoeur refers to as mimesis$_1$ which is discussed later in the chapter.

3.2   Understanding

In order to understand one must have fore-understanding, a contextualisation or a specific outlook and this is known as the basis of the hermeneutic circle. The hermeneutics circle can be a limiting process in which one only knows to what one is disposed and prepared to know. Gadamer sees that in all understanding there is inevitably some prejudice. Gadamer refers to the importance of tradition and understanding in how we interpret and see the events, activities and other forms of action that we experience within our lives and within our society. Gadamer argues that not only do we inform society but that society informs ourselves. Accordingly, it is difficult in the first understanding to distinguish between our prejudice and our pre-understanding versus our interpretation and our after-understanding (Gadamer, 1971, Gadamer, 2006, Gadamer, 2004).

In hermeneutics, understanding is seen as being circular. Humans are self-interpreting beings and within this circle of interpretation, the hermeneutic circle of understanding, in which meaning and being takes place, prior understanding grounds interpretation - this understanding presupposes what the interpretation is to provide. The background practices composed before conception which partly describes our presence and hence what our interpreting will express.

For Gadamer the focus on the human context of knowledge emphasised the need for repeated attempts at critical understanding, for people to gain the insight in order to correct their prejudices and questioned received traditions. The critical self-consciousness of a rational agent may minimise the distorting consequences of effective history but at best critical inquiry or introspection can only lead to an approximation of objectivity (Gadamer, 2004). Understanding is conceived as mediation between the interpreter's immediate and emerging horizons. In order to understand a text, the interpreter attempts to take a distance from it and to adopt a critical self-understanding. Ricoeur further develops Gadamer's thoughts in his work (Ricoeur, 1991a, 75-88).

3.3 Ricoeur's theory of interpretation

Ricoeur expected language to give testimony to the possibilities for being, for him all experience has the ability to be expressed. Experience demands to be said. Understanding and interpretation are the fundamental structures of belonging to a world: they take place in and by means of language.

> Discourse is the 'meaningful' articulation of the understandable structure of being-in-the–world. (Ricoeur, 1981, 58)

For Ricoeur, hermeneutical thinking is reflective, reflexive, and circular in nature. Ricoeur moved phenomenology to take a hermeneutic turn to direct its attention toward cultural objects and collective socially constructed, practiced ways of understanding that directs ways of understanding the social, historical evidence of the existence and knowledge (Ricoeur, 1976, 81, Ricoeur, 1981).

Ricoeur distinguished the interpretive paradigms of discourse and dialogue. According to Ricoeur discourse differs from dialogue as it is detached from the original circumstances which produced it, the intentions of the author are distant; the addressee is general rather than specific. Ricoeur extended his theory of interpretation to action in that he argued action possess the same distinguishing characteristics that set discourse apart from dialogue. Actions may have consequences not intended by the agent. Like discourse actions are subject to interpretation (Ricoeur, 1988, Ricoeur, 1991a).

The relation of meaning and existence is dialectic of distanciation[24] and belonging. This produces a creative tension that makes it possible for Ricoeur to form a unified method incorporating the divergent aims of hermeneutical interpretation and phenomenological constitution.

Discourse as mediated through writing is open to anyone's interpretation of it. The attitude of the reader pushes towards objectification where structural analysis discloses the semantics of the text but as Ricoeur has argued not all interpretations are valid.

> If it is true that there is always more than one way of construing a text, it is not true that all interpretations are equal. The text presents a limited field of possible constructions. The

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[24] *Distanciation refers to the intentional exteriorization or semantic autonomy of the text to bear meaning apart from the intentions of the author; appropriation refers to the hermeneutic act to make what was foreign familiar and one's own* (Kaplan 2003, 33)

> logic of validation allows us to move between the two limits of dogmatism and scepticism. It is always possible to argue for or against an interpretation, to confront interpretations, to arbitrate between them and to seek agreement even if this agreement remains beyond our immediate reach (Ricoeur, 1976, 79)

As Kaplan (2003, 67-69) summarizes, Ricoeur provided three rules for validating and interpretative guessing. First is the rule of hermeneutic holism - the meaning of a text is considered in the context of the whole with a meaning greater than the sum of the individual sentences. In other words, we understand the whole in terms of the individual detailed sentences but we interpret the detail in terms of the whole text. Secondly, consider the work as an individual. In literature, writing belongs to a genre and interpretation is often biased because of genre expectations. By taking the text as an individual you systematically remove generic concepts to find what is unique to the text. Like any object a text can only be seen from one perspective at a time but never from all perspectives at once. Thus, because of the relationship between the individual item and the whole, we may read sentence by sentence but we understand within the total whole. The third rule looks at other possible alternatives to the potential meaning thus the interpretation seeks argumentation and validation.

The hermeneutics of the text may be applied to actions as well. Interpretation of an action is the dialectic between explanation and understanding. Like texts actions are readable with meaning distanced from the actors and subject to conflicting interpretations. An action may develop its own consequences as its impact unfolds into events that may exceed what was originally intended. The meaning of any action therefore is open to infinite numbers of interpretations by an indefinite number of readers (Ricoeur, 1991a, 75-101). Ricoeur has argued that if human action can be read and interpreted similar to texts, then the methods of textual interpretation can be used as a guide for interpretation of action within the field of social sciences (Kaplan, 2003, 68). This is part of the appeal that Ricoeur's work has for many diverse areas within social science.

Philosophical hermeneutics does not seek to lay foundational truth claims for a single correct understanding of a text; rather it continuously poses questions in a regressive and often circular search for possible meanings and new insights.

Ricoeur follows Husserl eidetic[25] phenomenology to capture knowledge of the subject's life world (*Lebenwelt*). For Ricoeur the subject's being is not identical to immediate experiences (Ricoeur, 1981, 101-128).

Hermeneutics studies are interactive and produce self-understanding. Philosophical hermeneutics is not concerned with verifiable accounts and it denies the possibility of objective knowledge. Instead, it argues that only a person who stands in history, subject to the prejudices of his age, can hope to understand. An understanding of an event interaction or text is one that bridges history and the social, cultural differences to highlight the inquiry situation (Ricoeur, 1992, Kaplan, 2003, 17-45).

Ricoeur is committed to a model of interpretation that consists of description, explanation, argumentation and intersubjective validation. Explanation and understanding are two moments within a dialectical unity. They are part of the broader interpretation theory and form part of the hermeneutic circle. Explanation takes the moment of discourse, whilst understanding brings it into the whole, for example the sentence in relationship to the complete work (Ricoeur, 1974, Ricoeur, 1976, Ricoeur, 1981, Ricoeur, 1991a, Ricoeur, 1988, Kaplan, 2003, 66-68). In summarising much of Ricoeur's thoughts: to read is to interpret, to interpret is to understand and in understanding there is the possibility of explanation.

Within this thesis the use of texts is ultimately to lead to the understanding of TSA identity. Understanding of identity requires an interpretation of the texts that construct the identity. Whilst different readers may see and understand different identity constructions, as discussed in the next chapter, it is not an 'anything goes' approach. The 'rules' of hermeneutic analysis requires the engagement both with the text and the context in which the text is created and read. Within this thesis the reading (the importance of reading is discussed in the next chapter) of the text is done within the defined historical context, which was part of the purpose of chapter two, and within the general current timeframe. Texts produced require emplotment (discussed in this chapter) to produce a coherent narrative. The reading of a narrative becomes the interplay between the reader and text, the text and the context which results in an interpretation, understanding and explanation.

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[25] A method for gaining knowledge relating to mental images having unusual vividness. The result of the eidetic reduction is to come to a *intuitive knowledge* of essences (Ricoeur, 1981, 101-128)

Hermeneutic analysis is an iterative process - it requires reading at multiple levels. The higher level of contextualisation that can be achieved the deeper the level of understanding that may be obtained from reading of the text. As the reader reads, a critical self-reflexive approach is required to challenge their own assumptions or risks remain bound to their hidden prejudices (Gadamer, 2005, Prasad, 2002). The use of Ricoeur's theories brings into context a way of moving from text to identity and from identity into accountability. Ricoeur's theories inform the methodology of this thesis, and the presentation of Ricoeur is done to aid the interpretation given in this work.

3.4   Language and Discourse

The concept of language is beyond the scope of this thesis. However, Ricoeur adopted from the linguistic theories of Saussure (1983), the speech theories of Austin (1975) and Searle (1969). As Ricoeur developed his narrative theory the importance of language and its interrelationship with actions became explicit. In understanding how TSA responded to its own environment, as chapter 2 demonstrated, societal changes also saw changes in language with the introduction of new ideas and thoughts and symbols, for example, the widespread adoption of the military symbolism.

Language is a social construct. Language is homogeneous and unified in every utterance, every instance of speech. Every linguistic act exists as a concrete and meaningful linguistic event for the language user in an already existing language, and in an existing context. The language system belongs to all its users at any time, unlike any other social institution. A language exists as a social fact because there must be a community of speakers in order to have the language.

Ricoeur's investigations of narrativity are centralised to language, interpretation and subjectivity (Ricoeur, 1976, 1977a). The function of language as a discourse is to communicate our experience of the world and to give structure to those experiences. Essential to Ricoeur's investigations of language is the tension between speech and writing. For Ricoeur, writing cannot be understood using the model of speech as it is significantly different. The distinction arises due to the dynamic activity of speech language. The dialectic of discourse versus dialogue is critical in

understanding how one interprets and explores the importance of text and actions (Ricoeur, 1977a, 1991a).

Ricoeur argued to understand the self we need to understand the language we use to reflect on and to talk about ourselves (Ricoeur, 1992, 35). In Ricoeur's first study (1992, 27-45) he developed the use of language in determining and developing concepts of self. Ricoeur started with the semantic theory of language to show what a person is in order to allow the richer development of selfhood. Ricoeur adopted the concept of 'identification' such to identify something is to designate to others as one among many of the same of and to which we speak and refer. In this context a person is simply an individual thing among other objects and bodies. We distinguish and designate the person by means of an identifying reference. The linguistic operator which allows us to designate individuals is called 'individualization' (Ricoeur, 1992, 27). The individualizing operators are definite descriptors, proper names and indicators like 'I',' you', 'here',' now'. The function of these operators is to identify a particular person. These operators are mainly used by participants in verbal discourse, notably between the speaker and hearer.

Ricoeur moves to the speech theory of Austin (1975) and Searle (1969). The focus is on the dialogical situation where speakers address one another, and at the same time designate themselves in a reflexive manner. The use of a 'performative' accomplished the very thing they state - for example 'I promise' is a performative from the intention to promise.   A performative is expressed in the first person singular and the present indicative tense.

When dialogue participants understand what each other means when they speak, they are likely to understand the intention of each other.   This 'reciprocity' of intention illustrates the contribution of speech act theory to the question of selfhood and its relation to others. Both self and others are imputed in the speech act; it is uttered in the first person and addressed to another in the second person (Ricoeur, 1992, 41-44).

The performative utterance of 'naming' connects the person as an object of identifying reference and the subject as author of the utterance. The act of naming reconnects the object of reference within the speaking subject of speech. Therefore

'I am' is a basis particular as a 'body' and the subject of reflection (Ricoeur, 1992, 44-55).

In speaking, the use of body language, facial expressions, the ability to engage in question and answer dialogue with the speaker allows for a common understanding to be developed, but this does not occur in writing. Writing preserves discourse and makes it an artefact available for individual and collective memory.

 Reading is the dialectic relation of these two attitudes. To read is to create a new discourse to the discourse of the text. Writing intercepts the relationship between the subjectivities that exists within a speech event. Writing is detached from the original circumstances which produced the speech converted into text. Now the intentions of the author are often distant, the addressee is normally general rather than specific and non-linguistic clues are absent (Ricoeur, 1976, Ricoeur, 1991a,144-167).

For Ricoeur a special relationship exists between text and its interpreter: they are interconnected via dialogue between the text and the reader (not the author and the reader). The individual interprets themselves through the text. The constant reinterpretation of texts allows for the stories to become intelligible to the reader as they draw on their own experience and time horizon. Ricoeur compares the implications of a text with the implications of the metaphor (Ricoeur, 1977b).

Metaphors open up new ways of understanding and in that way they have an impact on our experiences. Language, therefore, gives an opportunity to express experience. The importance of language for Ricoeur is that it is a medium for creative and imaginative expression. A basic feature of language is words, sentences and texts that may have more than one meaning, and because of this there is the possibility of misunderstanding and miscommunication but also a possibility of a greater richness and fullness of language expression. Therefore, reading of accounts becomes a hermeneutical exercise, as noted by Arrington and Francis (1993), to understand the richness of the information contained in the text. Reading of the contextualised TSA accounts draws from the text richer descriptions and understandings.

3.4.1   Language and culture

One of the significant ideas with Ricoeur's hermeneutics is the creative capacity of language. This is especially apparent in his work on metaphor and narrative language (Ricoeur, 1976, 1977a, 1981). Ricoeur sees creative language as a way to express aspects of reality that would generally be hidden within ordinary language. By describing the world in new ways metaphors and narratives create new interpretations and experiences of the world (Kaplan, 2003, 47). With the 3rd volume of Time and Narrative (1988) Ricoeur moves from the textual interpretation to interpretation of human action. He maintains the idea that written works are interpretable and he reformed his view of the hermeneutic circle in terms of the repeating process of prefiguration, configuration and re-figuration (mimesis$_{1, 2, 3}$) to allow for the interpretation of connected texts. Ricoeur has argued that our lives are an amalgamation of stories with a pre-narrative[26] structure; these stories become intelligible when structured into a narrative. Reading is the final act with a narrative as it is the reader that refigures the narrative.

Ricoeur's concept of narrativity has been used in a variety of disciplines in studying what is understood from produced narratives. As individual narratives are part of bigger narratives the importance of society and history cannot be overlooked.

Different theories of culture (Geertz, 1973, Geertz and Banton, 1966, Niebuhr, 2001, Pryor, 2007) see culture as based on symbols and symbolic meanings. Culture is seen as a shared, learnt and symbolic system of values, beliefs and attitudes that shape and influence either perceptions or behaviour in terms of the actors embedded in the organisation and the social context (Geertz, 1973, Geertz and Banton, 1966).

By using the narrative framework a theme from chapter two can be summarised in that the charity to the poor was either a recognition of reciprocity and the mutual exchange for the deserving poor, the blessings of providence held by the new industrialists, or following the law of superabundance in that charity is a way of showing the higher love of God for man. The early TSA behaviour drawing from a specific type of theology saw spiritual regeneration as an important first step for people to take to receive the blessings of God.

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[26] the collection of events, actions and discourses before they are emploted into a coherent narrative

3.5   Metaphor

According to the traditional view metaphor is regarded as a rhetorical device whereby a figurative word is substituted for a literary one on the basis of an apparent resemblance. However, Ricoeur does not see this as being capable of explaining how new and living metaphors are produced. Ricoeur claims that this problematic can be overcome if one accepts the sentence as the primary metaphorical unit, and not the word. This concept is consistent with Ricoeur's view that the discourse unit is the sentence not the word (Ricoeur, 1977a).

A metaphor proclaims a new meaning that corresponds with feeling oneself as a fundamental unity of identity and difference. Metaphor shows how one feels or sees the temporal character of one's own being in relation to other temporal beings and the temporality of Being. Yet to be capable of giving testimony of the agent responsible for action it requires an extended metaphor or narrative [27].

A metaphor communicates an idea or concept to someone about something, like any form of discourse the metaphor produced as an event is understood as meaning (Kaplan, 2003, 48). Ricoeur argued it is in the living metaphor that the creative force of language allows for the disclosure of possible ways of being-in-the-world that would have remained hidden. A metaphor allows the reader to have a new perception, create new relationships and new connections among things[28].

Ricoeur argues that it is via symbolic, metaphorical and fictional language that being is manifested and self-consciousness and identity is formed. Life is mediation between oneself and the world in which the language is the medium through which we understand ourselves. Interpretation and understanding are ongoing processes, centred in the meaning and significance of existence that takes place in real life (Ricoeur, 1970, 142).

The metaphorical meaning and reference await appropriation through the re-contextualising activity of the current reader. According to Ricoeur inherent to

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[27] The use of an extended metaphor approach (EMA) is a feature of the ALBERT, S. & WHETTEN, D. A. 1985. Organizational Identity. *Research in Organizational Behavior,* 7**,** 263-295. Whilst in their paper they make no ontological claim for organisations where they have used EMA to formulate the central enduring distinctive characteristics used for organisational identity. The EMA approach developed within Ricoeur's work show how narratives form identity. This will be discussed in more detail in the next chapter on identity.

[28] HINES, R. D. 1988. Financial accounting: In communicating reality, we construct reality;. *Accounting, Organizations and Society,* 13**,** 251-261 is an example of the metaphoric device being used to create new understandings and perceptions.

metaphor are both a literary *is* like element and a *is not* element where the metaphor is not to be found in literal terms. This tension projects a world in front of the text that is the true metaphorical reference. Metaphor does not suspend reality, but rather creates a new way of seeing or construction of reality. Metaphors create meaning or say something new about reality. They cannot be explained or translated by reference to pre-existing meanings.

Ricoeur argues that meanings are not given directly to us; there is a need to make a hermeneutic detour through the symbolic apparatus of the culture to aid in understanding (Ricoeur, 1974, 1981). Ricoeur takes Gadamer's concept of *distanciation*[29] from tradition and argues it had to be a crucial strategy for the emancipation of the text. In this context, a text is a production of a number of stages, beginning with the intention of the author, the dispositions of the original hearers, the cultural environment and the socio-linguistic conditions in which it arises but is altered by the time and distance that a current reader has compared to the original readers who may have shared a similar time and context as the original author. Dialogue is not a sufficient condition; discourse has to be reframed and mediated through writing, which is open to anyone's reading of it.

Ricoeur notes that the theme of distanciation is characterised by the role he assigns to critical distance[30] in the operations of thought belonging to interpretation. In terms of interpretation the critical distance impacts on what is appropriated from a text. The initial appropriation of the text is its meaning, the world of the text, as well as its reference or the world that unfolds in front of the reader. The acts of writing and reading impacts and transforms the reader and the author. (Ricoeur, 1991a, 75-101 and Kaplan, 2003, 36).

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[29] The semantic autonomy of a text to have meaning apart from the authors intention
[30] The distance between author and reader, it can be understood as location, time or cultural.

3.6 Central concepts of Ricoeur's narrative theory

3.6.1 Narrative

Narrative provides the opportunity to tell our stories and to build and reflect on that telling. Narrative organises the structure of human experience. Narrative is involved in an intentionally reflective process. Narrative is fundamentally an activity of the mind, a way of gathering knowledge of practice, a way of knowing and of knowing that one knew. Narrative practices are intentional, reflective human actions, socially and contextually situated. The landscape of narrative text does not stand apart from life itself. As involved with another they are the product of human relations. We comprehend and express time and thought through narrative (Ricoeur, 1992, Ricoeur, 1991a).

Ricoeur views narration as a transition between description and prescription. Description is a giving of an account or representation of something, while a prescription is a judgement about something. To prescribe something as good or bad is different from describing it. To prescribe is to say what ought to be done, to describe is to see what it is. The similarities and differences found in prescription and description is revealed in the similarities and differences of judgements of fact and judgements of value. Describing, narrating and prescribing imply a specific relation between the constitution of action and the constitution of the self. Narrative theory can mediate between description and prescription only when the broadening of the practical field and the anticipation of the ethical considerations are implied in the very structure of the act of narrating. Yet in the act of description and perception, the narrating cannot remain ethically neutral as the social construct of what is considered good and excellent influences the original assessment contained within the description or prescription (Ricoeur, 1992).

Narrative processes are seen as fundamental to human processes such as those of dialogue, intentionality, consciousness, knowledge, culture, community, and ultimately, personal identity. Persons are seen as both constituting and constituted by the context in which they find themselves. Knowledge is not a thing in itself, but the product of the practices of historically and culturally situated subjects. Narrative attends to the temporal dimension of human existence and configures and unifies events (Ricoeur, 1992, 140-168).

When the telling of stories has a profound impact, the experience appears to connect the reader effectively with the situation presented by the text. The story opens up the text to uncover what lies hidden. We, as both authors and readers, are constantly in the middle of stories and can never be sure how or when they will end. We have to revise constantly the plot as new events unfold in our lives.

Ricoeur suggested that narrative is never life itself. Narrative is to determine the criteria of competence and is used to illustrate how they are to be applied. The self is neither a static thing nor a substance, but is a configuring and unifying of personal events, which include knowing not only what one has been but also what one anticipates becoming. According to Ricoeur, narrative is related to the world of human action and narrative is a response to the human experience and feelings of discord and fragmentation (Ricoeur, 1991a, 113-139; 1992, 142-168).

The narratives we produce and interact with, and use to communicate, are not possible without its author and are always a result of some purpose. The narrative work is the product of an intentional creative act of a narrative consciousness. Narrative is an ongoing temporal process from which other processes of dialogue, intentionality, consciousness of the world and of the other, and ultimately personal identity emerges (Ricoeur, 1992,113-139; 1991a,144-167).

Ricoeur finds that in fictional stories the composition of narrative work is not completed in the text but in the reader. The sense or the significance of a narrative stems from the intersection of the world of the text with the world of the reader (Ricoeur, 1991a). Every action is unique as it is situated in a unique place, time and individual. No action is repeatable as each action is unique to its agents and context (Ricoeur 1991, 144-167).

Narrative communication can be seen as a network of past, present and future dialogue and through these various connections the narrative individual consciousness reaches the realisation of its unity as an individual entity. Character and identity appear from these connections (Ricoeur, 1992, 141-168).

Within TSA there is a richness of symbols like the flag, the crest, the use of uniforms and other accruements, and metaphoric language like war cry, promoted to glory, firing the cartridge, a battle and war are drawn from both Christian

teaching and Victorian England phenomena of idealisation of the military. As will be demonstrated in this thesis, the current narratives used within TSA have a strong relationship to the historical narratives used. The reading of the narratives, therefore, requires an understanding of time relative for the historical narrative and the short distance for the current narrative. Whilst the historical narrative may demonstrate the strong religious imperative for charity, as discussed in chapter two, the modern narratives reveal a strong sense of social service which will be discussed in the following chapters. In reading TSA history, the contextualisation is derived following Ricoeur's process of deep exploration.

3.6.2   Attestation

In hermeneutics of the *self* there is a seeking out of 'truth'. For Ricoeur *attestation* is an assurance that the self believes in the truth or validity of something. Attestation is a statement of conviction and confidence rather than knowledge and certainty. Attestation is necessary for moral judgement. I exist within my words when you are asked to believe in me.

The attestation of selfhood is a belief in oneself. A belief in oneself as another is also a belief in another. Within this belief responsibility is formed. The self or the other must accept responsibility. The self can be called to be responsible by the other and so may confront itself to responsibility (Ricoeur,1991c).

Attestation is a form of assurance. Assurance is a kind of belief where the self is seen in its ability to act and to suffer, to do things, which it can impute to itself as its own doings and sufferings. The validity of attestation as distinct from verification is crucial for Ricoeur's narrative philosophy. Without it Ricoeur would have no basis for insisting with Kant that persons are irreducibly different from things. We are more than just embodied cogito; the self is capable of making moral judgement (Ricoeur, 1992, 21-23).

Ricoeur verifies his views on attestation by analysing the effect of desire. Desire is not only a force that motivates a person but is a reason or motivation for initiative of action. Desire shows that the self belongs to both nature where desire drives action and culture where desire works in conjunction with others to obtain what it desired (Ricoeur, 1992, 21-23).

Attestation is one of the key concepts for identity. In understanding belief, desire and words are used to ask questions, the narration starts the identity construction process. TSA asks for money on the basis of what it does as an expression of its belief. The identity flowing from this interplay of words and deeds is what is at the heart of identity - for under attestation we ask you to believe in us.

3.6.3 Theory of action

Action changes the world. Ricoeur argues that every action involves initiative, an intervention of the agent of action into the course of the world. Action is what an agent addresses themselves to, the persons and things that contextualise them and thereby alters the context and subsequent course. Action is imputed to them as their own performance (Ricoeur, 1992, 140-168).

According to Ricoeur agents in and by their situation are capable of initiating and sustaining something new in the world and are subject to other causal sequences that bind them to the world. A person's power to act requires a distinctive causal capacity that can only manifest as such in conjunction with the causal processes (Ricoeur, 1984, 132-143).

As discussed previously, Ricoeur sees actions as similar to text and, therefore, readable. The semantics of action are set within a meaning context. For Ricoeur, signs, rules and norms articulate action and experience. By placing action within a symbolically mediated meaning context, Ricoeur can subsume individual actions under socially regulated cultural codes that function as norms or programs for behaviour: they give form, order and direction to life. Actions are rule governed behaviours. The temporal character of experience is implicit in action. Action takes time to be accomplished and it is time for action that calls for narration (Ricoeur, 1984,57-59).

Actions are not ethically neutral. One process employed by Ricoeur (1992, 176) was the principle of practice. Here Ricoeur has adopted MacIntrye's[31] 'standards of excellence' which allows for the ability to characterise something as good or to

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[31] MACINTYRE, A. C. 2007. *After virtue,* Notre Dame , Indianapolis, University of Notre Dame Press. The standard of excellence are rules of comparison applied to actions in relation to an ideal shared by a community of practitioners and internalized by those considered to be the epitome of the group, the masters or the virtuosos.

evaluate a good doctor, a good lawyer. Through standards of excellence the prescription and description, discussed previously, of actions may be assessed.

The world of action is structurally pre-narrative. Any action implies a network of action concepts and a practical understanding concerning them. With the symbolic mediation Ricoeur is referring to the fact that action always embodies signs and rules and norms. These are not private but a public meaning which makes actions readable to others. Using Ricoeur's analysis, every action is both purposeful and related to other actions, thus it takes place in a context of meaningfulness. As a task, action is always orientated toward the future and, as a motivation, it inherently carries the past (Ricoeur, 1984, 57-64).

3.6.4   Emplotment

In Aristotle's *Poetics* (Aristotle, 1995), emplotment is the organisation of the events that transforms individual occurrences into a larger context of a plot that emerges as the events are organised into meaningful events. Both the events and the plot are dialectically formed through the other. Central to Ricoeur's notion of narrative is the idea of emplotment as a continual process of reorientation through which stories achieve and maintain intelligibility (Ricoeur, 1984, 31-51).

According to Ricoeur, the notion of emplotment, transferred from the action to the characters in the narrative, produces dialectic of the character that is dialectic of sameness and selfhood. The process of emplotment moves from pre-figuration through configuration to the reinvigoration of experience which offers practical proposals of living. This narrative arc offers prescriptions for identity that are taken up and become constitutive of one's own identity through the deliberation of decision, the commitment of choice and the initiative of action (Ricoeur, 1984, 52).

The narrative configuration itself gives meanings to events, which confers to physical happenings the status of events. Emplotment constitutes the episodic dimension of narrative and characterises the story as it is made up of events by transforming the events into a story. Through the power of emplotment, structural, symbolic and temporal features the world of practical experience are given a configuration in which the practical field is represented at a higher level of understanding. By providing mimetic models in the world of action, narratives offer literary alternatives for initiating action in the present. The description,

narration, and the appropriation of the practical field of action are distinct phases of the set of operations by which a work of emploted events lifts itself above the depths of living and acting, to be given by an author to readers to receive and for the readers to be impacted by the narration, thereby changing their acting (Ricoeur, 1984, 53).

Using the term emplotment Ricoeur hopes to capture the dynamic character of the relationship between the temporal experience and narrative. The construction of narrative discourses is one moment in the arc of operations in which the practical experiences are understood.

Narrative emplotment is one form of articulation but descriptive characterisations can express our sense of ourselves. These descriptive characterisations need to be interpretations of one's ethical ideals, roles, practices, and group memberships. The crucial factor is that the inner self or concept of good is expressed in one way or another. Once ideas have been 'objectified' they can be seen as the 'externalised' expression as one's own and thus able to be identified with. They become beliefs and ideals (Ricoeur, 1984, 54-64).

Emplotment cannot happen without the elements of history and fiction from which a narrator draws in the telling of a story. Chronologically, emplotment constitutes the episodic dimension of narrative. Configurability transforms the events into a story. The configurable act brings together the detailed actions. Emplotment aims to achieve the unity of one temporal whole and extracts a configuration from a succession. Narrative emplotment gives consideration to the features of our pre-understanding of the world of actions, its meaningful structures, is a symbolic resource and is a temple of character and is specific (Ricoeur, 1984, 54).

Events, actions, explanations may occur in a random and unpredictable manner and it is in retrospect that one makes sense of what has happened. In terms of narrative one constructs a narrative to aid in the understanding of the activity. In terms of TSA, many events concerning money and accountability have occurred over its 150 years history. The claims of a consistent behaviour or standard of accountability have been constructed by TSA as it deals with different challenges and opportunities. Within this thesis, the numerate stories are plotted to present an interpretation of the TSA narratives.

3.6.5 Ethics

Ricoeur's view of ethics is teleological; he argues human life has an ethical aim: self-esteem. We interpret ourselves through the ethical evaluation of our actions. Self-esteem is itself an evaluating process indirectly applied to ourselves as selves. The self-esteem means being able attest to oneself as being the worthy subject of a good life. What is considered as good is an evaluation informed by inter-subjective criteria to which one attests. As I am the subject of my actions, I am responsible for what I do (Ricoeur, 1992, 165).

Narratives have ethical dimensions. Ethically considered, the narrative unity of life is constituted of the moments of its responsiveness or failure to respond to others. Narratives show that from the standpoint of ethics there is a primacy of the other-than- self over the self. The responsive self is concerned with responding faithfully and thoughtfully to others and lives in hope that its responsiveness to others will bring a better life for all of them, a life in which they all participate with and for others.

According to Ricoeur, the distinction between ethics and morality is defined by ethics as an aim for personal conduct, as the articulation of this aim and social norms. The self-esteem results from the aim to be ethical and the self-respect results from compliance with social norms. Morality relates to the obligation to respect universal or societal norms. For Ricoeur, ethics encompass morality (Ricoeur, 1992, 165-168).

Ricoeur argued that the dialectic of selfhood and sameness (these are identity concepts and will be discussed in detail in the next chapter) is seen in the assignment of responsibility. The self, who is held to be responsible for an action or a situation, must be the same self who is imputed to be the agent of the actual situation. In other words, you must be capable of being recognized as the author of your action. The ethical identity of the self as defined by the same dialectic as is the narrative identity of the self. Responsibility is a state of accountability for events or actions, which are within a person's capacity to control. A person accepts responsibility either prospectively or retrospectively and is responsible for an action or present situation (Ricoeur, 1992, 165).

Ricoeur (1992, 180) argued that part of the ethic is the ability to live with others in pursuit of a good life. This ethical intentionality is referred to as solicitude and it is argued that every person interprets and explains themselves in relation to others, as well as by evaluation of shared beliefs and standards of excellence in pursuit of the good life. Ricoeur (1992, 181) drawing from Aristotle's concept of friendship[32] argues the responsibility to the *other* is greater than that implied by the golden rule of doing to others as you expect others to do to you - a principle of reciprocity. Reciprocity between one and the other forms the basis of those productive and self-affirming relations that are central to ethics, namely social justice and relationships (Ricoeur, 1992). The golden rule 'do unto others' is based on reciprocation. There is an equivalent exchange. This reciprocation occurs only if there is recognition of the other.

Love and understanding for others, and love and understanding for oneself, are two sides of the same coin. One is defined not only by one's unique characteristics but also by reference to others. One becomes who one is in relations with the other, whether in the instance of oneself or another. Narratives are shared between individuals and communities. The narrative constructs the identity both at the individual and community levels. The shaping of oneself is done with interaction between oneself and the other (Ricoeur, 1992).

Yet as Ricoeur (1992) argued, the law of superabundance drawn from the command to love[33] is not based on reciprocity but is based on higher ethics and the relationship of oneself to others. This is explored further to help address the problem that arose as to whether or not to treat the deserving and undeserving poor differently. Ricoeur turned to the concept of otherness from Levinas to show *the other* summons us to responsibility, for example, forbidding me to murder and demanding justice. The other is unequal to me, is separate and external to me. Ricoeur takes this *otherness* concept to show how there is various representations of ethical life greater than moral obligations. Ricoeur used the term 'benevolent spontaneity' to reflect the injunction of responsibility in terms of solicitude.

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[32] I need the friendship of another, just as the other needs my friendship. Friendship is mutual and reciprocating.
[33] Matthew 22:39   And a second is like it: You shall love your neighbour as yourself.

Solicitude is a spectrum with the summons of responsibility at one end, the injunction to sympathise at the other, with friendship being in the middle. Sympathy is an asymmetrical relationship in that the one who suffers can only receive as they are incapable of giving and acting. The injunction is to have compassion, understanding and to experience the world from the perspective of the other. The higher ethical standard based, on the command to love, means putting the other first (Ricoeur, 1992, 169-202;1997, McKernan and MacLullich, 2004). Ricoeur argued the voice of the other can only command me to responsibility if it presupposes I am capable of hearing and recognising the other. The self must be able to discern and recognise the legitimacy of the command of the other. Ethics demands our ability to see ourselves as others and others like me.

If there is no recognition, then there is no sense of responsibility. As discussed in chapter two the division of the poor between deserving and undeserving determined whether their plight would be recognized. For the undeserving, they were not recognised by the charity providers due to some deficit in their own moral behaviour. The argument between the established and the nonconforming evangelical churches over the use of charity saw the interpretation of scriptural commands to love by giving recognition to all people, therefore charity was appropriate. In Christian teaching the command to love thy neighbour, requires recognition be given to all people. Ricoeur's ethics and Christian teaching on charity align at this point. Ricoeur's writing on the Christian command to love and to show this love in practical ways were briefly discussed by McKernan and MacLullich (2004). Ricoeur's writings also show the need for Christian action within the world and will be discussed in chapter five.

3.6.6   Threefold Mimesis

Mimesis has various meanings in philosophical and literature sources. Similar in concept are terms such as imitation, representation, presentation and reflection. The term mimesis refers to the ability of a work of art to imitate reality. The theory of mimeses is connected to hermeneutics and is an essential part for Ricoeur within his narrative theory.

For Ricoeur, mimesis appears through action. Ricoeur's use of mimesis is based on Aristotle's (Aristotle, 1995) definition of mimesis as an imitation of action.

According to Aristotle, different art forms use mimesis with different means of exemplification and communicating by a representation to an audience. Different levels of ethical behaviour may be represented. Thus, for Aristotle a tragedy consists of six[34] different elements of which plot is considered the most important. Aristotle identifies myths, emplotment, and the mimetic activity. The mimesis of an action is nothing more than the emplotment in which the events are structured into a whole. All poetry is imitation or mimesis. For Aristotle, art is always representational.

Ricoeur emphasised the meaning of temporality in action. Events occur in temporal order and it is this temporality that forms the basis of a narrative. Narrative happens as text and as contents of our mind; the concept of mimesis represents the interaction between the individual and the text. Narrative enables us to comprehend ourselves. Ricoeur adopts Aristotle's primary idea but points out that the human world of acting turns on three levels of interpretation (mimesis$_{1,2,3}$). The relation of fiction and reality is important for Ricoeur, for him mimesis is ahead of our concepts of reference, reality and truth (Ricoeur, 1984,54-57).

Ricoeur formed a threefold theory of mimesis. These levels of mimesis are:

- ➢ Mimesis$_1$ in which the world is received to perception in a prefigured, pre-narrative form,
- ➢ Mimesis$_2$ in which the pre-narrative reception is configured into a narrative form by emplotment and,
- ➢ Mimesis$_3$ the process by which the narrative transfigures our ideas of that world.

In Ricoeur's studies Mimesis$_1$ is the most discussed. Mimesis$_1$ is the reference to the actual world of action. This world of action in itself does not contain beginnings and endings in the same sense that a narrative creates beginnings and ends, but it is in the pre-narrative league organised structurally, symbolically and temporarily (Ricoeur, 1984, 54-57).

Mimesis$_2$ is the stage of emplotment itself; it is configuring the experiences into a story given in the field of action at the level of Mimesis$_1$. Ricoeur describes this

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[34] Aristotle's six elements are plot, character, diction, thought, spectacle and song.

level as the realm of the 'as if'. Narrative emplotment composes the diverse elements of a situation into an imaginative order. Mimesis$_2$ configures events, objects and agents and renders those individual elements meaningful as part of a larger whole. At mimesis$_2$ the reader uses perceived relationships which explain the necessity of the plot (sequence) that was seen to evolve over time (Ricoeur, 1984, 54-57)

Mimesis$_3$ concerns the integration of the fictive perspective offered at the level of a mimesis$_2$ into actual lived experiences. Ricoeur's model for this is a phenomenology of reading, the intersection of the world of the text with the world of the reader (Ricoeur, 1984, 71). Mimesis$_3$ consist of reference to the world of action into the event of reading the mimesis which contains more than the emplotment. The structure is completed when the reader reads the text and that reading always takes place in the context of the pre-understanding of the reader and thus mimesis$_3$ contains a reference to the world of the reader (Ricoeur, 1984,71).

The importance of the three fold mimetic activity for hermeneutics is that it is seen as reconstructing the actions of authors, and agents and for readers to have regard to human acting and suffering. I as writer of this thesis undertake a threefold mimesis including a prefiguration, refiguration and reading of the text that informs the work. A further refiguration occurs when the person reading this work will take their pre-understanding and reconfigure their understanding based on their reading of this presented text. The illustration of the narrative arc occurs by the reader of the texts.

3.6.7   Human time

Human time is neither the inner time of each act of consciousness nor even the cosmic time based on the regular movement of the stars. Ricoeur distinguishes human time both from inner and from cosmic time. To give expression to this complex historical present one must have a type of discourse that can articulate both actions and events and the human context. The type of discourse to do this is narrative. Historical time becomes human time; it is articulated through the narrative mode that attains its full significance when it becomes a condition of temporal existence (Ricoeur, 1992, 1985, 1988).

The human time is an interpersonal public time; it is the time in which one can locate sequences of generations that the traces their lives left behind. For Ricoeur

without at least a latent sense of indebtedness to a predecessor's history, human time would be meaningless (Ricoeur, 1992, 145-151).

To initiate action is to do so in the present but the present is bound by the past and the future. The time of action has before and after, a time of preparation and consequences that organise the practical field around the moment of initiative. The temporal organisation of the practical field provides a ground to the temporal organisation of the narrative.

Ricoeur argues that the order of power past, present and future within the phenomenological time presupposes the sequence characteristic of a cosmic time. Within this cosmic time the identification of time as before and after events occurs within the sequence and borrows from the phenomenological orientation to past and future. The past is always before the present which is always after the past and before the future. Action taken in the present preserves the space of experience in a dialectical tension with the horizon of expectation. We are affected both by our past that is not of our own making and by the future that our society presents. Through our initiatives we make history and in the process of doing so affect ourselves. Ricoeur has argued that any philosophical model of understanding human existence must create a composite temporal framework and for Ricoeur this is the narrative model (Ricoeur, 1988, 164 to177, 301 to 309). How a story is constructed within the organisational setting reflects much of Ricoeur's approach Chreim, (2007), Cunliffe et al., (2004).

Narratives time represents the past which provides learning from those experiences as well as determining your current position (in terms of resources, knowledge and constraints) which in turn is relevant only to the extent that it affects your perceived options for a projected future. Within time the understanding of the identity begins to materialise. The identity as sameness – *idem* is a chronological construct. With reference to calendars and fixed points the self develops, for a person it is simply aging. The identity of self, the *ipse*, is how one responds over time and allows for the development of character and consistency. Being able to be identified over time is a feature of the self identity. This can be applied to how organisations respond to different environments over time. This will be discussed in the next chapter.

3.6.8   Ricoeur's narrative arc

Narrative brings to language the diversity of human action by submitting it to the unifying and intelligible order of the story (Ricoeur, 1984,xi). For Ricoeur, the temporal order of events described in the narrative is simultaneous with the construction of the necessity that connects those elements into a conceptual unity. The conceptual relation arises from the structure of one thing after another and this relationship across time guarantees it can create continuity and makes it an ideal model in Ricoeur's views for personal identity and self-understanding (Ricoeur, 1984,xi).

Narrative representation of the practical field initiates a new level of intelligibility in continuity with practical understanding but takes distance from life through the imaginative power to understand one's world as such enriches what has been received. The configurative power of emplotment to organise events and characters into a narrative whole is how Ricoeur focuses his attention.

Ricoeur argues that the connection between narrative and temporal experience is not accidental but presents a transcultural form of necessity. The translation of past events into meaningful stories based on current understandings occurs in all cultures. Narrative and time are linked by the operative power of the mimetic arc of interpretation. Narrative mediates between the sedimentation and innovation of the practical field of human experience.

The narrative refiguration requires a productive imagination act that interactively constructs the meaning of the text. The rhetorical force of the text affects the reader. The interaction between the world of the text in the world of the reader calls for active response on the part of the reader. Once experience has been refigured and during this initiative, it becomes a sedimented element and part of the cultural repertoire available for narrative consideration. Accordingly reading calls for rereading, reading involves a reconfiguration of the text received in order for the reader to position it in their view/understanding of their world. Narrative is important as a work of mediation (Ricoeur, 1984).

While configuration takes imaginative distance from life, the act of reading reconnects language to life. To understand the text is to align one's own subjectivity with what is proposed by the text. Historical narratives are essential in the collective

identity building. Agreed and shared historical narratives are set to form a shared belief over a nation or a society or an organisation (Ricoeur, 1988, 1992).

The narrative arc is the process in which the understanding of the text requires in terms of coming to grips with the information received, including its historical perspective, and then relating those messages into a story in terms of current understanding of the world.

3.7 Summary

The above discussion of Ricoeur's work is in no way a comprehensive analysis of his thinking. His work expands over 40 years and his thoughts have had clear developments over that time. Other authors (Bourgeois, 2007, Clark, 2000, Dauenhauer, 1998, Thompson, 1995) by way of example have provided a more detailed analysis. Within the above discussion an overview of some of the enduring and consistent thoughts produced by Ricoeur was presented. The point of this is to show the thinking and processes involved that occurs when undertaking the hermeneutic analysis of TSA.

Unlike other forms of linguistic analysis, for example, words or themes used in content analysis, Ricoeur's unit of analysis is the sentence – but the sentence is in the context of the whole work. Whilst the first form of analysis may be in the form of a 'guess' to seek understanding, such an approach does not satisfy what Ricoeur referred to as hermeneutic holism.

$Mimesis_1$ which is the pre-understanding, conditioned by location in time and context also sets a particular boundary which is challenged by the analysis done via $mimesis_2$ as part of the interpretive activity. The reading and rereading of the narrative produced via $mimesis_3$ completes the first part of the hermeneutic circle providing a deeper level of contextualisation in which to interpret understand and explain. The reading becomes part of the next level's pre-understanding. This is part of the reason why in hermeneutics there is no 'truth' claim but only explanation, interpretation, argumentation and understanding. Everything stands in relationship with everything – it is not possible to extract a single claim that is objective.

As Ricoeur noted, there are many perspectives at any one time but any analysis is done one perspective at a time. This is why a reader of a text can see and understand

the same text differently each time a text is read. This is not a flaw in the method but an acknowledgement of difference. Ricoeur being aware of this looked at how narrative analysis is done by way of comparison using historical or legal studies - the interpretative act therefore is looked at via the 'holism' rules previously discussed. Conflicts of interpretation can then be understood as whether there is an ideological or utopian focus - maintaining the status quo or seeking a better alternative. In undertaking a narrative analysis, as presented by Ricoeur, it requires persistent reading and rereading because hermeneutical thinking is reflective, reflexive, and circular in nature (Ricoeur, 1974, 1976, 1977a, 1981, 1986, 1991b, 1991c, 1992, 2000, 2007, Kaplan, 2003, Dauenhauer, 1998, Thompson, 1995).

In future chapters, Ricoeur's concept of narrative identity and narrative accountability will be developed. The process of the analysis has been the reading and rereading of the text. Not only was there a need to read Ricoeur's writing on numerous occasions but the TSA documents need to go through multiple readings looking at the different perspectives derived from the historical context and current period. In hermeneutic analysis, there is no claim for the one valid interpretation, therefore the conflict of interpretations is acknowledged. As will be developed in the thesis, the acceptance of narratives by communities, the challenges based on either an ideological or utopian view will allow narratives to be opened to different levels of understanding. A view expressed by individuals or organisations are not always accepted without challenge.

In the next chapter on identity, narratives may be contested. Similar to legal analysis on what is considered true and false testimony, narrative may be challenged and the form of the identity constructed through the narrative may be rejected. As will be demonstrated in the remainder of the thesis, TSA narrative identity is a contestable issue.

In the following sections of this chapter how the concept of narrative has moved into organisational studies, the sacred secular dichotomy as used in religious accounting study's and TSA narratives will be presented.

3.8   Sacred Secular dichotomy

Traditional accounting studies of religious organisations have relied on a device referred to as the sacred/secular dichotomy as a way of understanding the role of accounting in churches. The work of Laughlin (1988, 1990) that was confirmed by Booth (1991, 1993, 1995) utilised the sacred/secular framework to examine the financing and business activities of two different religious organisations. The authors drew from the social theories of Durkheim (1995) and to a lesser extent the work of Eliade (1959) in the sacred profane categorisation to classify observed activities within the church. Laughlin's original work was utilising the 20th century Church of England in his study, whilst Booth undertook his study on the Uniting Church in Australia.

Using the sacred/secular dichotomy Laughlin and Booth classified the activities according to whether they were related to matters of belief (i.e. the church operations), and recorded or observed which activities corresponded to activities and processes occurring outside the church operations. Laughlin's and Booth's interpretive framework for the dichotomy were founded on the following assumptions:

- all activities are inherently either sacred or secular (Laughlin (1988, 24), Booth (1993, 46))
- the sacred beliefs and practices are dominant within churches ((Laughlin, 1988, 37), Booth (1995, 66))
- activities within churches can be grouped and classified as belonging to either sacred or secular activity (Laughlin (1988, 26), Booth (1993, 58))
- there is a tension between the sacred beliefs and secular practices (Laughlin (1988, 26), Booth (1993, 46))
- given the institutional structures churches believe it essential to embrace various secular practices in order to function and to continue their existence (Laughlin (1988, 31), Booth (1995, 69))
- Booth (1995, 234) developed the argument that administrative systems are viewed as being necessary but secondary to the sacred mission. Administrative systems, including accounting, are utilised but will be resisted.

Whilst the sacred/secular dichotomy accepted the centrality of religious beliefs Laughlin and Booth argued research is needed to understand the sacred/secular division to appreciate the rational dimensions of churches. This of course includes the use of accounting and accountability. As stated, Laughlin and Booth assumed that there must be friction between the sacred and secular activity.

However, the work by others (Ezzamel, 1997, Ezzamel, 2009, Ezzamel and Hoskin, 2002) shows that accounting has had a place in the relationship between man and the gods since ancient times. The giving of the account in story format has been a feature of stewardship reporting throughout history.

Whilst Laughlin and Booth opened up an important area of research, increasingly there are challenges to the assumptions embedded in the sacred/secular framework. Some scholars (Jacobs and Walker, 2004, Jacobs, 2005, McPhail et al., 2005) have argued that the dichotomy may not represent the actual practices of religious organisations.

Hardy's study on the Sanitarium Food Company challenged the sacred/secular dichotomy and looked at the concept of socialising accountability in understanding how the religious organisation utilised the administrative systems of accounting and accountability to communicate to its members on how it was meeting its mission (Hardy, 2008, Hardy and Ballis, 2005, Hardy and Ballis, 2013).

Doctorate studies by Irvine and Joannides have studied TSA from differing perspectives. Irvine (1999, 2000) looked at the adoption of an accounting system within an Australian TSA territory and utilised an institutional approach to interpret the behaviour. Irvine argued that the organisation utilises the administrative system as an aid to the pursuit of the organisation's objectives. Such a view is also reflected by Watson and Brown (2001) who discussed the lengths to which TSA in the United States went to select accounting systems to aid in discharging their accountability.

Joannides (2009), looked at TSA via an ethnic and individual approach in terms of accountability and religious church organisations. In his study, he concluded the prior studies that adopted the sacred secular methodology had adopted different epistemological, methodological and ontological views and therefore came up with

differing interpretations (Joannides, 2009, 161). By studying TSA in a European setting Joannides was responding to the Booth (1993) challenge to study church settings in a non-Anglo Australian context. The Joannides study looked at how different ethnicities responded to TSA teachings and practices and from his personal account looked at accountability within the organisation. The Joannides study provides additional insight in how TSA functioned with its European operations and is contextualised with Shepherd(2006)[35] who discussed the difficulties of financing in France given the strict separation of church and state. TSA church activities were not able to be subsidized by its social activity and as Shepherd reported this created significant challenges for the organisation.

This study challenges the sacred/secular dichotomy from both a theological and historical perspective. As discussed in chapter two, the dominant idea amongst the non-conformist new industrialist was all activity was for and from God. The view taken in 18th century, as discussed, showed the industrialist being careful to meet their obligations to God by being good stewards of the recourses utilised. The belief that God blessed the work undertaken saw the industrialist develop accounting systems as an aid to improving both their performance and stewardship. The accounting systems were an aid in the pursuit of efficiency.

The theology of accountability will be discussed in more detail in chapter five, but for the purposes here, in the nineteenth century, the view was that the evidence that one was blessed from God was the receipt of God's providence. In receiving this providence the expectation was to show the effectiveness of the use of resources - work and religious worship were seen as being similar. William Booth, as will be discussed in the following section, firmly believed he was called by God to undertake a specific task, a view reflected in modern day TSA narratives as illustrated by the 2014 annual reports and reviews in the three countries studied. Christian belief and teaching shows that if one is obedient to God's call and will then He will provide the resources necessary to meet the call. This study acknowledges the intellectual debt of prior studies and being aware of its interpretive paradigm biases looks at the narrative in financing the mission because as Booth (1925) observed without the money there would be no TSA.

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[35] Shepherd was a Chief Secretary (2nd highest rank in a TSA territory and internationally) within TSA. He was appointed to territorial command positions within France and Canada. He presents a senior insider's view of the issues of finance.

3.9   The Salvation Army Narratives

The history of TSA has been well studied, for example Fairbank (2001), Hattersley (1999), Sandall (1947), Sandall (1950), Sandall (1955), Sandall and Wiggins (1950), Murdoch (1994), Joannides, (2009) and Irvine (1999). The previous chapter on historical context showed 19th century England as a time of change. Following Ricoeur, the process of how Booth financed TSA will be the focus of the narrative reconstruction presented in this chapter. Booth responded to his time in a manner which has allowed TSA to survive for 150 years. An organisation that was created with no traditional or obvious support has grown into a multi-billion dollar, global organisation. From being rejected by the government of Booth's day to becoming some of the largest non-government providers of social service. To achieve that TSA became an organisation heavily dependent on money, from private donations and government, just to survive.

William Booth as founder of TSA had significant influence in how the organisation was structured and how it practised its religious and social beliefs. William Booth was not unique in 19th century England and much of his early childhood though unusual by 21st century standards was not exceptional.

3.9.1   William Booth in His Time

William Booth's religious upbringing was a combination of the Church of England, (Anglicanism, the religion of his father), and as a teenager, he increasingly turned to the Wesleyan Methodist church. Booth decided that the Anglican Church was cold and formal; he noted how the church would separate people between those who were rich and could purchase pews and those poor who would be moved to the back of the church and generally out of sight.

In the recording of Booth's reminiscing on his early life (Begbie, 1920, Hattersley, 1999, Walker, 2001), Booth believed he had a direct call from God for his own personal salvation and from his conversion he was in partnership with God. Booth believed that God was directing him to go to the Wesleyan Methodist church, his conversion as a teenager had a profound effect on him:

> …since that night the business of my life has not only been to make a wholly character but to live a life of loving activity in the service of God and men. I have ever felt that the true religion consist not only in being wholly myself, but in assisting my crucified Lord in his

> work of saving men and women, making them into his soldiers, keeping them faithful to death, and so getting them in to heaven. (Railton, 1912)

The influence of the Methodist church caused Booth to sign a temperance pledge and to limit the effect of alcohol; this was a strong influence on how TSA views alcohol to the extent that members of TSA promise to abstain from all forms of alcohol. According to TSA myth (Begbie, 1920), a messenger of God told Booth to leave the established church and to go to the nonconforming churches. Booth had a strong interest in death and in the concept of divine retribution for sin, which he applied with his earliest preaching (Hattersley, 1999, 72-94) and in part reflected the influence of the American evangelist James Caughey discussed in chapter two.

In 1842 when his father died, Booth at 13 years of age was apprenticed to a pawnbroker. Hattersley (1999, 17-18) showed Booth's reconfigured understanding of his time working with pawnbrokers was a time of trial and temptation. However, in the 19th century pawn broking was an example of nonconformist beliefs being put into action as at this time pawn broking and piety went hand in hand (Hattersley, 1999, 17). The principals of the pawn broking firm Booth worked for were members of the non-conformist church. The expectation was that employees would attend church services (Hattersley, 1999).

Booth's religious experience reflected the beliefs of the time. How one was saved and redeemed was a point of debate within the Methodist Wesleyans. One view was that holiness could develop over time such that according to the "doctrine of perfection" one could achieve a fully sanctified[36] life whilst living. This implied gradual change and improvements. This was seen by some members in society as acceptable and allowing for a respectable life. However, during Booth's early years the rise of the American revivalist and evangelist debated the issue of gradual holiness and stated that there would be 'instantaneous deliverance' available to all who repented as a gift from God. Booth accepted this view of immediate change.

At 17 years of age, Booth became a preacher and a member of a small group of teenagers who walk around town and call sinners to repent. This was not unique, though at times it was considered a little bit unusual, but many teenagers in 19th

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[36] The doctrine of sanctification refers to the progressive work of God in the life of a believer making them progressively free from sin and living a holy life. The arguments from the 19th century still occur today.

century England believed it was their duty to preach, especially those who had come under the influence of the American revivalists as discussed in Chapter two.

Booth was increasingly certain he had been called by God to do great work and he worked with another young man, Will Samson, whilst they maintained their work in business, engaged in evangelism in the poorer part of town. Booth learnt that the often illiterate working class were more likely to accept those who had come from their own type of background than those who may have come from a more prosperous family or from the 'establishment'. This became an important strategy for Booth because when a new convert was made he expected them to go to work immediately and to make converts. Booth considered it necessary for converts to show evidence of conversion:

> The great test of character is doing. God, the church's estimate is and the world or estimate men not according to their sayings, feeling or desiring, but according to their doings. (Booth, as cited in Hattersley, 1999, 166)

Booth was critical of the established churches that neglected the poor. The uncouth, unwashed were often not welcomed into the churches. Booth firmly believed that everyone could and should be saved and he clung to that belief for his entire life.

Whilst working at the pawn brokers, Booth was a respected and trusted employee but he recalls those days with deep disdain recalling it as a 'devils test' (Begbie 1920 vol 2 ch IX, 104-105). At the time, he completed his apprenticeship there were no jobs available, however this was not a major concern because Booth wanted to be a preacher. In his home town of Nottingham no opportunity was formally given to him. From his late teenage years, Booth was contemptuous of any church that did not accept him as a preacher. He was often in conflict with church leaders and had significant trouble in meeting the stricture of conforming to the established practices of the churches. Booth was so convinced that God had called him to a special purpose that if any church did not accept him, on his terms, he considered that church to be of lower moral standing for not seeing that God had blessed him. Booth in his book, *Darkest England* and in his 1910 speech on social work showed his contempt for the work of other churches and organisations and would only accept that the right solution to any problem was his solution (Hattersley, 1999 364-74, Begbie, 1920, Murdoch, 1994, Railton,1912). This attitude impacted on how he

responded to calls for accountability; for Booth it was only to God. That view was theologically incomplete and that issue will be discussed in the following chapters.

Booth did not complete formal training in theology and rejected any criticism or challenge to what he believed was God's explicit call (Begbie, 1920, 51). The official biographer of William Booth recorded Booth's three aims in life:

- to get on in the world,
- to work for political change and
- to right himself with God.

At the end of his life Booth believed he had achieved his third aim of being right with God. Of his three aims the first and third were clearly underway by the time Booth left for London at the age of 20. The second aim of working for political change took until the 1880s before this began to be realised.

Victorian British believed that society gave everyone the chance to rise. People had a moral obligation to take advantage of any opportunity, virtue prospered, and success was a sign of God's acceptance, as was discussed in chapter two. Booth was driven by his belief in God's calling, and could only see that meeting his mission meant he was honouring God if he was successful. Booth was caught up in the religious and work ethic of his time. Booth could easily fit within Weber's analysis of the Protestant work ethic (Weber, 1905). Booth was a product of his time.

This small version of the early life of William Booth draws from the authorised historical documents but also places it within the historical context discussed in the previous chapter. An explanation of William Booth's approach to his view of religious service was a fundamental driver in the work that William Booth undertook over the course of his life.

3.9.1.1 Section Summary

This discussion has followed Ricoeur's mimesis$_1$ the prefiguring of the narrative. The importance of Booth's life world and his societal context shows his behaviour is consistent with the 19th century England. The nonconformist theology of God's providence, piety and successfulness provides a lens in understanding Booth's drive and in part his arrogance. The influence of the American evangelist James Caughey is reflected in Booth's own style of preaching and includes the use of theatrics and showmanship to attract attention. These techniques were used throughout Booth's

work as he moved into London. After experiencing a 12 month period where he was not employed a 20-year-old Booth left his home town of Nottingham and sought opportunities in London as did many others at that time. Booth was clearly moulded by his society.

Weick (1995, 2012) argued the importance of sense making in retrospect, and Ricoeur's narrative theory in terms of the discussion on sense making allows a reading of Booth's explanation in later life of his experiences, as he plots out his understanding of justifying his life's work and a retrospective analysis of the effectiveness of the work. His training by the pawn brokers taught him the need for accuracy and the keeping of proper books and these attitudes were consistent with the nonconformist view of work and reflected the Protestant work ethic. Booth's work at the pawn broking offices gave Booth two very different foundational experiences that went with him into his work in London: the need for accuracy and the effect of poverty on people, though very different in concept, they became part of TSA narrative as Booth created his organisation.

3.9.2   The money narratives

TSA is very guarded over its image and the possible impact negative comments may have on its fund raising activities (Middleton, 2009; Howson, 2005). This is a theme repeated since Booth created TSA. There was a constant flow of criticism over Booth's calls for funds (Hattersley, 1999, Sandall, 1955, Fairbank, 2001) and this was an issue that Booth had to manage. Booth created this high dependency on public money.

The organisation was challenged at its inception over its financial management and integrity and it is still being challenged in recent times over the apparent lack of transparency as to how the accountability of monies collected is being reflected (Shepherd, 2006).

The legal structure of TSA will be discussed in more detail in chapter four on identity, but for this chapter TSA consist of two main foundation documents. The first is its foundation document of 1878 (Appendix A) which set up a religious community or mission referred to as The Christian Mission. The document states:

> the general superintendent shall have power to expend on behalf of the Christian mission or
> moneys contributed for the general purposes of the said Christian mission or for any of the

> special objects or operations thereof but he shall annually publish a balance sheet (duly audited) of all such receipts and expenditure.

In the recital to the deed, it is stated that a number of people were formed into a community or society for the purpose of enjoying religious fellowship and to multiply such efforts and bring other people to hear the religious message who were not in the habit of attending any other place of worship. The 1878 trust deed makes no mention of any social work function and the narratives of that time related to how TSA was focused on the evangelisation and bringing people into an understanding of the need for their repentance and salvation.

Eason (2003) argued that TSA was very much part of Victorian society as it was in the habit of purchasing properties and other facilities for it to pursue its stated mission. The constant call for money provoked significant criticism of and challenges to Booth. Hattersley (1999, 385 - 404) documents a number of challenges that William Booth faced. Prior to the establishment of the Darkest England Scheme trust deed in 1891[37] (the second foundation document) Booth was challenged by a number of leading Victorian identities, for example Thomas Huxley (1914) as to the legitimacy of his financial activities. The integrity of TSA books of account were a further source of challenge.

The wording of the trust deed allowed Booth total control of the funds. Given the historical doubt about charity abuse, discussed in chapter two, the fact that Booth adopted a charitable trust deed in which he kept total control of the assets and money in 1878 did not encourage sections of society to believe that Booth was acting with integrity. As Hattersley documented the criticisms that were printed in the various newspapers of the day showed that the 1878 trust deed indicated that Booth was ultimately the beneficiary, that no other person or groups of people were named who had the ability to take advantage of the money of the then Christian Mission. The TSA response that any challenge could go to Chancery was demonstrated by TSA critics to be irrelevant. TSA official history (Sandall, 1955) is an illustration of how the organisation recast its own narrative to support its interpretation of events. Critical historian Murdoch (2003) provides a challenge to TSA narrative.

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[37] SANDALL, R. 1955. *The History of The Salvation Army Volume III 1883-1953 : Social Reform and Welfare Work,* London, Thomas Nelson and Sons Ltd. Appendix C

Boje (2001) has argued that a narrative is a retrospective explanation of storytelling. It is the speculative elements that get lost in a narration. How organisational members frame their experiences and accounts may severely impact on the amount of exposure the story will receive. Within TSA history, the story of those who fell out of favour or left saw their contribution to TSA minimised, or vilified or simply ignored in the official history.

In 1889, a book entitled *The new papacy behind-the-scenes in The Salvation Army written by an ex-staff officer* (Sumner, 1889) was published in Canada[38]. This book caused significant concern to the TSA authorities in Canada such that according to TSA myth 5000 copies of the original print run was obtained by the Canadian Commissioner and burnt. Thomas Huxley (1914) in his letters to the Times challenged the use of funds by Booth. Huxley relied on arguments from this new papacy book. Within the pages of this book detailed accounts were given of how money was transferred from the Canadian to the English operations. Further, it showed how the social activities that were in existence in Canada at that time were being utilised to fund church activity. The publication showed how the officers and various soldiers of the Canadian branch of TSA would suffer financial depravation because London demanded their money first before the local branch was able to fund itself. In an exchange of letters between one of the commissioners in Canada and Huxley the legitimacy of the allegations was constantly under discussion. However a later analysis undertaken by Manson (1906, 1908) was able to substantially confirm much of what the staff officer had written in 1889. As outlined here, the major concern was not that Booth used the money for personal advantage but rather that too much power was given to Booth to be the sole authority on how the money was to be used which in some instances was inconsistent with the intentions of the donors. Accountability to donors only assured them that money was not misappropriated.

With the Darkest England scheme being promulgated in the 1890s the request for funds increased, so too the criticisms about Booth and his control of the funds. Frank Smith, the first Commissioner for the social reform wing of TSA, resigned

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[38] a second print run was undertaken of the book. The front cover of the second run states proudly "this is the book which was burned by the authorities of The Salvation Army"

citing differences in how the accounting and funds for the church and social side needed to have complete separation (Murdoch, 2003). The official Salvation Army history (Sandall, 1955) claimed there were irregularities in how Smith kept his books of account. Murdoch (2003) has shown the official version of Smith's resignation to be questionable. Hattersley (1999, 377) showed how TSA would deflect criticism back to anyone who left by branding them as malcontents or not following the General's orders.

Bramwell Booth (1925) reflected on the constant need that TSA had for money. A number of processes were established by William Booth as TSA was set up. William Booth set the principle of self-supporting for each local area, a principle still generally used within TSA today (International Headquarters, 2006, Watson and Brown, 2001). Each area was responsible for funding their activity and the programs undertaken; this was in place before the formal move to social service. The second aspect to the self-funding principle was that the strong needed to help the weak such that transferring financial resources amongst the local areas was acceptable. As TSA grew, transferring money between countries and the funding of the International Headquarters was also accepted. This self-funding principle has been reflected in the activities of TSA from that date such that, in orders and regulations for corps officers and treasurers, the need for a local operation of TSA to find funding sources is quite clear. William Booth argued that the local community needed to support the TSA activity as TSA acted locally. In many countries TSA members or officers are seen collecting monies in street corners or other locations. This money is utilised within TSA for its local church operations. This is still practised in the 21st century.

In 1886, William Booth set up a system where internal members of TSA would, in a sense of sacrifice, provide additional financial support. This is referred to as self-denial. A member of TSA would look at their own behaviour and expenditure and make a decision as to how surrendering certain comforts or luxuries meant that the money saved could be redirected to the work of TSA. Self-denial money is still collected in the modern 21st century just before or during major fundraising appeals. For example, in Australia, the Red Shield appeal occurs in May with the self-denial activity being conducted within TSA churches running at a similar point.

However, as Manson (1906) and Milligan (1982) have identified self-denial activity is not always directed towards the social work of TSA but has been directed to local church operations.

One very distinctive feature of TSA financial management is the use of advisory boards. The first board created for TSA was in 1865 where William Booth had a group of distinguished people act and advise through the Financial Guarantee Committee (Booth, 1925). As Bramble Booth (Booth, 1925) identified, William Booth, though he took on the responsibility of fundraising was uncomfortable with financial management. In the very earliest part of TSA history, the day-to-day recording of the accounting books was transferred to professional accountants. As Irvine (2002) and Booth (1925) point out the maintaining of accurate accounts was essential for TSA activity. The importance of accuracy was one of the lessons that William Booth brought with him from his time as a pawn broker and, as discussed in chapter two, accounting was used to show effectiveness in stewardship by members of the nonconformist church.

The criticisms over money management were not necessarily about the process of bookkeeping[39] but what information was reflected in the books. Hattersley (1999, 384-404) illustrates a number of conflicts Booth had over money management ranging from criticism from COS, challenges from trade unions over TSA's commercial activities and ongoing challenges on the control demanded by Booth. Whilst accountants maintained the recording of income and expenses, Booth maintained control over how it was spent. Annual financial reports listed the items of income and expense, albeit in summarised form (see for example Irvine, 2002), and, whilst the annual report provided numerous examples of how TSA helped people, the level of disclosure concerning how funds raised for particular programs were used for that program were not provided. As previously discussed, self-funding principles accepted that the strong help the weak, so TSA had set itself up to facilitate cross subsidisation but failed to disclose how this subsidization was

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[39] SANDALL, R. & WIGGINS, A. R. 1950. *The history of The Salvation Army. Vol. 4, 1886-1904,* London, Thomas Nelson and Sons Ltd. Official history of TSA claimed the accounting systems earned commendations; this comes from the Darkest England Inquiry that commended TSA for using professional accountants to produce their reports and the practices of bookkeeping.

reflected in the accounts. TSA did not practice transparency in its disclosures, an issue repeated for 150 years as will be discussed in chapter five and six.

The use of distinguished gentleman also featured in how William Booth answered some of his critics with the Darkest England Scheme Inquiry. As Hattersley (1999) points out the advisory boards had no ability to make decisions. The use of advisory boards in the current TSA is reflected by Watson and Brown (2001), Finger (2011), and Gariepy (2009) and in most financial and annual year reports produced by TSA.

However, one activity constantly plagued William Booth at the beginning and this relates to money mismanagement and accounting irregularities. As demonstrated by Hattersley (1999, 162, 184, 367, 398) William Booth was challenged on how effectively he was able to manage various projects as TSA developed. Mismanagement of money confronted Booth in 1883 when TSA was expelled from Switzerland due to irregularities in their accounting records: no accounting books were maintained by the TSA and all the information was in the head of one of William Booth's daughters (Hattersley, 1999, 297). Accusations of financial impropriety haunted the early days of the Darkest England Scheme. The challenge revolved around whether the money had actually been spent as promoted by the Scheme or had been siphoned to fund other activities. These challenges were the reason for the establishment of the 1892 Darkest England Inquiry.

In more recent times TSA has had to confront what happens when it loses public support. In 2000, TSA in France suffered a major crisis as the French government forced the TSA to separate the social work and religious functions (Gariepy, 2009, 149, Shepherd, 2006). Shepherd (2006) provides insight into the difficulties TSA had in financing church activity. In his paper, the challenges of being able to show separateness in meeting French government requirements forced those who were members of the religious organisation to consider how it could be financed. Shepherd's study provides insight and aids in understanding the interrelationship between the social and church financing. In particular, the French operations had low numbers of members and friends attending church activities and thus low levels of church funds. On the other hand, they had larger numbers of members who more closely identified with the service activities which were run more like a business

than a church. The question arises as to whether funds could legitimately be transferred from the financially stronger social service activities to support the church activities. This is further complicated by the fact that full time 'church staff' also carried out extensive work in relation to service activities. These problems occur in all countries to varying degrees, and the structure in relation to the two trusts aggravates the issue. (These elements will be discussed in more detail in the following chapters). In the French context, the religious wars in the 18th century between Catholics and the Protestants, and the subsequent attitudes of Napoleon led to the formal mandate that church and state are to be kept separate. Thus, where the government is requesting and funding social service activities there is a requirement that the funds are going to a separate social organisation and none of the funds are being transferred to religious organisations. Thus, while the nature of the problems of justifying the transfers between activities, and the view in modern day governance theory that where there are potential conflicts of interest there should be high degrees of transparency normally through disclosure in annual reports (Kosack and Fung, 2014, Brennan and Solomon, 2008). Whilst these inter-relationships between the two arms of TSA occur in all countries, the strict legal prohibitions in France highlight the essence of the problem from a modern day perspective.

Whilst in the 19th and early 20th centuries TSA was criticised because of their lack of transparency, in the 21st century TSA insiders have challenged the need for transparency and separateness between the social and spiritual sides. As will be demonstrated in Chapters five and six, TSA does not believe their form of accountability is inappropriate, but the result of this is identity confusion and perhaps increasing challenged to their relevance in the current form in the 21st century as will be discussed in the next chapter.

3.10 Conclusion

The way we understand our reality, ourselves, our relationships is via the stories that are told. Ultimately, all knowledge requires the application of practical wisdom as we interpret the stories. Every story may be more than simply what the author said, but will be subject to hearers' and readers' understanding, and thus there will be the real possibility of conflicts of interpretation. As Gadamer (1991, 296) states:

> Not just occasionally but always, the meaning of a text goes beyond its author. That is why understanding is not merely a reproductive but always a productive activity as well.

Privileging one interpretation or one story over others reflects the power of ideology. Within this context the debates over language and text have occurred in philosophy, religion, and in political sciences. Revisionist history challenges the status quo of capital versus labour to reflect changes in how events and processes are understood.

Ricoeur's approach to hermeneutics brings together many aspects of philosophical thought. The realisation that all action is like a text and, therefore interpretable, provides a method to engage in deeper understanding of what is happening. All events can be seen from multiple perspectives. Each perspective provides its own understanding. The task of hermeneutics is to bring these perspectives into a coherent whole where compatible or to recognise that different perspectives exist.

The use of narrative allows for the discordancy of events to be structured into a sensible form that allows meaning to develop and to be understood. We tell stories individually and in groups. We draw from these stories our sense of belonging and identity.

The discussion on Ricoeur's narrative theory, the use of history and a brief introduction of TSA narratives lays the grounds for the development of the identity claims that are made. How narratives construct identity is the focus of the next chapter and how the narrative identity allows for accountability is the subject of chapter five. In chapter six, the degree of TSA disclosure and transparency in its operations is discussed and related to TSA identity issues.

Chapter 4 Identity

4.0 Introduction

Identity is the second of the three central characteristics of Ricoeur's theory that allows for accountability via the narrative identity to be developed. This chapter will build on the discussion on narrative in the previous chapter and explore Ricoeur's ideas on identity and the relationship with narrative. Ricoeur argued that narrative identity analysis is possibly one of the most useful methods of exploring personal identity and how it changes over time (Ricoeur, 1992, 18). The narrative act structures the temporal character of human experience as it brings into focus, via the narrative identity, transitional and relational functions between the description and prescription of lived human experience, its suffering and its possibilities. In other words, life is experienced as a tension between one's sense of what is appropriate behaviour, what is possible in the current environment, and what one aims to achieve in the longer term. Whilst all these will change over time, at any point a narrative identity will reflect the tensions between these three and where you have come from.

The concept of narrative identity discloses itself first via the dialectic of selfhood and sameness and it extends from the concern with the emplotment of action through to a dialectic of character. Ricoeur transfers to the character the operation of emplotment that leads to the idea that the characters themselves may be seen as plots configured with considerations of obliged roles, ethical intentions, rewards and punishments. Ricoeur has suggested (Ricoeur, 1992, 146) that the narrative is the path that flows to and from the character whilst the narrative identity is the reflective nature of the character's consideration of their ethical intentions, that is, how a character aims to live a good life with and for others in just institutions- the ethical principle Ricoeur employs (Ricoeur, 1992, 180).

Ricoeur's work has been applied across many disciplines including organisational studies. Barrett et al (2011) presented an examination of the use of hermeneutics philosophy and organisational theory. Within their analysis they presented Ricoeur's contribution to various topics within organisational theory, part of which is the use of identity construction, sense making and the relationship between

Ricoeur's approach to narrative analysis and those used within organisational study. One significant contribution is the use of Ricoeur within the narrative identity construction.

Organisational identity studies have been undertaken since the seminal paper by Albert and Whetten (1985) introduced the idea that an organisation's identity is bounded by the three pillars of central, enduring and distinctive (CED). Within their paper the authors proposed that identity is an interpretive construct and that identity can only be understood through interpretive methods. Albert and Whetten proposed the use of an 'extended metaphor analysis[40]' in their interpretive method but they noted identity is conveyed through signs and symbols. Identity scholarship will be discussed to show how identity work has developed since the Albert and Whetten paper. There is similarity in the approach used by Albert and Whetten for organisational study and the one used by Ricoeur for personal identity.

Ricoeur's conceptualization on identity argued that we draw upon metaphors and narratives in culture and society and this allows us to understand how we can construct coherent understandings in terms of identity formation (Ricoeur, 1988). Ricoeur's concepts of character and self-constancy have a strong relationship to, and have been applied to organisational identity in addition to the central, enduring and distinctive criteria (Czarniawska, 2011, Barrett et al., 2011, Gioia et al., 2013).

Because the issues addressed overlap, the organisational studies will be examined with a view to highlighting some of the central issues associated with the use of organisational identities and the complexities involved.

The historic and current identity claims of TSA will be explored. The original central focus of TSA was clearly religious in nature but as will be illustrated throughout this chapter the focus became complicated when social service activity was introduced. The discussion and conclusion section will evaluate TSA identity claims in preparation for the discussion on accountability, the third concept that ties narrative and identity together.

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[40] The Extended Metaphor Analysis used by Albert and Whetten is "a method for defining and characterizing one organisation in terms of another. ….EMA is a way of asking in what ways is a given organisation like --- or a ----" (Albert and Whetten, 1985,281)

4.1 Ricoeur's concept of identity

The following discussion is a continuation of the theoretical arguments developed by Ricoeur in the understanding of the narrative identity. The main point is that Ricoeur understands the idea of self in two forms – the *idem* identity or the identity as sameness, and the *ipse* identity –the self or the identity that has the ability to reflect and to act.

As discussed in the previous chapter, the mediation by the text allows the objectification of the world because the text itself does not belong either to the reader or to the author. With the world of the text the critical perspective is only possible by the objectification of the text, but the writing of the text is also the text of the world, a broader metaphor. Language is the fundamental element that intermediates the relationships between the subject and the world, and does so via discourse, and the discourse is about an event. The event has its own specific temporality and is expressed by someone about something. The concept of accountability expands on the idea of the event by looking specifically at the event as there is a relationship in the discourse of accountability where now the discourse shows the rationale for the event in the structure by someone for something and addressed to someone. Therefore it is possible to use Ricoeur's hermeneutics as a basis of interpretation of organisational narratives discussed at the end of this section.

Ricoeur developed his concept of narrative identity as introduced in *Time and Narrative volume 3* (Ricoeur, 1988) and further developed it in Ricoeur's last major work *Oneself as Another* (Ricoeur, 1992). Ricoeur developed the analysis of narrative to develop a concept of self-identity.

Ricoeur understands the idea of self in two forms: first selfhood in which he uses the concept of *ipse* identity which is ontologically different from the concept of *idem* identity. Ricoeur uses the term *idem* the identity as sameness and *ipse* the identity as selfhood (Ricoeur, 1992, 2-3, 27-55). Selfhood refers to the kind of entity that Heidegger calls *Dasein* - a self that is characterized by its ability to reflect upon itself (Heidegger, 1962). Ricoeur agrees with Heidegger's concept of *Dasein* - the self is not the same as myself, there is an assurance of being oneself via acting and suffering.

For Ricoeur, identity is a narrative construction that is the product of the reflective process. Ricoeur looks at the double meaning of identity as both self and sameness. Ricoeur argues that sameness is not selfhood. Sameness may denote a numerical identity or a resemblance or similarity and denote a continuity or lack of diversity. Selfhood relates to the unique identity that belongs to the individual and differentiates individuals. Within selfhood the relationship with others manifests itself. In seeing oneself as another then it becomes possible to become concerned about them and therefore relate to their suffering. The self is linked to others; therefore the three aspects of action - ethical, practical and moral - are drawn from Ricoeur's analysis of reciprocity and mutuality (Ricoeur, 1992,331-335).

Ricoeur's analysis of identity is integrally social but it extends by describing the narrative structure to provide a self-concept with a concordant, temporal unity. Narratives are integrally temporal because they configure the events of the past, the present and the anticipated future into a narrative whole.

For Ricoeur the self is essentially embodied. Self is made possible by the relationship the human actor has with its material and cultural situation. The self is capable of initiative of starting something that is new. The key issue in Ricoeur's argument of the self, is the principle of *attestation* (Ricoeur, 1992, 22), the idea of being able to identify oneself as the author of one's actions. When one attests to something it is a statement of belief in that thing. Attestation is essential in moral and other forms of judgement as attestation is credence, reliability and trust (Ricoeur, 1992, 23). Within the context of this thesis, TSA acts according to its beliefs. Similar to meeting a mission TSA claims that its meeting of human need is consistent with its understanding of practical and pure religion. In this TSA reflects itself in the *ipse* identity.

In *Freedom and Nature* Ricoeur(1966) argued that the human actor is a being with a double nature, in subjectivity all selfhood is a dialectic between activity and passivity, between the voluntary and the involuntary. The individual identity, may be viewed as either sameness or selfhood, for Ricoeur to be identical to someone or something, or in some quality or characteristic is to have the same quality or characteristic as the person or thing (Ricoeur, 1992, 140-168).

For Ricoeur, there is a dialectic relationship between the self and the other thus selfhood and otherness cannot be separated, as selfhood implies otherness. This is opposed to the Descartes's *cogito* (*cogito ergo sum*) which sees the subject in the first person (*I think, I am*) without reference to the other.

Ricoeur approached selfhood from a number of directions from the outside in via means of the phenomenological and analytical description and inside out by the ontological meta-category of being as captured by acts and power (Ricoeur, 1992, 303, Kaplan, 2003, 76). This revolves around the act of willing. Ricoeur shows that the act of willing is both the realization of freedom and the reception of necessity (Ricoeur, 1966). To be willing is made up of three parts: to decide, to move and to consent. The decision to act or refrain from acting, therefore, responds to what is believed or how one sees the other. This approach allows for the *attestation* of selfhood to complete the hermeneutics of selfhood. This dialectic approach of unity/difference is found in Ricoeur's analysis of the concept of metaphor, narrative and now identity. For Ricoeur, the interpretation of selfhood is drawn from the analysis of objects in which the self reflects on itself and therefore becomes available for interpretation.

Ricoeur developed his thesis that sameness is not selfhood, but rather that sameness may denote a numerical identity and as such may have a sameness/resemblance/similarity with others: for example a birthdate of an individual or the incorporation date for an organisation. To this end, sameness may denote an un-interrupted continuity for example from time of birth, or a lack of diversity. Selfhood is the unique identity which belongs to the individual self and is not the same as the identity which belongs to another individual.

The *ipse* identity needs the *idem* identity. Both forms of identity are relational: the *ipse* via the interaction with the environment, the *idem* is established via sameness and builds on comparisons. Within the *idem* identity the legal structures used by TSA are found. TSA can trace its 150 year existence by reference to its founding documents. Over time these documents have changed from trust deeds with a different name, for example Christian Mission in 1878, to acts of Parliament for example The Salvation Army 1980 Act. There is a continuity of identity because of TSA's legal form.

The second aspect of the *idem* is that TSA started its existence as a religious movement. In this aspect, the belief in the Christian message has not been altered. The influence of Wesley's theology is reflected in TSA's religious doctrines of belief. TSA, prior to its move to social service was similar to many other Christian evangelical missions that existed in the late 19th century. Within the *ipse* identity the uniqueness of TSA is reflected. The mission statement of TSA stated by most territories and reflected in the 1980 Act reflects a mission of preaching and service.

Within the *idem* identity, is the question "what", for example what kind? The personal selfhood *ipse* identity includes the question "who", for example who am I? (Ricoeur, 1992, 113-139). Ricoeur argues that selfhood may refer to the identity which belongs to oneself but *not* to the other *and* the identity which belongs to oneself as the other. To see another as oneself may be to rise above oneself. To see others as ourselves allows us to be concerned for them. The suffering, the joy, the promotion of wellbeing experienced by others becomes important to ourselves as in them; we ourselves experience the joy, suffering and well-being (Ricoeur, 1992).

Ricoeur asserts that the answer to the question 'who am I?' can never be fully explained. For Ricoeur the question relates to as the specific form of *being* - a subject of temporal, linguistic, material and social unity. To understand oneself as a physical subject (the embodied self) in a world, requires a complex form of understanding and capability of bringing together a variety of discourses within temporality (time). The temporal dimension of selfhood is central to Ricoeur's hermeneutic philosophy and to the narrative model of understanding (Kaplan, 2007, Hall, 2007, Ricoeur, 1992, 140-168).

For Ricoeur, the philosophy of selfhood involves multiple descriptions of correlation between self and the other. The self is linked to otherness and others. In the moment of action, the three forms of understanding – ethical, moral and practical are predicated on Ricoeur's formulation of reciprocity split into two by mutuality (Ricoeur, 1992, 219-239). Much discussion on love and justice has been predicated on the 'golden rule' – do unto others as you would have them do unto you. There is an equal identification between the self and the other. The obligation of the self is reciprocal to the obligation of the other. Several authors McKernan and MacLullich, (2004), Shearer, (2002), Schweiker, (1993), Arrington and Francis,

(1993), Arrington and Francis, (1993b), Francis, (1990) discuss these concepts as a way of applying the obligation of accounting in the service of the "Other".

Ricoeur moved beyond the philosophies of the cogito that were part of his own struggle against Husserl's *idealism* (Dauenhauer, 1998, Ricoeur, 1967, 1988, 1992, 49-50). For Ricoeur, consciousness is not absolute, transparent and self-present. The self is linguistically mediated via the objectives in the reflective process of the self (Ricoeur, 1992, 111,143).

Ricoeur developed the argument that selfhood is a fundamental experience that its full philosophical account is effectively impossible and therefore, looks to *attestation* as a way of mediation. Ricoeur locates this belief within his philosophical analysis of the self "who" and, therefore, makes *attestation* of selfhood a topic of investigation alongside his other philosophical investigations (Ricoeur, 1992, 22, 297-356).

For Ricoeur, the identity of the self is constituted by the tie between a self sameness and a selfhood (Ricoeur, 1992, 35). Ricoeur argues that the self's *idem* identity gives the self the spatial temporal sameness. The *ipse* identity gives the self its ability to initiate something new and imputable, of which they are the author and agent to them. Ricoeur argues that without both identities there is no self, the self has an *idem and ipse* identity in that it inherits the physical and the intentional orders of causality. Who we are as an individual is a function of what we do and how we do it. An account of any action needs to bring how it is related to both forms of identity (Hall, 2007, Kaplan, 2003).

In applying this to TSA, understanding the organisation requires an appreciation of where it has come from, what is its structure and what it actually does. The length of time TSA has been in existence allows for stability of character to develop. How it operates reflects upon how it relates to others. At this point, however, a question about TSA is which part of TSA is receiving donor funds: the *idem* reflecting the legal structure or the *ipse* identity the part that acts to meet needs. Whilst TSA is one organisation, its dual mission and legal structure is inconsistent with the holistic view professed. External donors see TSA as a provider of social services to anyone. How TSA reflects that money is being utilised in the manner expected by the donor requires disclosure rather than simple compliance. How this is resolved will depend

upon the accountability of TSA practices. This will be discussed in the following chapters in more detail.

The *idem* identity denotes sameness as a qualitative identity. The qualitative identity depends on the point of view which defines the essential sameness. According to Ricoeur, the transition from the Same toward the Other is dialectically the equivalent to the Other towards the same. For the individual self, the *same* and the *other* may each be designated as agents of responsibility – and the acceptance of responsibility may be the attestation of selfhood (Ricoeur, 1991a, 1992, Venema, 2000, Hall, 2007, Seikkula, 2008).

A component of the notion of identity is the uninterrupted continuity or a lack of variation or diversity. According to Ricoeur, the essential and comprehensive features are indebted in the permanence of time. Permanence in time is a question of stability of the identity structure regardless of what happens in time.

There are two models of permanence in time: character and keeping one's word. The stability of character is the overlap of the *idem and ipse* identity, while keeping one's word marks the gap between the permanence of self and of the same. Keeping one's word expresses a self-consistency which cannot be inscribed with the general but is solely within the *ipse* identity of "who".

The narrative identity characterizes the dialectic of selfhood and sameness. The identity of an individual in a narrative is their narrative identity. A character in a narrative is an individual who may be identified and re-identified as being the same but character may also revealed a form of selfhood (Seikkula, 2008,79, Ricoeur, 1992,118). The narrative of an individual tells the connections that may unify multiple actions over a period of time. The multiplicities of persons and the connections link multiple viewpoints on an assessment of these actions as illustrated by:

> the narrative construction the identity of the character, what can be called his or her narrative identity, in constructing that of the story told. It is the identity of the story that makes the identity of the character (Ricoeur, 1992,147-148)

Selfhood is situated within the semantic world of the text (Ricoeur, 1988, 146). Identity is an expressive reply that is fulfilled in the initiative of action by an

identifiable agent that can answer the question "who did this?" and "who" is the agent. The narrative identity is a form of testimony and or attestation of the selfhood which the reader can either accept or reject. Ricoeur, (1992, 297-352) discussed that in narrative within the textural world the reader identifies with its meaning and receives it is a validation and expression of their conviction concerning the selfhood. *Attestation* is both the conviction that selfhood is a dialectic of the self, the same and the other and the proof that this is the intimate reflexive structure of selfhood.

However this belief cannot be taken as the ultimate foundation of the philosophy of selfhood (Ricoeur, 1992, 317-319). Just as false testimony haunts true testimony suspicion is the path toward and the crossing point within attestation. Suspicion haunts attestation and is the challenge to the claimed identity (Ricoeur, 1992,302). Just as one can lie in giving an account of what happened, the reader may reject what has been claimed as the claim is viewed with suspicion or disbelief.

As previously discussed in the narrative chapter, a narrative is completed by the reader. The identity claimed or explanation of the event may be rejected. This is especially so when the claimed identity is at odds with other experiences. For TSA its narratives claim a response to need is in accordance with their beliefs – but responding to need is seen externally as a social service rather than a religious activity. The potential for an identity mismatch possibly creates suspicion.

Ricoeur sought to establish a relation between narrative configuration and sameness/selfhood that configures the agent (Ricoeur, 1992,141-145, Hall, 2007, 56). The relationship is through two operations: first the emplotment synthesis of the character (personage) and the imaginative space opened by the fusion of horizons (Gadamer, 2006).

Ricoeur argued that narratives allow for a sense to be made from the various parts of the story that build up into a coherent narrative. He argued that narratives bring together various parts, elements, and at times inconsistencies, into a unity of a plot that has a temporal dimension or time span (Ricoeur, 1992, 142). Secondly, he argued every element united by narrative is a contingency or a possibility but when they are combined into a plot, the elements take on the form of necessity or

likelihood as Ricoeur (1992, 142) states: "it only becomes an integral part of the story when understood after the fact".

Thirdly, narratives are constituted by actions, events, characters and personages. Every character in a story acts and is acted upon. Every event involves actions and characters. Hall notes the English translation of Ricoeur's original work makes no effective comment on the shift in terminology as character and personage has been rendered by the translator as the same English term, namely character for both concepts. (Hall, 2007, 170)

A plot relates the development of a story and the characters within the story. Every character in the story is both an actor and is acted upon. Finally, in the narrative character raises to the status of a person who can initiate action, can evaluate their doings and suffering and imputes them to the persons either as praiseworthy or deficient is some aspect (Ricoeur, 1992,143-145).

Referring back to the previous chapter's discussion on Ricoeur's use of metaphor, it now becomes possible to interpret multiple forms of discourse. Each form corresponds to different internationalities of experience. The extended metaphor is capable of bringing into light the temporal process of identity formation. Experience narrative brings into language the world of human temporality and action that subjects agents to change in search of their identity. The construction of narrative identity provides the unity of sameness, and difference, which connects history and fiction to phenomenological and cosmological time (Ricoeur, 1988, 207-208, 244-249).

According to Ricoeur a character in a narrative is an individual who may be identified and re-identified as the same. However the narrative identity of the character may also reveal a formal selfhood (Ricoeur, 1992,142-168).

> By 'character' I understand the set of distinctive marks which permit the re-identification of a human individual as being the same. By the descriptive features that will be given, the individual compounds numeric identity and qualitative identity, uninterrupted continuity and permanence in time. In this way, the sameness of the person is designated emblematically (1992, p119)

Ricoeur's narrative identity defines a character as being an agent of action (Ricoeur, 1992, 88-112). Action theory describes an agent's capacity to *act*, whilst in moral theory action describes an agent's *obligation to act*. Ricoeur's narrative theory

mediates between the series of actions and ethics of the individual (Ricoeur, 1992, 140-168). Ricoeur argues that the world of action is a pre-narrative structure; any action implies a network of concepts and practical understanding of these concepts. We refer to this network for the explanation of the intentions and understandings of the actions (Ricoeur, 1984, 54-56).

Ricoeur observes that the symbolic mediation of action always embodies signs, rules, and norms which make actions readable by others (Ricoeur, 1991a, 144-167). Action, therefore, is a text, in which symbols provide rules of interpreting the behaviour (Ricoeur, 1992, 82-112). For Ricoeur, action has the significance and meaning when it is incorporated and decipherable by other actors in social interplay. By placing action within a symbolically mediated meaning and context Ricoeur can substitute actions under socially regulated cultural codes. These codes function as norms or rules of behaviour which give form, order and direction to life. Actions are rule governed behaviours. The temporal character of experience is implicit in action and action takes time to be accomplished and it is the time of action that calls for narration (Ricoeur, 1984, 57 - 59).

In applying Ricoeur's narrative identity to an organisation, Mallett and Wapshott, (2011) and Sonsino, (2005) draw heavily on how an organisation presents itself in the myriad of ways it communicates with others. The organisation may be understood from both what it does, as well as what it does not do. The organisation has a privileged place for creating and forming its own symbolic system. Organisational narratives, speeches and gatherings serve as guides to action as the various authors of the narratives seek to impose standards of conduct and behaviour that is acceptable to its legitimating ordering of member behaviour. From an organisational perspective the concept of self-that is identity as sameness and identity as selfhood looks at the link between the quantitative descriptions[41] of the organisation versus how the organisation will operate in its ordinary course of activity.

However it can be a contested space as various organisational power brokers introduce various subtle influences in relation to the evolving self-concept.

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[41] For Ricoeur, the quantitative sense of identity reflects that part of identity which can be established and remain static throughout time, for example, birth date.

Organisation gains strength from an enduring identity but at the same time is not static as membership of influential roles change and the society to which it has to be responsive also changes. At the same time, too many changes or too great a change undermines the organisation in that both insiders and outsiders begin to question their loyalty as they are uncertain as to the nature of the organisation they are dealing with. The organisation is a broad field of discourses and is built on stories and heroes; it consolidates rituals and solidifies the action of its members. Developing the narrative of an organisation allows understanding of the 'who is the actor' the agent of the action undertaken – Ricoeur developed this via his conception of narrative identity.

4.2   Reading of text and identity

Ricoeur argued an individual is like a text, they are the narrator of their own life whilst living but they are not the author (Ricoeur, 1992,32). The interpretation and development of the narrative belongs to the reader(s) (Ricoeur, 1976, 29-30). The acts of reading and writing transform the subjectivity of both author and reader.

The historical narrative represents the past through the analogous unity of identity and otherness (Ricoeur, 1988, 155). It is through the productive work of imagination interwoven into the historical intention that allows an opening of historical narrative to affect the process of re-figuration. Reading is a work of application:

> it is only in reading that the dynamic dynamism of configurations and completes its course. And it is beyond reading, ineffective action, instructed by the works handed down, that configuration of the text is transformed into re-figuration (Ricoeur, 1988, 159).

Historical and fictional narratives refigure experience under the rule of analogy, that is, under the rule of emplotment governed by the logic of metaphor that reconnects art to life of the transformation of 'seeing as' into 'being as'. Although every act of reading is an individual response, the meaning of the text is generally understood in a similar way by other readers in community, as the common social environment and experiences influence how they all read. Each generation, therefore, responds to a text through its own logic of question and answer (Ricoeur, 1988, 172). To understand a text is to gain knowledge of another world of reference in conjunction with other readers. The goal of reading in community with others is to affect a

response that produces not only a configuration of the text, but more significantly, the re-figuration of experience by way of intersubjective knowledge.

The importance of reading in understanding an account or identity cannot be underestimated. As narratives are socially constructed understanding them draws from the same social construction. Reading a text away from its historical context allows for interpretation and reinterpretation as well as misinterpretation.

Ricoeur argues that rather than leaving the reader with an abstract to recognition of the text otherness the process of narrativization must overcome the difference by constructing a sameness or identity between the text and the reader, that is, the narrative helps establish the connection between text and reader. It is in the process of reading and rereading of the text that allows for the understanding of the context and horizon that the reading of the text will produce. Reading[42] of the text includes both a richness and opacity, whilst rereading may clarify but in doing so allows choices to be made (Ricoeur, 1988, 175).

To re-figure experience is to draw an analogy between the work of $mimesis_2$ and $mimesis_3$[43]. Reading therefore does not merely take moral content from the configurations of the text but attempts to force a conjunction of identity between the text and the reader. The reader, therefore, must identify with, and take responsibility for, the cathartic effect that impacts on the moment of initiative and action, the moment that defines who we are. At this point, the narrative arc is completed with an allegorizing application of the world of text into the immediate world of the reader. The narrative arc forms a necessary means to understand experience, to understand the text is to make one's own (the reader's) subjectivity identical with that proposed by the text. This is not only an identity, with regard to the context of the text, the very structure of the text is identical with the reader through the cathartic application.

Reading and re-reading a text must continue until the reader identifies with the story and participants in the story so that they have a greater sense of identity and, in this way, reduce the extent to which reading is subjective and to approach an almost 'objective' reading of the text. None the less the reading is still specific to that time

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[42] Ricoeur argues that reading is a creative act replying to the poetic act that founded the original work (1988 p 320)

[43] mimesis 1,2 3 were discussed in the chapter on narrative

and that social structure. The process of re-reading also helps one to not only get increased understanding of the message but may also lead to a questioning of the intent of the message.

Refiguration transforms more than moral evaluation, the very subjectivity of the one who accepts responsibility for their actions configured by the world of the text transformed by the possibilities the world of text proposes. Through the distance of imagination takes from experience, the world of action is transformed under the refigurative power of reading. Reading opens the imaginative space within which the imagination is reconnected with life in order to initiate action (Venema, 2000, 106 - 110).

An application of the above discussion is how TS invites readers into their annual reports. The invitation is given to the readers to 'see' their part in the transformation of lives. The invitation directs the reader to look at what has been and what could be done with continued (financial) support. The technique has been used since Booth produced his reports and articles published since the early 1870s. The invitation brings the narrative and identity of both the author and reader into a form of alignment. In this way, the text is directing the reader to understand what the author is seeking, namely continued support. With rereading of the text the reader may see the character of the TSA being present via its identity as either a social work or church based organisation. Continued re-readings may introduce a challenge to the narrative as the reader may reject the naive view and see the call for support as a sign of manipulation. TSA has been subjected to both types of effects – those who support the organisation read the report as evidence of alignment of mission, whilst those who oppose TSA see it as further evidence of manipulation and control. The 'invitation' will be discussed further in the chapter on accountability discourses. Much of the understanding we draw from in reading comes from our relationship between the self and others within the boundary of society, conditioned by time, location and other shared beliefs.

4.3 *Narratives within Groups and Society*

Individuals are part of a greater body which brings together numerous individuals. Ways of talking, acting and understanding are embedded in forms of shared life – often referred to as culture. Individuals form part of their identity by the groups they

belong to and within organisations. The concept of identity is entwined with culture and society. For Ricoeur, narratives are never ethically neutral they are value loaded and form the social meta-narratives. The importance of the shared narrative of a group or organisation is part of the pre-understanding that one brings to the understanding of a narrative (mimesis$_1$).

4.3.1   Shared narratives

The culture of society is fundamental. Culture of the individual is dependent upon the culture of a group whilst the culture of a group is dependent upon the whole society to which the group belongs.

Narrative is a fundamental activity; it reflects the symmetry between its contents for understanding the complexities of the moral human condition and in enabling interpretive communities. Narrative discourse is essential for us to understand living[44]. Stories are invitations for us to know the world and to locate our place in it. The narratives of history, present experience and imagination call us to consider what we know, who we are, what we hope for, what we care about and who we care about. Narratives allow us to enter into one's life and being (Ricoeur, 2005).

Through stories, we imagine new possibilities, new horizons of knowing and understanding, new ways of engaging and the possibility of attraction. Narratives show the significance events have on one and another. At a cultural level the narratives give cohesion to shared beliefs and to transmit values amongst members (Ricoeur, 1992,199).

For Ricoeur ethics and politics overlap because the ethical intention aiming at the 'good life' with and for others in just institutions (Ricoeur, 1992,180) defines the ethical possibility pursued under Ricoeur's thinking.

Communities become comprehensive of meaning and of storytelling. The narratives construct and maintain shared identity. These stories serve as the prescribed ways for the inculcation of moral values and commitment to social structures into the life of the individual.

> …relate to the notion of disposition the set of acquired identifications by which the other enters into composition of the same. To a large extent, in fact, the identity of a person or a

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[44] MacIntyre has argued all life is a narrative. MACINTYRE, A. C. 2007. *After virtue,* Notra Dame , Indiana, University of Notre Dame Press.

> community is made up of these identifications with values, norms, ideals, models and heroes, **in** which the person or community recognizes itself. Recognizing oneself **in** contributes to recognizing oneself **by**. The identification with heroic figures clearly displays this otherness assumed as one's own, but this is already latent in the identification with values which makes us place a cause above our own survival. An element of loyalty is thus incorporated into character and makes it turned toward fidelity, hence toward maintaining the self (Ricoeur, 1992, 121)[emphasis in original].

To be effective, the narratives have to shape how the members of the group understood themselves as part of the group. Ricoeur is interested in stories of founding events that establish and sustain communities.

> Ideology is a function of the distance that separates the social memory from an inaugural event that must nevertheless be repeated. Its role is not only to diffuse the conviction beyond the circle of founding fathers, so as to make it the creed of the entire group, but also to perpetuate the initial energy beyond the period of effervescence. It is into this gap, characteristic of all situations après coup, that the images and interpretation intervene. A founding act can be revived and reactualized only in a representation of itself (Ricoeur, 1991a,249).

Ricoeur argued no social group could exist without this kind of memory of its own in inaugural events. The representation of the founding events functions as both an interpretation of the real and a closure of other possible interpretation of the past events.

We understand ourselves through the memory and images of our founding events which in turn reinforces the interpretation that we already have about ourselves. The danger of the stories groups tell about themselves is that they often become frozen over simplifications, expressed in slogans and catch cries serving only the interest of entrenched power and authority. Ideology functions through this kind of collective memory as well as through ritualised nations stereotyping and written and rhetorical rhetoric all of which prevent us from interpreting and recording things differently. The stories that constitute our identity function ideologically when they become sedimented into doctrine.

TSA history is full of stories relating to how it got its name, the adoption of uniforms, the struggles of William and Catherine Booth and many more. They are reflected upon in official histories, commemorated during significant anniversaries like in 2015 the 150 year anniversary. The stories become the foci for explaining how TSA deals with issues. TSA is shown to its soldiers and adherents as God's vehicle and it is through this image TSA work are internally interpreted.

4.3.2 Shared tradition

The stories told often set the historical context that is worked from, however these stories are but one view of events and interplay between the actors within the event. These stories through distance of time become sedimented into consciousness and naively accepted. Gadamer (2004) has argued there are limitations on the extent to which self-reflective methodology can eliminate or minimise distortion from inquiry (Gadamer, 2004). The critical self-consciousness of a rational agent who questions received traditions may experience distortion through effective history. The inquiry can only lead to at best an approximate level of objectivity. There is a need for repeated attempts at critical understanding to correct the agent's prejudices and to question the received shared tradition. The meaning of a shared narrative changes over time according to how it is read and received. This may be illustrated by how religious writings are interpreted and reinterpreted over time (Stiver, 2001).

For Ricoeur, tradition must be more than included in culture it must also be recognized. Traditionality is the way in which we are connected to the past. Traditionality makes enquiry and its legitimacy possible in our understanding, traditionality is the interconnection of the historical succession in the chain of interpretations and reinterpretations that are transmitted to us from the past (Ricoeur, 1988). This is part of Ricoeur's response to the Habermas's critique of ideology (Habermas, 1992) and Gadamer's (Gadamer, 2004, Gadamer, 2006) philosophical hermeneutics debate on the role of tradition (Thompson, 1995).

Our thoughts are governed by traditionality in the way we take our beginning from the past. There is some particular tradition or group of traditions to which one must belong if one wants to engage with society. However though we may take our beginnings from tradition it is not to say that we must do so[45]. One tradition can claim not only a hold but also a legitimacy that other forms of tradition may not (Ricoeur, 1988,225).

For Ricoeur, all inquiry has the form of traditionality, to think is to stand in relation to one's cultural heritage, as he sees traditionality as being universal. A single form of human understanding is to be found at all times and in all places, it consists of

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[45] Ricoeur (1988) argued about the importance of tradition, but also observed that there may be other ways of understanding and accepting beginnings.

taking the things said in the past in a certain way. However, what is taken from the past varies with our own historical context (Ricoeur, 1988,219-221).

4.3.3   Shared Identity

As long as our identity is constituted by stories then our lives are interwoven with other stories. Our identity is tied up in the relationship held between the individual and a larger group, whether it is in a family, an organisation or society. Identity provides a unity that continually travels between the sense of sameness and difference (Kaplan, 2003, 96). This unity offers instructions for life by being a guide, but at the same time being actually instructed by life. Gadamer reminds us that we are informed by our tradition as much as we inform our tradition (Gadamer, 2004).

Every telling, writing or reading of the story takes a different position and the line between the sedimentation and innovation becomes increasingly blurred. Every act of emplotment is different but it remains a union of the heterogeneous - a model for action and the continuity between received rules and new narrative structures. However, any story told is capable of being susceptible to ideological colonization (Ricoeur, 1991a,249).

A person's identity is partly constructed by what that person values. Internalizing an ideal contributes to what I am, what I like and who I am. The self-interpretation consists not only of the explicit answer to the question 'who am I?' but also reflects our implicit orientations in life. There are two levels in a person's identity, the implicit level that looks at our reactions, motivation and actions and the explicit level identified how we articulate ourselves. One can determine one's own self - identity only by oneself, others determine their identity through their own self – identification, though at times another may assist or guide another person in understanding themselves (Seikkula, 2008,106). However, the interrelationship between individuals allows for the understanding of each's identity via the sharing of the linguistic articulations that are used as the medium of identity.

Ricoeur (2005) talks of the importance of recognizing each other both in a linguistic, traditional and historic sense that understanding each other is part of what recognition is about. To construct a shared identity involves the assembling and

reordering of pieces of myths, beliefs, traditions and histories identified through the individual identities and brought together to form a new identity.

Shared identity brings with it the power to identify those stories which are accepted and to relegate the unaccepted stories to historical oblivion. The idea of orthodox opinion reflects the accepted view. As in history, the writer is often the victor, relegating or dismissing other views. Thus, depending on the focus of those determining history much becomes silenced. To the victor belongs history. This is especially true for founding stories (Ricoeur, 1991a, 249). The concepts of Ideology and Utopia draw from identity in its shared sense such that identity in form of ideology gives rise to a form of legitimacy in the use of power, whereas, Utopia balances the conservative integrating power of ideology by questioning whether society needs to be constructed in the manner in which it is (Dauenhauer, 1998, Kaplan, 2003, Ricoeur, 1986).

4.3.4   Ricoeur's Identity Summary

Within this section, the main focus has been to identify Ricoeur's work concerning identity formation. Whilst Ricoeur's work is primarily a moral philosophy for the individual, increasingly his work is being adopted and applied in many disciplines, especially those where interpreting text is viewed as a valid method, including organisational study. Throughout identity formation, Ricoeur has argued that identity is a function of narrative. Identity can be read and understood as an action and thus may be 'read' as a text. Ricoeur has argued that identity is made up of two very discrete components: *ipse* and *idem* identity, self and sameness. The importance of the character and the ability to keep one's word becomes an important issue for Ricoeur in the creation of the self-identity.

By looking at the relationship of narrative and linking it to the requirement to read and identify its context Ricoeur demonstrates how the use of language, rules of practice, and the relationship which exists within society aids understanding identity. Identity however is subject to challenge such as a narrative through reading can be either accepted or rejected. Reading is important because it brings together the motive, the action, the imagination and justification as the narratives are constructed. The invitation to read allows the reconfiguration of actions and brings the work of imagination to the world of the text. Though the original interpretation

draws from the context of the reader, the configuration and reconfiguration involved in mimesis$_2$ and mimesis$_3$ allows for deeper appreciation and understanding of the ethics embedded in the action. The shared stories identify the relationships within groups highlighting the accepted beliefs and norms. The importance of belonging and the study of how a group shares its beliefs lead to how an organisation shares their stories for their own identity.

In moving to accountability, the most fundamental issue is: who is acting? In constructing the narrative the actions and events become visible for interpretation. Whilst in organisational studies Identity issues have been studied to aid in the understanding of organisational behaviour, the use of extended metaphors, narratives and other tools align with the concepts proposed by Ricoeur.

Applying this discussion to TSA, the identity that is constructed is in effect the relationship of the *idem* and *ipse* identities. TSA identity is the combination of its *idem* and *ipse* forms. The *idem* is established via its sameness, similarity and continuity. The legal structures, its historical behaviour, its action according to its belief allow TSA to be identified by comparison with other organisations. This ability to make comparison is a feature of much of the organisational identity literature. TSA distinctiveness and uniqueness reflected in how it provides service in the pursuit of its interpretation of religious beliefs allows it to respond to its environment and be seen as an enduring and effective institution

Within these parameters the narratives given allow the identification of the agent of action. In showing a consistency of behaviour over time TSA is identified as an enduring organisation. All forms of narrative aid in the development of identity. Therefore, TSA needs to be understood both from its legal structure as well as its service claims. As previously demonstrated early TSA narratives are not universally accepted. Conflict between those who supported and those who opposed TSA activates saw TSA responding with a dual legal structure. TSA in the current period, therefore, needs to reflect an identity cognisant of its form and structure as well as its behaviour. This will be discussed later in this chapter.

4.4 Organisational identity

The development of the concept of organisational identity draws from the seminal paper by Albert and Whetten (1985). The concept of organisational identity presented by Albert and Whetten predates some of the identity work developed by Ricoeur. Whilst the Albert and Whetten paper was developed using a different philosophical basis, their work on identity established the validity of seeing the uniqueness of organisations via 'text'. In the thirty years since the Albert and Whetten paper was released, organisational identity work now has a substantial tradition of investigation. The three central pillars for Albert and Whetten are central, enduring and distinctive concepts which have been studied in a variety of situations (Gioia et al., 2013, Corley et al., 2006, Clegg et al., 2007, Gioia and Thomas, 1996, Alvesson et al., 2008).

Ricoeur's concepts of identity namely character, self-constancy, and identity through narrative share many similarities to Albert and Whetten's work. Organisational theorists have applied Ricoeur's work into organisational theory drawing on narrative, identity, sense making and mimetic analysis (Boje, 2001, Czarniawska, 1997a, 2000a, 2004, Sonsino, 2005, Dion, 2012, Tan et al., 2009).

The Albert and Whetten paper considered the issue of identity using an extended metaphor analysis (EMA). EMA was viewed as a method for defining and characterizing one organisation in terms of another[46]. The ability to sustain two alternative metaphoric descriptions of the organisation is the primary test of duality. To establish duality, it is necessary to show how each metaphor can be applied to the events of fundamental character that distinguish the organisation over time. Duality assumes power to the extent that the metaphor is capable of being applied to a wide variety of organisational events (Albert and Whetten, 1985, 280/281).

The case site for Albert and Whetten was a research university that was metaphorically seen both as a church and as a business (Albert and Whetten, 1985, 261). Organisational identity is seen as two concepts: the 'scientific concept' to define and characterize organisations, and, secondly, a concept used by

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[46] Similar to a metaphor that compares one object with another an organisation may by comparing itself to another identify what is similar and different. In this manner, the organisation clearly identifies what each organisation holds up as its uniqueness.

organisations to characterize aspects of themselves, that is, identity as a self - reflective question.

The use of organisational identity occurs when an organisation is faced with a challenge; in these circumstances an organisation is faced with choices which will have significant consequences. Debate is usually carried out over alternatives and a problem may be solved in the easiest possible way, for example by obtaining facts or by calculation or discussing values if they are easy to discuss. Questions of identity are raised when 'easier' solutions and more specific and quantifiable methods have failed. When the question of identity is raised the issue is often profound and consequential issues arise. Examples of this may be when an organisation questions the continued need for its existence, or where the relevance of what the organisation is involved in is cluttered with competing objectives and ideals.

Albert and Whetten proposed organisational identity should satisfy three criteria:

1. the criteria of claimed central character,
2. the criteria of claimed distinctiveness, and,
3. the criteria of claimed temporal continuity.

4.4.1   Central character criteria

A central character is a statement of identity which allows an organisation to distinguish itself. The statement is based on something important to the organisation. Depending on the nature of the enquiry or challenge, an organisation may focus on different essential characteristics identified within the organisation. Organisational leaders will attempt to define the organisation characteristic as a guide for what they should do, or not do, as the case may be and how the organisations relate to them. In this way, the organisation seeks to identify its main character.

Identity is a classification of the self that recognizes an individual as different from another. Identity, therefore, relates to recognition by the self and others (Albert and Whetten, 1985, 267). In the organisational sense there is a need to be able to differentiate an organisation from others within the same field, but at the same time not to be too far from the accepted field identity such that the organisation is seen as

different from its main competitors and still within its field of activity. The self-reflective nature of central criteria identification links Ricoeur's work identifying the character to Albert and Whetten and was used by (Czarniawska, 1997a) in that way.

TSA has been described as an enduring organisation (Booz, Allen & Hamilton 2004), part of this has been the length of time TSA has been in existence and part is the constant behaviour that has occurred. Similar to Ricoeur, this aspect relates to the time required to form an identifiable identity. However, as will be discussed in the following sections the central character of TSA is a contested idea.

4.4.2   Distinctive Character Criteria

Organisations define 'who' they are by creating classification schemes and locating themselves within them. The schemes may be imperfect or ambiguous. The different schemes may be employed on different occasions with the main rationale for the selection being self-interest:

> which classification scheme is invoked may well depend upon on the perceived purpose to which the resulting statement of identity will be put .In this sense there is no one best statement of identity, but rather, multiple equally valid statements relative to different audiences for different purposes (Albert and Whetten, 1985, 268).

Identity examination processes can be internally or externally conducted with differing levels of specificity. A traditional distinction with identity is between the presentations of the self to outsiders, that is the public/ personal identity, and the private self-perception. For an organisation, the greater the discrepancy between how it views itself and the way outsiders view it the greater the health of the organisation will be impaired. In ordinary languages organisations are classified via simple dichotomy, for example profit versus non-profit, church versus state. The assumptions being most organisations have a single dominate identify (1985, 270). The alternative views organisations as being hybrids[47] and comprised of multiple types, not simply an organisation with multiple components but the organisation considers itself alternatively and or simultaneously to be two different types of organisations.

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[47] Albert and Whetten defined a hybrid as an organisation whose identity is comprised of two or more types that would not normally be expected to go together (AW, 270) for example a non-profit running a for profit legal service. A further example is a church running a large food production company like the seven day Adventist church and sanitarium food.

4.4.3   Enduring Character Criteria

The temporal aspect of an identity is considered essential. Organisational identity may actually alter over the development of its life cycle. As illustrated by Albert and Whetten, (1985, 274):

1. formation of the organisation - here the defining of what its organisational niche will be is developed,
2. loss of key identity sustaining element, for example, the loss of the founder,
3. accomplishment of organisation, for example the reason for its existence,
4. rapid growth especially when use of resources and demands are increasing, and,
5. changes in the collective status, for example in TSA the schism between Booth and some of his children and disputes because of the authoritarian structure imposed by Booth (Hattersley, 1999, 405-421).

Albert and Whetten theorized that, over time, organisations will acquire a dual identity to exploit the opportunities that may arise (Albert and Whetten, 1985, 276). The shift to a dual identity is an environmentally complex response to a problem of identity; it is easier to acquire a new identity in times of growth than it is to retire an identity during times of contraction. Organisational success fuelling growth of the entity may overwhelm its mono identity. Albert and Whetten hypothesize that in time, with increasing size a church will begin to look more and more like a business (Albert and Whetten, 1985, 278). For example in the TSA case the dominant identity changes from being a religious movement in the 1880's to a social service organisation with religious ethics by1920, to a dual mission organisation by 1980 and a single mission by 2010 (Sandall, 1955, Satterlee, 2004, Higgins, n.d., The Salvation Army, 2008).

Albert and Whetten observed that young, normative organisations are generally founded on the ideological vision of the often charismatic leader/ founder. Over time the success will create administrative challenges that are met via the establishment of formal organisational structures, rules and procedures (Albert and Whetten, 1985, 278). Additionally, the organisation has adopted many of the behaviours of successful business organisations.

For example in TSA, this is reflected when it adopted the most successful organisational structure in 19th century Britain: the British military. The rationale was explained by Catherine Booth when she said the best was chosen because it suited the purposes which the organisation (TSA) was attempting to achieve. The development by TSA of its version of orders and regulations for officers and soldiers, and, the use of a military command structure aided in the work of TSA as it developed (Booth, 1883).

4.4.4   The Multi-faceted view of identity

Soenen and Moingeon, (2002) developed the idea of organisational identity introduced by Albert and Whetten; they noted much of the identity literature came from two main strands of inquiry, namely marketing and organisational theory (2002, 13-14). Soenen and Moingeon observed that one common thread which connects an ever increasing range of issues is the return to the identity question. The answer 'who are we as an organisation?' requires an answer that will not only bear on an organisation's positioning within its marketplace, but the answer will have an impact on the organisations structure, culture, communication strategy and human resource practices. Increasingly, it is not only the organisation's executive who is interested in answering the question of 'who', as the answer impacts on employees, other stakeholders and funders. In response, most firms have multiple identities, which if they are well managed there may be a competitive advantage, but if these identities are unattended they may become a liability.

Soenen and Moingeon developed a framework that allowed an understanding of the multiple identities. The five facet framework is based on the premise that collective identity could be understood as an answer to the question 'who is this group?' The answer to that question may come from a variety of sources. The question, though it may appear trivial, reveals the extent of fragmentation an organisation's identity may have.

Soenen and Moingeon proposed that there are five facets of organisational identity:

1. professed - what the organisation claims of itself,
2. projected – how the organisation presents itself to specific audiences,
3. experienced – what organisational members experience that is the collective representation held by members,

4. manifested – the elements that have identified the organisation over time,

5. attributed – attributes ascribed to the organisation by its various audiences.

The projected identity contains elements that are used by an organisation to present itself to specific audiences. Elements of the projected identity are rooted in the identity experienced by an organisational member. The visual identity, that is the name, brand, symbols used by the organisation, falls within the projected external identity, in a sense that it incorporates everything that the organisation does and tells the community of its own self.

The manifested identity is a specific set of coupled elements that have characterized the organisation over a period of time. The sum of all the factors of history, business mix, management communication practices form the manifested identity. In this way it is simply to identify aspects of the central and enduring criteria used by Albert and Whetten.

The attributed identity is ascribed to the organisation by its various audiences. The extent to which the attributed identity and image differ depends on the proximity between the organisation and the third parties. The attributed identities can be approached from different angles. External perceptions of an organisation can be referred to as an image or reputation. An alternative approach is to look at attributed identity as perceived by the organisational members and what members believe are central, enduring and distinctive characteristics of their organisation. Or, it can be seen as how what members think outsiders see the organisation. This thesis focuses on attributed identity as it is based on external data but such an identity will be influenced to varying degrees by the other identities as they influence the actions of the organisation or form part of history which influences the 'reader' of the story projected by the organisation.

Whilst Albert and Whetten argued organisations may have multiple identities; Soenen and Moingeon developed this argument and further identified how each identity may be constructed to reveal the different facets. The difference between the experienced identity and professed identity can have an impact on behaviour even for those outside of the group.

The professed identity is mediated through communication; it has an impact on behaviour both internally and externally. As Austin and Searle noted (Austin, 1975, Searle, 1969, Searle, 2005) speech discourse can be performative, by illocution or perlocution. All communication is capable of classification under the function of discourse. This supports the view that the professed identity is close to that of strategic vision and intent (Brown and Thompson, 2013, Carter et al., 2010, Fenton and Langley, 2011, Küpers et al., 2013, Sonsino, 2005). Professed identity is overt in the official realm of communication. The professed identity evokes the Albert and Whetten organisational central criteria identity claims. Professed identity is explicit and emanates from the official forums. At the individual level, it is used to rationalize actions, it has a retroactive quality and helps make sense of the past (Weick, 1995).

The experienced identity is close to the conceptualization of organisational culture as the set of core beliefs from which the identity is constructed and enacted within a social cultural context. Soenen and Moingeon argued that identity is a social construction, a view used by other organisational theorist in linking narrative to identity (Brown, 2006, Czarniawska, 2000b, Czarniawska, 2004, Herrmann, 2011). Experienced identity can be defined as the members' collective representation of the organisation.

Organisations are an orthodox system in that the organisation is an object of representation and a subject of an ideological discourse designed to shape individual and collective representations (the official versus local views). The experienced identity is a 'local' form of social representation within society's collective identity that is different from professed identity. The 'local' experience is the representation of the organisation in society. Groups of individuals within organisations develop social representations. Experienced identity is only partly constructed locally as it adapts or applies existing schemes with the greater society (Soenen and Moingeon, 2002, 22). The experienced identity, as a form of social representation, would effectively mean forces shaping organisations identities are not solely within the organisation itself but within the broader society (DiMaggio and Powell, 1983). The influence of society on identity construction validates the need for understanding of the historic context of any organisation.

The difference between projected and manifested identities is found in the temporal dimension. All identity manifestations are not controlled or even controllable, for example, official announcements versus employee behaviour - both form identities but are not necessarily controllable. This is in focus especially when an employee abuses the trust arising from their position. Organisational rules and codes of conduct attempt to control individual behaviour, however, to reflect the organisational standards compliance with these rules becomes imperative. Projected identity is defined with respect to a specific moment in time and manifested identity refers to the organisational characteristics which are stable over time.

The Soenen and Moingeon argument was developed from the Albert and Whetten central three cores. In both Albert and Whetten and Soenen and Moingeon, the possibility of multiple identities is conceded. Within the TSA example, the different facets of identity are evident when TSA is considered an enduring organisation (Booz et al., 2004), an effective organisation (Watson and Brown, 2001) or simply an organisation using impression management to control difficulties (Middleton, 2009) or good at public relations (Davison, 2007). TSA professes itself as a religious movement which meets human need. The message TSA project is its service to the community. When people external to TSA are questioned they attribute to TSA its service focus based on what is experienced. These identity constructs will be discussed in the following sections.

4.4.5 Current Identity Scholarship

Since the Albert and Whetten paper was released, a number of authors have undertaken differing overviews of identity scholarship. (Gioia et al., 2013, Ravasi and Canato, 2013) and provide reviews of organisational identity theory and research over the last three decades. They draw from the work relating to the three pillars embedded in Albert and Whetten organisational identity paper that is the central, enduring and distinctive characteristics.

Identity is a core concept, and is invoked to help make sense and to explain action. Identity is about us and goes to the deepest level of sense making and understanding. An important part of identity is history because an organisation can only know if it is acting in character over time. Implicit in identity as a difference is in separation from someone or something else (Brewer, 1991). Organisations as

distinct entities in a social space want to see themselves and to be seen by others as similar to relevant entities that are key members of the broad category but are somehow distinctive from those other members (Corley et al., 2006). What matters is the organisation members believe that they have a distinctive identity regardless of whether that can be objectively verified.

Over the last 30 years, different views of organisational identity have developed in expanding on or challenging the Albert and Whetten concepts. The three main groups of views are the social construction, social actor and the institutionalist viewpoints.

The social construction view holds that identity is a self-referential concept identified by members of an organisation as they articulate who they are as an organisation to themselves and to those outside the organisation (Gioia et al., 2013, 126).

 The second view is referred to as the social actor view. Whetten, one of the original authors of the 1985 *Organisational Identity* paper, has progressed this thinking by looking at how an organisation acts. Whetten and Mackey, (2002) , Whetten, (2006) emphasizes a view of organisations as entities making assertions and claims about who they are as actors in society and, therefore, focuses on the overt claims made in stating the features of an organisational identity.

A third view reflects the institutionalist view and tends to be a complement to the preceding two views. The institutionalist view treats identity as an internally defined notion, but has traditionally regarded organisations as highly socialized entities and subject to strong influences of institutional forces (DiMaggio and Powell, 1983). The institutional view concentrates on the sameness or the isomorphic aspect of organisational behaviour and identity (Glynn and Abzug, 2002).

Ravasi and Canato, (2013) in their review of the research methods used in organisational identity, draw attention to the importance of naturally occurring data- for example prewritten texts. Ravasi and Canato (2013,198) sees the advantage of utilizing multiple methods of analysis of this textual data; in doing so the analysis may produce a more nuanced portrayal of the interplay of the narratives and the

central claims of distinctiveness and similarity in organisational identity construction. Further, Ravasi and Canato draw attention to the importance of combining textual evidence with observations of the symbolic use of claims and narratives in their anchoring in organisational structures, strategies and practices. Ravasi and Canato focus attention on the sense making undertaken by the members of the organisation as they use various discourses to make sense of what an organisation stands for. Finally, Ravasi and Canato challenges researchers to search for discrepancy between the different narratives – these discrepancies may reveal underlying tensions across interpretations between differing groups (Humphreys and Brown, 2002).

4.4.6   Section Summary

Organisational identity is a response to challenges to understand what it is the organisation stands for. Whilst it is possible to have a dual identity, ultimately one identity will become secondary to the other as growth and administrative processes draws the identities closer. Organisational identity may be seen as different things whether one looks from an internal or external perspective. Organisational identity is a response to how it is seen and reacts to society constraints and pressures. Organisational identity is the attempt to answer the 'who' question. Whilst dualism may be an advantage, it may also cause disconnections between the organisation and those involved with the organisation. The potential for multiple perspectives increases the risk of identity confusion. The understanding of identity therefore, following Ricoeur, requires narratives to show a flow between the *idem* and *ipse* identities.

However, whilst these authors are able to provide classification schemes for determining identity it is to Ricoeur's use of the narrative identity that an alignment with TSA identity formation is interpreted. The above discussion forms part of the context within which the Ricoeurian narrative is employed. Similar to the historical context chapter, the acknowledgement of the current identity scholarship in making sense of TSA identity follows Ricoeur's use of multiple authorities. As Mallett and Wapshott (2011, 284) noted, applying Ricoeur is self-reflective. The narrative process through which identity is constructed is built on the foundations of accumulated, prefigured understandings.

4.5   The Salvation Army Identity

One of the significant stories drawn from TSA is that in May 1878 Booth summoned his son, Bramwell, and George Railton to read a proof of the Christian Mission's annual report. At the top it read: THE CHRISTIAN MISSION is A VOLUNTEER ARMY. William Booth was uncomfortable with the term volunteer as it had negative connotations and was the recipient of music hall satire. Bramwell Booth strongly objected to this wording. He was not a volunteer. He was a regular in battle for the salvation of men. William Booth crossed out 'Volunteer' and wrote 'Salvation'. The Salvation Army identity was formed (Railton, 1912, Booth, 1925, Begbie, 1920). Stories about the adoption of a military uniform, the flag, the use of ranks and calling William Booth General and other stories help identify some of the uniqueness of TSA. From one of many Christian Missions to TSA, from an evangelical focus to a dual focus – the spiritual and social foci of the organisation as it is today.

William Booth was following a religious evangelical mission. From 1865 through to the early 1880s, the focus of TSA was religious; its purpose was to preach the Christian gospel and to facilitate the saving of individuals so they would be useful to their society (Booth, 1883). As noted by the historical authors as discussed by Hattersley (1999), there were many Christian Missions operating at that time in response to the wave of revivalism and American Evangelical preachers discussed in Chapter two.

How the name of The Salvation Army came into being is a reflection on the influence of the military which dominated much of Victorian England thinking in the late 19th century. As discussed in chapter two on the historical context, by the time The Salvation Army adopted that name, Victorian England was very proud of its military. The work of Anderson, (1971) showed the influence this militarisation had on general society. Booth had 'read' his society and, being influenced by it, took his organisation a dominant identity that was acknowledged by society itself, but it was not unique as other religious bodies also took on military form (Anderson, 1971).

Ricoeur's work, as has been previously stated, relates to the self as defined by moral philosophy and tied to the human being. Ricoeur's work is being applied across multiple disciplines. One method used to apply Ricoeur in organisational study has been by Czarniawska (1997), Czarniawska (2000b), and Czarniawska (2004). In her early work, she argued that the organisation is capable of being seen as a *super person* (Czarniawska, 1997, 41). This refers to a way of understanding organisations, with this comes issues about how an organisation acts and sees itself and how it functions within its world. The super person idea is similar to the socially constructed form of organisational identity discussed in the previous section. Ricoeur's work and organisational theory on identity, therefore, allows for TSA to be understood in a variety of ways. The construction of identity is narratively produced. The social construction's view of the organisational identity discussed in the previous section, therefore, allows us to review the organisational claims first of how it sees itself, and, secondly, how it understands itself and, finally, how the organisation is perceived by others. Therefore, the narrative produced by TSA has been developed and altered subtly over time. The alignment of these decisions is made within the context of key society and cultural themes discussed in Chapter two on the historical context.

In this section, we will look at TSA identity as constructed through its trust deeds, secondly, the identity as constructed through its religious versus its social activity, and, finally, its identity that is constructed by the organisation as understood by society.

4.5.1   Early Narratives

Ricoeur was interested in founding narratives as they helped explained how groups identified themselves. As discussed in an earlier section within this chapter, the sharing of narratives, traditions and identity allows for groups to identify themselves as an entity.

When TSA began in 1865, William Booth, an itinerant preacher took his message into the streets of the east end of London where it would reach the poor, the homeless, the hungry and the destitute. Booth did not want to start another church. His intention was to preach, and for those who repented, His aim was to send the converts from his street missions to the established churches of his day. Booth soon

realised the poor were often not welcomed, nor did the new converts feel comfortable or accepted in the pews of most churches in Victorian England. The established church attendees were affronted or uncomfortable when these shabbily dressed, unwashed people came to join them in worship. Booth discovered many of his converts did not want to go to the churches and, finally drawing from his own experience, Booth realised he could use these converts to further reach the poor, as the poor were more likely to listen to one who has come from a similar situation. Booth decided to establish a place for these new converts to worship, a place especially for them - the East London Christian Mission. The mission grew slowly, and used whatever facilities it could find, but Booth's belief in his calling from God remained undiminished (Begbie, 1920).

From its inception the mission and vision of the organisation was to some extent fluid, but it responded to its society by adapting many of the images that had meaning in late 19th Century England.

Much of the earliest historical discussion draws from the work of George Scott Railton. Railton has the historical significance of being the first Commissioner to William Booth and his work on Booth was published in 1912 (Railton, 1912). Railton was able to place together the words of William Booth as Railton discusses the early history of TSA. Railton's work provides some sense of how TSA developed over its first fifty years when the founder's influence was strongest. The currency of Railton's work is within 12 months of William Booth dying, and is also the first publication before official histories were published by the authorized bibliographer (Begbie, 1920). Bramble Booth, the son and second General, reflected on much of the work that was undertaken by his father William (Booth, 1925), however in the preface to Railton's 1912 book, Bramble Booth made the comment that Railton is the only one other than himself who had the opportunity to see William Booth up close, both in a personal and a professional manner. Railton's work, therefore, is the earliest record of a collated narrative and sense of William Booth's actions. The validity of Railton's work has been attested to by later authors, who relied on the work by Railton and other early writers, after a significant amount of early TSA history was destroyed in World War Two. Both Murdoch (1994) and Hattersley(1999) acknowledge their debt to Railton's work.

According to Hattersley (1999, 196-200) Railton became obsessed with evangelical activities; he was clearly motivated by evangelical endeavours. Upon reading William Booth's tract on *How to Reach the Masses*, Railton became convinced that in William Booth he found someone who he was able to work with within that uniquely Victorian evangelical emphasis. The books written about the history of TSA make significant claims about Railton's influence (Watson, 1970, Sandall, 1947, Hattersley, 1999).

Railton provided much intellectual rigor and was able to explain and clarify much of William Booth's early understandings and positions. Railton was a strong supporter of Catherine Booth in her pursuit of female emancipation, firstly, within the Christian Mission and TSA. Watson (1970) has claimed it was perhaps Railton that was the driving force for the internationalization of TSA. Many of the moves of TSA into other lands and territories were not always officially sanctioned but were the outworking of people taking the salvation message into different lands. Railton favoured giving those responsibilities and authority to women which had previously been given only to men (Hattersley, 1999, Booth, 1925, Murdoch, 1984). Railton's writing clearly identified TSA as an evangelical organisation.

Much of TSA expansion was through the hands of women. Similar to what the Charity Organisation Society found, as discussed in chapter two, much charity work was done by women. Similarly, TSA social work became the expression by women soldiers and officers' doing what was necessary to alleviate the suffering of people that they were administering to. At that time, there was no official or institutionalised approach to social service activity. As discussed in chapter two social services was considered to be the natural outworking of the Christian message. Railton is attributed with the official start of the work of TSA in the United States of America with the seven *hallelujah lassies* (Hattersley, 1999, Murdoch, 1994, Watson, 1970).

Railton, however, did not always agree with the moves into commercial and social activities. Railton protested, in a most theatrical way by going into a TSA Congress in sackcloth holding a pamphlet relating to the formation of The Salvation Army Bank and repented TSA's abandonment of its evangelical focus (Hattersley, 1999, 409-410). Railton was not convinced the move to social service was appropriate as

it took TSA away from its original evangelical focus. Because of the closeness that Railton had to Catherine Booth, he was allowed far greater freedom of expression than other Salvation Army officers who opposed William Booth. An example of this negative treatment that others received is found in the 'banned' book written by an ex-Canadian staff officer (Sumner, 1889).

Given the early opposition TSA experienced, Railton's insights provide a rare opportunity to understand the intention of the TSA founder. Railton provides a non-Booth sense of the making of TSA from its inception to the death of William Booth. Railton's observations and notes link the behaviour of William Booth to very specific decisions. However given Railton's opposition to the move to social work, the recording of Booths 1910 social work address emphasise the spiritual connection for the work.

Booth was a showman and many of his decisions were preceded by a flourish of pretension. This behaviour was noted in the official TSA history and in bibliographies (Sandall, 1947, Sandall, 1950, Sandall, 1955, Begbie, 1920). Railton was able to provide insight into some of the key decisions Booth made, as discussed in the following sections.

4.5.2   Organisational structure

> At the earliest possible date in The Army's history, The General took steps to get its constitution and rights so legally established that it should be impossible for anyone, after his death, to wrest from it or turn to other purposes any of the property which had been acquired for its use by a Deed Poll enrolled in the High Court of Chancery of England, August 7, 1878. The construction, aims and practices of The Army are so defined that its identity can never be disputed. Another Deed Poll, enrolled January 30, 1891, similarly safeguarded The Army's Social Work, so that persons or corporations desiring to contribute only to the Social funds could make sure that they were doing so. Similar Deeds or other provisions are made in every other country where we are at work, containing such references to the British Deeds, that the absolute unity of The Army, and the entire subjection of every part of it to its one General is, in conformity with the laws of each country, secured for all time.(Railton, 1912, 54)

Booth chose to utilize a Trust Deed structure to set up both the original Christian Mission and the TSA Social Work. This decision would have been contentious to a number of people in Victorian England given the history of Charitable Trust abuse, discussed in the historical context chapter. Booth utilized legal manoeuvring via the establishment of a trust structure to solidify his control of the assets of the organisation he set up (Booth, 1925). This was at odds with a number of other institutions who, following the 1853 Charitable Trust Act discussed previously in

Chapter two, set up trusts with appropriate safeguards ensuring one person did not have control. In undertaking this course of single person control Booth faced considerable criticism.

4.5.2.1 1878 Trust Deed to 1980 Salvation Army Act – United Kingdom

Railton stated that the organisational structure of TSA following the 1891 Trust deed, was a dual structured organisation. This was to ensure that two discrete methods of financing and funding could be identified, such that, if one wished to support the religious purposes then one could donate to the religious side of the work, whilst if one wished to support the social work then one could donate specifically to the social side. This idea is reflected by the TSA in the United States of America (Watson and Brown, 2001,90) as well.

TSA has two main foundational documents: the 1878 Foundation deed and, the 1891 Darkest England Deed.

The 1878 Trust Deed set up the Christian Mission. The Mission was similar to many similar evangelical missions that existed at that time. William Booth set up his mission for purposes of holding meetings:

> And whereas a number of people were formed into a Community or Society by the said William Booth for the purpose of enjoying religious fellowship and in order to continue and multiply such efforts as had been made in the tent to bring under the Gospel those who were not in the habit of attending any place of worship by preaching in the open air in Tents Theatres Music Halls and other places and by holding other religious services or meetings…… *Firstly*: That the name style and title by which the said religious community or mission hereinbefore described hath during the last nine years been called known and recognised is "The Christian Mission." 1878 Trust Deed[48]

The 1878 Trust Deed (Appendix A) formally outlined the religious doctrines of the Christian Mission. The foundation deeds declared the 11 doctrines of religious belief subsequently taught by TSA and which remain to this day. There is no indication that the then Christian Mission had any purpose other than evangelical outreach. The 1878 Trust Deed does not make any mention of the social work activity. The 11 doctrines of TSA do not provide any theological insight that foreshadowed the TSA move into a social activity. However, this is not unusual because, as discussed in the historical context section, evangelical and established

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[48]Appendix A provides a copy of the 1878 foundation deed of the Christian Mission/ The Salvation Army.

churches saw the relief of poverty as part of their overall mission and a demonstration of their message without the need to explicitly state it.

The trust was structured such that control of the assets and monies received and expended by the Christian Mission was under the complete control of the general superintendent, namely, William Booth. Booth included a clause in the trust deed that required the publication of an audited balance sheet of all receipts and expenditure for the said Christian Mission. Given Booth's sense of accountability to God only, the production of the account was not out of character.

Irvine (2002) argued that the use of audited accounts for the early survival of TSA and there may have been an element of this in their actions. However, as discussed in the Chapter two, by 1878 the Charity Commission was in existence, and, the influence of the COS was at its peak with one of its goals aimed at improved reporting of charities via the production of audited accounts. Given these influences Booth was likely to be acting in accordance with what was accepted of best practice for religious organisations to ensure future funding.

The wealthy members of West London were active members and financiers of philanthropy. William Booth needed to ensure that those from whom he sought finance would be able to see how their money was being expended. The importance of the work of Catherine Booth according to Murdoch (1994) and Hattersley (1999) was that she worked and preached to the wealthy side of London, effectively creating a finance bridge between West London and East London. Booth and his Christian Mission were meeting his society's expectations.

William Booth and his Christian Mission were subjected to extensive criticism about the constant calls for money. Criticisms about Booth have some foundation because as Hattersley argued, Booth was not a very good manager of money. Despite claims of impropriety, there was no substantiated claim that Booth actually misappropriated money; just that Booth was a poor manager of money (Hattersley, 1999-185 and 327).

The control demanded by Booth, despite his belief that being accurate would overcome any opposition, was at odds with the lack of trust which the general society held for religious charities. Criticisms and attacks were a constant feature of

the early running of TSA, criticisms from both establishment and non-establishment figures, for example Huxley,(1914), and as illustrated by Murdoch, (1994), Hattersley, (1999), Eason, (2003) and , Carstens, (1907). Much of the criticism was directed not so much about the work that was undertaken by the organisation but the practices and the excessive degree of control held by Booth himself. Huxley's argument was directed at the control that Booth had. Huxley pointed out that like Francis of Assisi, who established a pious religious order based on helping the poor, also started out with great and noble objectives. However, upon the death of Saint Francis those who followed him quickly changed the religious order and became similar to the older more established religious orders.

The 1878 Trust Deed contained no provision for amendments. The ability to correct deficiencies in the deed was severely limited. Any substantial changes to the deed's provisions could only be implemented by an Act of the English Parliament. In June 1880 the foundation deed was able to be changed to alter the name from Christian Mission to The Salvation Army. A supplemental deed dated 26th July 1904 saw the creation of a High Council of TSA. With this supplemental deed it provided for the removal from office of any General permanently incapacitated through mental or physical infirmity and to appoint a new general should the successor not have been nominated in the due form (a note naming the successor signed by the existing General) as contained by the 1878 Trust Deed.

In the late 1920s, the second General, Bramble Booth was in ill-health and there was much concern about the physical and mental capacity for the second general to name a successor. The High Council met in 1929 to nominate a new general. The dispute over who had the legal right and ownership of Salvation Army property went into the courts (Satterlee, 2004).

The effect of the court decisions, ultimately, saw an Act of British Parliament in 1931 changing the 1878 trust deed into a statutory act[49]. Part of the changes in the 1931 Act gave the High Council the sole authority to appoint the General and to

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[49] Salvation Army Act 1931, U.K. Parliament, London, H.M. Printers

ensure that the properties and funds previously held by the General would be transferred to The Salvation Army Trustee Company[50].

Further constitutional changes saw The Salvation Army Act revised in 1961[51]. The 1961 Act the Act incorporated various deed polls that had been executed relating to specific areas of work, for example, the 1891 social work trust deed (Darkest England Scheme), the officer's pension fund of 1910, and the William Booth Memorial training college.

The Salvation Army Act 1980[52] is the current legal document that embeds the legal status of TSA per se. The 1980 Act consolidated various administrative provisions to facilitate dealings with governments and other bodies and to relieve the General of routine business administration which could be more effectively handled by The Salvation Army Trustee Company. As a result of further reorganisation in the United Kingdom in the 1990s and the need for additional trustees, The Salvation Army International Trustee Company was created. The 1980 Act makes clear the General is a corporation sole and all properties reside with the General.

The 1878 trust deed was for an organisation engaged in religious activity. By comparison, the 1980 Act in the preamble states:

> that whereas in or about the year 1875 the religious and charitable body now known as Salvation Army was established.

The 1980 act uses the term *the army* and defines it as:

> means the unincorporated association established by William Booth in or about the year 1865 with the name of the Christian mission and subsequently renamed as The Salvation Army.

Section 3 of the Act states:

> the objects of the army shall be the advancement of the Christian religion as promulgated in the religious doctrines set out in schedule 1[53] of this act which are professed, believed and taught by the army and, pursuant thereto, the advancement of education, the relief of poverty, and other charitable objects beneficial to society or the community of mankind as a whole.

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[50] It took until the 1931 Act for the sole control of TSA assets being removed from the General and transferred to a Trustee Company
[51] Salvation Army Act 1961, U.K. Parliament, London, H.M. Printers
[52] ARMY, T. S. 1980. Salvation Army Act 1980 Chapter XXX. *In:* PARLIAMENT, U. K. (ed.). London: H.M. Printers.
[53] These are the 11 doctrines stated in the 1878 Deed

The 1878, 1891 and 1980 legal documents provide a possible dual identity that questions whether TSA is a religious body or a social service body. However, while the Act is very clear that social activities are undertaken as part of the religious objective, at the same time, the reference to social activity is so vague as to provide little constraint on such activities. In practical terms there is nothing to stop social activity dominating the activities of the organisation and hence influencing perceptions both inside and outside the enterprise.

Section 3 of the 1980 Act indicates that the religious doctrines are what control the other objectives of the organisation. The 11 doctrines of TSA, need to be read together to determine whether there is a religious or social focus. These doctrines are, as listed in the 1878 Trust deed, a statement of religious belief not social action.

Some work (Eason, 2003, Hazzard, 1998, Hardy and Ballis, 2005) questioned whether TSA could be identified as a church or a sect. As will be demonstrated in a later section TSA uses many words to describe itself.

Green (1989, 2003, 2010) demonstrated that TSA draws heavily from Wesleyan theology. The use of social service has been a feature of Christian practice and theology since its inception. Wesley taught the importance of putting ones faith into action (Wesley and Jackson, 1872). In the Bible, in James chapter two verses 14-26, there is an illustration of the need to put one's faith into action. In obedience to the commands of Jesus, the churches have taken care of those in need – often the churches lead in the provision of social service activity. In theology, service to man was seen as service to God, but believers and traditional churches did not separate this into separate components of action (Flessa, 2005, Grenz, 2000).

Part of the identity confusion, seen by people today, revolves around how the money given is utilized by TSA. Other studies into TSA by (Hazzard, 1998, Milligan, 1982, Middleton, 2009, Shepherd, 2006) reflect how people in the community see TSA as a social service organisation, presumably, as a result of the manner in which the organisation portrays itself externally. Recalling Railton's view, that Booth set up the organisation such that people could direct their money to the area of the work they wished to support, such an interpretation by people seeing the social activity as separate may be consistent with the founder's intentions.

As will be discussed in the following chapters, part of the confusion revolves around the treatment given to funds under charitable trusts. Recalling chapter two, trust abuse occurred because the way trustees would manage trust assets. The restricted funds meant that the trustee could only spend money according to the donor's directions. As fund accounting developed, the distinction between restricted and unrestricted funds became more widespread. TSA argues, as will be shown in the following chapters, that it complies with donor's directions if they are given. When TSA promotes its social service activity donors may think they are giving to support social services and therefore, not feeling the need to give specific directions. In the absence of specific directions, TSA classifies funds as unrestricted and therefore, able to apply the funds to any of its declared objectives either spiritual or social. This creates difficulties, especially when donors do not wish to support the religious activities.

Both the 1878 deed and the 1980 Act contain the requirement to produce audited accounts. Within these documents, however, there is no provision for monies to be transferred between the religious side and the social side. The ability to transfer between activities is contained in the 1891 trust deed. The 1980 Act did not replace the 1891 trust deed. Within the United Kingdom, the TSA has multiple Charity Commission registrations. The two main ones reflect the separation between the church operations and the social service operations.

Although the broad nature of the powers given to the General to further the religious ambitions through social service probably makes such transfers legal, it is to some extent contrary to the intent of having a choice of activities to support. How the TSA distinguishes between its religious work and social work is not always clear (Shepherd, 2006) but there is a question about whether there should be a distinction given that the social activities are supposed to further the religious mechanism. However, from a practical point of view there is the issue of whether the growth of the social service has distorted the original mission and whether the legitimate concerns of all stakeholders are being fairly treated. This issue will be discussed in more detail in the section on accountability.

4.5.2.2   Darkest England (Salvation Army Social Work) Trust Deed 1891

According to Murdoch (1994), Booth in the 1880s was finding the religious activities of TSA were not growing both in numbers and finances. Booth needed an alternative way to keep his mission alive. The influences of people like Frank Smith (Murdoch, 2003), Stead, and Catherine Booth saw General Booth move his thinking towards social activity (Murdoch, 2003, Sandall, 1955).The official history as presented by Sandall showed a gradual reinterpretation of the TSA. Despite his opposition to the move to social action, Railton, when writing his account of Booth's move to social work did so within a religious context (Railton, 1912). Booth's change in thinking led to the publication of his book *Darkest England* (Booth, 1890) shortly after his wife Catherine had died. Booth moved slowly to accept the validity of social work as being part of how TSA could achieve its religious mission. Social activity became a distinctive feature of TSA and was a differentiator from many other religious societies.

However, Booth did not have increased access to more funds as a result of the move, despite the growth of philanthropy in late Victorian England. As discussed in the historical context chapter, during the 1880s and 1890s there was a battle for control and influence over the use of charity. The TSA in setting up of its social work arm was probably responding to the Charitable Organisation Society attempts to replace the churches.

Recalling that one of William Booth's chief aims in life was the reform of society, the preface to his book, therefore is evidence of Booth's move from reform of the individual to reform of society *per se*.

> the progress of The Salvation Army in its work among the poor and lost of many lands has compelled me to face problems which are more or less hopefully considered in the following pages. The grim necessities of the huge Campaign carried on for many years against the evils which lie at the root of all the miseries of modern life… have led me step by step to contemplate as a possible solution of at least some of these problems the Scheme of Social Selection and Salvation which I have here set forth *(Booth, 1890, preface)*.

Booth, however, was critical of the established means of dealing with social problems.

> And yet all the way through my career I have keenly felt the remedial measures usually enunciated in Christian programs and ordinarily employed by Christian philanthropy to be lamentably inadequate for any effectual dealing with the despairing miseries of those outclassed classes (Booth, 1890, preface).

In *Darkest England,* Booth laid out a very extensive social reform and social relief program. The cost of the program was originally stated to be £1 million with an ongoing contribution thereafter. Booth's intention was to make aspects of the social scheme self-supporting. An integral part of Booth's scheme was the call for money. Booth argued that the funds needed were a fraction of the funds used by Britain in various military campaigns to come to the aid of British citizens overseas. Booth's challenge was to find the money for the hidden poor (Booth, 1890,259-260).

The call for money and how it would be accounted for became a critical issue for Booth in the 1890s. The Commissioner in charge of social work, Frank Smith, had a significant dispute with Booth over how the social work would be funded and kept separate from the spiritual part of the organisation. Murdoch attributes Smith as providing the intellectual rigour for the formalisation of the social work activity of TSA (Murdoch, 2003). Further, Murdoch shows how, as a result of an accounting dispute over the separateness of the social work and non-social work functions of TSA, Smith resigned. Smith's resignation highlighted and intensified the criticisms Booth was attracting over money management (Murdoch, 1994, Fairbank, 2001, Begbie, 1920, Sandall, 1955).

Booth, in response to the ongoing attacks, created a second trust deed specifically to deal with the work described in his Darkest England book (Sandall, 1955)[54].

The preamble to the Darkest England Trust Deed (DET) states:

> the said money and property shall be kept distinct from the other property of The Salvation Army and devoted exclusively to the said Scheme and that the said Scheme shall be defined and regulated and the trust of the said money and property declared as period in after appearing.

The DET allows the General of TSA to be the director of the trust. Similar to the 1878 Deed, the DET would publish a balance sheet duly audited of all receipts and expenditure. Within the trust deed, the General has absolute discretion as to how the funds are to be expended. Similar to the 1878 Trust Deed all property and funds of DET was under the control of the General. This increased the level of criticism Booth faced.

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[54] The version of the Darkest England Scheme used in this analysis is found as Appendix C SANDALL, R. 1955. *The History of The Salvation Army Volume III 1883-1953 : Social Reform and Welfare Work,* London, Thomas Nelson and Sons Ltd.

 Clause 6 of the DET states:

> if in any case or class of cases property shall be used persons employed or moneys
> expended partly for the other purposes of The Salvation Army and partly for the purposes
> of the Darkest England Scheme a proper apportionment shall be made or contribution fixed
> so as to fairly charge the other funds of The Salvation Army and the funds of the Darkest
> England Scheme respectively in respect to such common user in employment or
> expenditure having regard to the circumstances of each case. And every such apportionment
> shall be made and contribution fixed in such manner as the General for the time being of
> The Salvation Army shall with regard to any case or class of cases determine

Whilst in the 1878 Deed there is no ability to transfer money to other purposes, the 1891 DET allows the transfer of monies between TSA religious function and TSA social function in respect of shared resources only. This ability gave rise to numerous attacks on TSA integrity (Manson, 1908, Huxley, 1914). Whilst some of the criticisms were capable of being addressed, other criticism came from very learned people that challenged the very heart of the various deeds. One such person was George Kebbell, a qualified lawyer, (19 February 1891- The Times), (Hattersley, 1999, 388-389) who in his writings to the Times identified the ability of Booth to transfer all of the money to/ for his own use. Kebbell pointed out it was sufficient to simply identify what Booth could do; especially, since the 1878/1891 deeds gave Booth total control. The claim that if Booth did not comply with the trust deeds he would end up in Chancery was true but, as the trust deeds gave him wide powers within the religious and social service spheres it was perceived that he had wider powers than was desirable, unfettered by having to convince others that his actions were appropriate.

As discussed in the historical context many within London society were already suspicious of church abuse of trusts and Booth did not alleviate these suspicions.

This ability to transfer money between the two parts of the organisation was contentious given the absolute discretion held by the General. Monies could simply be directed away from the social side and into the church side. The Balance Sheets of the time would effectively hide any transfer. As Manson (1906, 296) argued, there was no disclosure relating to the transfers between funds and he demonstrated how monies raised for Social activity was used to support the church.

The second part of Kebbell's criticism concentrated on the inter-deed transfers. Such was the degree of criticism about how money could be moved between the trust funds; a committee of enquiry was set up to investigate the Darkest England

scheme. This will be discussed in more detail in the chapter on accountability; however, it is worth noting that this ability to transfer funds between the two sides has been maintained and is found under the provisions in the 1980 Act and the Social Work Trust (Darkest England scheme). Whilst the required balance sheets and other financial statements are produced, the degree of disclosure relating to the transfers between the two parts has never being clearly enunciated, and this will be discussed within the accountability discourse chapter.

4.5.3   Social work

The importance of social work for TSA has been identified by a number of authors (Murdoch, 1994, Hattersley, 1999, Gariepy, 2009, Watson and Brown, 2001). The social work activity provides significant funds to the organisation. A common feature of current TSA reporting is the claim that it is one of the largest non-government providers of social services.

William Booth did not commence the social work activity of TSA. In Appendix B there is a copy of the speech given by Booth to his social work officers in 1910 (a year before his death). The speech is important because it shows the gradual development of social work from the 1880s and culminating in the 1891 Darkest England scheme. The quote, though lengthy, is William Booth's statement of the social activity of TSA made in retrospect. Following (Weick, 1995) Booth's statement there is a recasting of history to justify or make sense of what has happened. Additionally, Railton's comments at the end of the speech were intended to show how the social work had a spiritual focus. This is relevant given Railton's opposition to much of the commercial activity contained in Darkest England Scheme (Hattersley, 1999, 357).

A number of key issues have come from the statement by Booth.

First, Booth saw that no one else had the capability of engaging in social activity other than himself and his organisation. As Hattersley (1999, 364) observed Booth was contemptuous of other peoples' work or simply did not acknowledge its existence.

Second, though it was claimed to be the outworking of a religious belief it was identified as a separate activity. This was different from orthodox Christian practices.

Third, the creation of the social work came from individuals acting on their own initiative and there was no systemic approach to the creation of social activity until the late 1880s.

Fourth, social work was undertaken by members of the organisation. Booth did not seek to have people from outside to undertake the social activity.

Fifth, social activity was the norm with the creation of TSA work in all countries where it commenced operations.

Sixth, TSA received government funding as a result of its social activity.

Seventh, many of the activities used by TSA social work had commenced as a result of individual action that occurred before the Darkest England book and scheme were produced.

Eighth, William Booth, lamented the fact that officers were more concerned about the soup and soap aspect of social activity and the alleviation of physical problems and that they failed in the spiritual aspect Booth sought[55].

Ninth, the use of social activity as a means of preaching religious doctrines was consistent with the approach adopted by other evangelist and churches of Booth's time.

Tenth, money was always needed and, finally, from the 1880s to the 1910's the importance of the social work and its operations continued to provide significant benefit to the organisation both in funds received from private and government sources and in influence the organisation would have with governments in various parts of the world.

Given the official history and writers sympathetic to the official Salvation Army view, it is perhaps not surprising to see how TSA concentrated on addressing what was seen as social ills. Catherine Booth, in her paper on the relationship between

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[55] Prioritized social service appears as a consistent theme with TSA generals. Some members of TSA seem more interested in social service rather than spiritual service for example Clifton (2009).

The Salvation Army and the State (Booth, 1883), made it clear that the reformist attitudes of TSA were not anti-state. Catherine indicated that part of the purpose of TSA was to produce good productive workers obedient to their employers and to the state. Catherine was conducting her evangelistic work in the wealthy part of London and most of the funding that was being received in the 1870s and early 1880s came from West London. Catherine was careful to ensure that no challenge to the State was seen. Eason (2003) points out that TSA moved into commercial enterprises, bought and sold property, and actively engaged in supporting governments. Writers who studied the activities of TSA at that point in time like Bailey (1984), Murdoch (1994) and Hattersley (1999) also point out that TSA moved into commercial activity thereby making sure that it was seen as part of the establishment.

Booth pointed out the influence TSA had with various governments, but perhaps this influence could be seen as an acknowledgement of TSA efforts to control the lower classes for as Barnett (1922, 21) states:

> Few people….realize that the work which The Salvation Army does is of measureless importance to England as an Empire builder; and still fewer look below the surface, and see its work both as a uniter and a divider….. a priceless contribution to the political and economic stability of the Empire

Railton and others on the spiritual side of TSA were increasingly concerned that the spiritual focus was being replaced by a commercial and social necessity. Many evangelistic missions formed in the 1860s and 1870s had ceased to exist by the end of the 19th century. As discussed in the historical context section, the church and Christian beliefs in general were under intellectual and social threat. The rise of the evangelical beliefs and the effectiveness of the utilisation of emotion and theatrics to preach to the lower class had waned. Though Booth may at the end of his life, lament the focus being given to the social side, it was this aspect that allowed his organisation to continue.

In criticisms by Carstens (1907) and Manson (1908), those authors show the dominance that had developed for the social activity. Authors like Lamb (1909) identified and lamented how TSA lacked financial transparency. As early as the beginning of the 20th century, the perception that people had of TSA was increasingly that of a social service organisation.

The American authors aligned with TSA, namely Gariepy (2009) and Watson and Brown (2001), traced the development of how TSA became the pre-eminent social service provider within the United States and also the high significance TSA social work has internationally. Accordingly when Hazzard (1998) undertook the analysis of TSA he reported the common perception that the organisation was seen as a social service body, especially within the United States. Linking back to the discussion about the facets of identity, TSA appears to be disconnected from its own identity as promulgated by internal official statements versus the perceived identity understood by external parties.

As this thesis is an examination of accountability in TSA and the relationship of its identity as perceived by various stakeholders, it is important to consider these in their historical and legal environments. Whilst it would be expected that the history of the headquarters of the movement would have implications for the various offshoots overseas, such as in Canada, and the two territories in Australia, there could also be major implications flowing from the legal environments in which accountability takes place in those offshoots. Therefore the next aspect of the discussion will examine their unique environmental aspects.

4.5.4   Australian Position

In late 1920, there was a legal dispute between the second General, Bramwell Booth, and the Commissioners of TSA worldwide (Satterlee, 2004). The centre of the dispute was the ability of Bramwell Booth to appoint the next General. Under the amended 1878 Trust Deed, the current General would write in an envelope the name of the successor. During the 1920's, Bramwell Booth's fitness for holding the office of General was questioned. The commissioners sought to appoint the next general via the calling of a High Council and electing the General. This was subjected to legal challenges with the outcome being the formal establishment of the High Council, and the election by the High Council of the General. In the 1878 and 1891 Trust deeds all property was held by the General.

To ensure legal certainty of ownership of assets, the Australian Acts in their preamble give a shortened version of the events leading up to the passing of the relevant Australian State Act of Parliament. Each of these Acts is for property and other assets held specifically for the purposes of the social work activity. Under the

deed of appointment for a Commissioner to a territory other property and assets, namely the assets of the religious arm are held in the Commissioner's name on behalf of the General. The term General in the UK Salvation Army 1980 Act refers to the fact that the person appointed as General whilst they have specific powers and obligations, is a corporation sole[56].

 The current legal position of TSA within the Australian context is governed by state issued Acts of Parliament. For example, The Salvation Army (Victoria) Property Trust Act 1930[57] and The Salvation Army (New South Wales) Property Trust Act 1929. These Acts are an illustration of Railton's comments about setting up the legal structure and status of the General in relation to the property ownership. The Australian Acts relate specifically to the social work of TSA. There is no equivalent to the English 1980 Salvation Army Act. Nor is there a public document that discussed the religious side of TSA, the instrument appointing a Commissioner to a Territory is a private document.

Accordingly, under Australian Law, TSA only has an obligation to describe what happens under the social activity. The implication of this is that under, The Salvation Army Acts in Australia, the church side of the organisation is not disclosed. This point will be discussed further in the analysis of the accounts issued by TSA in Australia in the Accountability Discourse chapter.

4.5.5   The Salvation Army Identity in 21st Century

When Commissioner Shaw Clifton was elected as the head of TSA in 2006, one of his undertakings was to make an official statement about how TSA saw itself in relationship to the body of Christ. In 2008 (The Salvation Army, 2008), an official statement was released under the authority of the General. This statement follows a tradition of officially sanctioned discussions on identity and mission (Coutts, 1975, Needham, 2004). In introducing the statement, General Clifton stated the statement was not meant to say anything new or to add anything to the official doctrines of TSA. This was produced to aid people to understand how TSA saw itself amongst the churches and how those who engaged with TSA would understand the identity

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[56] Section 4 (2) The General shall be a corporation sole by the name of the General of The Salvation Army and by that name shall have perpetual succession, an official seal and the powers and authorities conferred by section 5 (Powers of the General and accounts) of this Act

[57] A Territorial Commissioners discussion of governance was undertaken by Commissioner Finger of the Southern Territory. FINGER, R. 2011. Interview: QA with Raymond Finger. *In:* DIRECTOR, C. (ed.). Company Directors Magazine.

of the organisation itself. The summary statement has a primarily spiritual focus.

TSA in its most recent statement of identity makes the following claim:

> WE BELIEVE that The Salvation Army is an international Christian church in permanent mission to the unconverted, and is an integral part of the Body of Christ like other Christian churches, and that the Army's local corps are local congregations like the local congregations of other Christian churches. The Army springs from the Methodist Revival and has remained unassimilated by any other denomination. Like other reformers before him, William Booth did not intentionally set out to found a new denomination. However, through the years of Salvationism has moved on in its emerging self-perception, and in the perceptions of others, from being a para-church evangelistic revival movement (at first known as The Christian Mission) to being a Christian church with a permanent mission to the unsaved and the marginalised. Salvationists remain comfortable being known simply as 'the Army', or a 'mission', or a 'movement', or for a certain purposes as a 'charity'. All of these descriptors can be used alongside 'church'. With this multi-faceted identity the Army is welcomed to, and takes its place at, the ecumenical table at local, national and international levels.
>
> WE DO NOT BELIEVE that The Salvation Army's history, structures, practices or beliefs permit it to be understood as anything other than a distinct Christian Denomination with a purpose to fulfil and a calling to discharge under God. Similarly, its local corps cannot properly be understood unless seen primarily as local church congregations meeting regularly by grace and in Christ's name for worship, fellowship and service. Typically a local Army congregation will offer an integrated and holistic ministry, with both spiritual and social service dimensions, to the local population. Commissioned officers (both men and women) of The Salvation Army are duly ordained Christian leaders and ministers of the Christian gospel, called by God and empowered by the Holy Spirit to preach and teach biblical, apostolic truth (Acts 2:42), and to serve others in the name of Christ and for his sake.(The Salvation Army, 2008, 5)

At an international conference of Commissioners and other leaders of TSA, the General had to remind members of his audience that despite the views of a very vocal minority that TSA was a church and not just a social service organisation (Clifton, 2009). Drawing from the above statement General Clifton argued that TSA was capable of being seen and operating as a multi dualist organisation.

4.5.6   One Army, One Mission, One Message

Following the election of now retired General Bond to the position of General in 2011 a further focus on uniformity and unification of mission was introduced in the *One Army One Mission One Message* programme[58]. The *One* programme stated that the mission of TSA was one not two, the social service being a direct response to its preaching of the Christian gospel.

Retired General Bond introduced an earlier version of the One Army One Mission initiative in 2008 when she was the Commissioner, TSA Eastern Territory in Australia. The initiative at that time was part of the 2020 program (Territory, 2009).

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[58] The video for the launch of the One Army is found at http://www.salvationarmy.org/ihq/vision

One Army One Mission was an attempt at mission alignment and to have internal members of TSA reconfirm that the mission of the TSA was one of aligning its religious and social work, meeting needs in the name of Jesus.

The commitment document used within the Eastern Territory to the One Army One Mission programme stated:

> I see a spirit field army of the 21st century convinced of its calling moving forward together into the world of the hurting, broken, lonely, dispossessed and lost reaching them by all means with the transforming message of Jesus bringing freedom, hope and life. (Territory, 2009)

In 2011, the now retired General Bond launched the One Army One Mission One Message program internationally, clearly aligning TSA with its dual mission but seeing it as a direct response to meeting the obligation imposed by Christ. The work of TSA was to reflect in a practical sense the meeting of human needs in the name of Jesus. The rhetoric is expressed in a number of TSA reports as will be demonstrated in the Accountability Discourses chapter.

4.5.7   A New General

However, it appears that the organisation does not seem to appreciate its own internal message. With the election of the 20th General of TSA in 2013 the following statement was issued by TSA informing the world that a new leader had been elected. How TSA described itself in that document makes it hard to see it as anything other than a Christian social organisation.

> The Salvation Army is an international Christian organisation that began its work in London, UK in 1865. The Salvation Army gives hope and support to vulnerable people today and every day in 126 countries around the world. The Salvation Army offers practical assistance for children and families, often tending to the basic necessities of life, provides shelter for homeless people and rehabilitation for people who have lost control of their lives to an addiction   http://www.salvationarmy.org/ihq/news/MR030813

Whilst General Cox may support the initiative of his predecessor, the media unit within TSA international headquarters appears to choose to foster the image that TSA is a social organisation, rather than a church which takes its social obligations seriously, or simply as a church.

4.6   Chapter Discussion and Conclusion

Does TSA, whether it is seen from the leaders, members or other stakeholders view, know what it is? In reading Ricoeur, TSA constructs itself through its stories. William Booth, in creating the TSA, adopted and adapted many of the features of late Victorian England; notably its military structure, the use of evangelistic methods to reach the masses and, in the latter part of the 1880s, institutionalised the use of social services as a way of enhancing the message that he was preaching. Ricoeur's method of narrative interpretation discussed in the earlier part of this chapter, provided a lens in understanding how TSA constructed its own public identity. The early work of William and Catherine Booth, in ensuring that it was an acceptable Christian mission to encourage people to support it in a financial way, aligns the narrative used by TSA to be consistent with the use of philanthropy in the late 19th century. The earliest narrative of TSA reflects its evangelical approach.

The stories presented by writers like Railton and Begbie showed the earliest identity of TSA as a Christian mission. Whilst individuals responded to social needs, this was not an organisational response in the 1880s. As Railton demonstrated, when Booth moved into social service activity he did so maintaining his religious belief and demonstrating this belief through the action of social service. What differentiated Booth from other Christian Missions is, that whilst early social services were conducted by individuals, Booth setup an institution to deal with social service activity and reform. The legal structuring utilised by Booth ensured there were two discrete funding mechanisms and, ultimately, two discrete functions under one primary objective and sowed the potential for their being two purposes embedded into TSA.

In undertaking a reading of historical documents and other papers on the organisation, a reconfiguration of how TSA has seen itself, and presents itself, is seen to be an organisation struggling to make sense of its own identity. Booth and Generals after him lamented that some within TSA were more concerned with the social service rather than the spiritual side, but as society changed social services became the dominant approach that gave legitimacy to TSA operations.

Whilst there may be a dual mission with religion as the primary purpose both intentionally and legally, the growth and administrative necessity of survival saw

the TSA move increasingly to the social service side of its mission. Understanding the multiple facets that are being promulgated by the organisation one can see how the disconnection exists between what the organisation is claiming about itself, what many in the movement see as its primary function, and what is being portrayed to and understood by those in the general public arena being either beneficiaries or donors. Recalling the statement by Railton, Booth set up two discrete legal structures. The purpose then, as it is now, was to allow people to provide money according to which purpose they sought to support. As Watson and Brown (2001) discuss, this has an implication for how TSA maintains its accountability. For society at large the work of TSA is overwhelming their social and in support of governments. The spiritual aspect of TSA is generally not known, or not seen as significant, by the general public. The implication of the duality of identity and mission, therefore, will be reflected in how they undertake their accountability, especially taking into account the way in which the funds can be transferred between the dual activities. Another dimension of this is the way in which the senior officials see the organisation as one integrated operation in spite of the legal structures adopted. Obviously any accountability needs to reflect both legal structures in each jurisdiction and the objectives achieved with the various sources of funds. The next chapter examines how the various jurisdictions approach their accountability responsibilities and what they communicate in terms of the TSA values held.

Chapter 5 Accountability

5.0 Introduction

The style of accountability disclosures used by TSA has been highly contested. Constant attacks over time from a variety of interested parties may give the impression TSA was not acting in an appropriate or correct manner. Despite William Booth's insistence on having an audited balance sheet produced for TSA on a regular basis, the challenges continued. As previously discussed, much of the historical criticism was over the control that William Booth had over the assets of the two main TSA trusts. Booth's response to such critics was mostly to push on, he simply ignored many claims which were contrary to what he identified as appropriate action, or someone on his behalf responded to the criticism via a response to *The Times* newspaper. On a number of occasions, William Booth gave a critic access to the accounts of TSA; this action was not always enough to quieten the protest.

The publication of the *Darkest England* Scheme and the call for £1 million to fund the proposed scheme presented in the book *Darkest England and the Way Out,* saw the attacks intensify on William Booth personally and on the TSA. Booth's formal response to some of the challenges was to create a separate trust in 1891 for his social scheme, but the attacks continued over Booth's total control over the use of money raised by the trusts. So consistent were the attacks that Booth was at risk of losing his financial support. Whether it was Booth or one of his advisers' ideas, TSA set up on its own initiative an independent commission of inquiry into the use of funds raised for the *Darkest England Scheme*. Booth's belief on how, and to whom, he was accountable forms an important understanding of the accountability practices used by TSA today.

5.0.1 Chapter Overview

The objective of this thesis is to examine the current reporting practices of TSA, including financial and non-financial presentations, and whether they provide an appropriate level of accountability. The earlier discussion suggests that organizations use reporting to create an image which is influenced by the history of

the organisation and its objectives plus its concepts of its responsibilities to the society in which it operates.

Narrative studies discussed in previous chapters help identify who is responsible for actions and the appropriate flow of accountability that is generated. In addition, the organization's obligations depend on the ethical framework which it adopts, its dependence on society for support and the type of world which it wants to be part of.

In deciding on the image it is going to create it needs to be conscious of the accountability expectations which society has when interpreting the communications from the organization. As Ricoeur recognises, the identity which the organisation produces involves two major elements namely the characteristics of organisations of the general type to which they belong (*idem* identity) and those elements which are strongly associated with the entity which differentiates it from other organisations of that type (*ipse* identify).

In the case of TSA, there are two relevant broad groups to which it belongs. TSA is situated in the broad category of a Christian church and because of its legal basis this brings it into another category, namely, the legal entity with the requirements for reporting (both in terms of legal specifications and reporting norms generally associated with such entities).

As a result, this chapter examines Ricoeur's theoretical explanations about how Christianity fits within the framework of hermeneutics and accountability concepts associated with Christianity. In regards to the legal requirements, these vary from country to country particularly in relation to the number of laws which apply and the timing of new requirements. These will be left to chapter six when individual regions are examined. However, the general theories from the accounting literature will be examined as part of the reporting norms associated with accountability and there are a diversity of perspectives. Also, the rise in the focus on governance in public companies will be briefly outlined, as whilst TSA is not a listed company, its heavy reliance on public donations makes disclosure expectations in relation to inter group transactions particularly important.

The other component of identity outlined by the scholars relate to those aspects which differentiate one organisation from the general category (*ipse*). This chapter addresses the uniqueness of TSA and accountability.

The structure of the chapter is an analysis from general concepts proceeding to more specific considerations. Hence, accountability in the accounting literature is first and the uniqueness of TSA is last.

5.1 Accounting and accountability

5.1.1 Views on Accounting and Accountability

Part of understanding the concept of accountability requires it to be contextualised. Following Ricoeur, the existing literature on accountability forms part of the pre-understanding brought into the interpretation of TSA narrative. The current literature on accountability from a variety of accounting and non- accounting authors has been read and analysed. Agreeing with Sinclair (1995) that accountability is like a 'chameleon', and with Roberts (1991) and Dubnick (2014) that accountability needs to serve many masters, the overriding view taken in this thesis is the importance of narrative in determining accountability.

The giving of the account is a linguistic phenomenon; it exists in a context and framework that is shaped historically and culturally. Within these frameworks we identify and articulate the 'who'{*ipse*} and 'what'{*idem*} we are (Gadamer, 2004, Willmott, 1996, Ricoeur, 1991a, Geertz, 1973, Geertz and Banton, 1966).

Accountability is the willingness and the capacity to give explanations for conduct. Accountability is about showing how one has discharged one's obligations. Accountability is a process that gives a story as to why, what, when and how an event has occurred and how the reconciliation of competing obligations has been achieved.

In the Oxford English dictionary, the word 'account' has one root coming from the French *aconter* meaning to tell in story form and from Latin *accomputare* meaning to compute. Boland and Schultze (1996, 63) have argued that accountability entails giving an account by way of a narration explaining what has happened (the story)

and giving the account as a way of reckoning/measuring what has happened. Accountability serves many masters (Quirk, 1997, Sinclair, 1995, Roberts, 1991).

Dauenhauer (1998, 63) argued that in economics, economic objects are considered available goods. The human agent as part of establishing their identity treats these goods as possessions. In the activity that human agents engage in to make economic resources available to them, there is a need to regulate and control human forces. Within this regulation there is a hierarchical power relation between those who control and those who are under control. This subordination of some people to others in work relationships will also be found in economic and social systems that involve command and obedience. Relationships of economic and social domination can continue their existence because their authority and power is ultimately derived from the political systems of society. Within these social political systems that accountability has developed multiple possible understandings and demands from the agents involved within the accountability relationship.

Within these systems Goodin (2003, 361) describes accountability as a concept that comprises a three-part predicate: 'accountability is *of* some agent *to* some agent *for* some state of affairs'. Mulgan (2000, 555) identifies the sense of accountability within the hierarchical power relations that is associated with the process of giving the account to some authority as the generally agreed core sense of modern accountability. According to Mulgan, there are a number of features about this form of accountability: First, it is external - the account is given to some other person by the person who is being held accountable; second, the account involves a social interaction and exchange, whereby the side calling for the account is seeking answers and rectification, and the other side providing the account is responding to and accepting sanctions, and third, there are implied rights of authority in that the one calling for the account is asserting rights of the superior authority over those who are accountable. Yet, as Dubnick (2014) argued, the effect of this form of accountability does not always produce the clear explanations expected.

The process of accountability and their outcomes are subject to interpretation and negotiation. They are never wholly predetermined. The giving of account has consequences for how subjectivity is organised as well as influencing the way others perceive and relate to the person giving the account. What counts as an

acceptable account is a contextually dependent matter. When coming within the influence of a particular framework of accountability, agents who are giving accounts which are constructed within this framework are accountable to the disciplines that accompany that framework (Willmott, 1996 ,25).

Garfinkel (1984, 1) showed the pervasive nature of accountability through which agents render themselves and their world 'observable – and – reportable'. This form of accountability forms the common-sense for other agents who share the same method and rules of account giving in their world. Willmott (1996) argued that, for Garfinkel and other phenomenological analysts, the world exists only in ways that we can account. Social institutions are by definition precarious because their continuation relies on the willingness of human and created agents to support, account for, and enact their existence. Arrington and Francis (1993, 118-120) argued that members of identifiable communities share a sense of solidarity and common understanding of what it means to be a member of that community and, therefore, are expected to share a common sense of accountability.

Within accountability is the concept of answerability. The requirement to provide an answer implies the existence of power. The right to demand, and the willingness and capacity to respond to the call for accountability, assumes a power relationship. Constructing accountability requires a definition of the relationship between the givers of the account and the receivers. In applying accountability processes, there is a need to identify who has the power to call for the account and who is obliged to give the explanation for their actions. Schedler et al (1999, 20 cited in Willmott, 1996, 27) states 'accountability concerns agents, not subjects'. A lack of power shows as the inability to hold someone to account. In this view, accountability is the concern of those who exercise power rather than those who are subordinated.

However, the alternative view to the power held by actors is power diffused throughout social life. Power manifests itself in social processes which construct functions and identifies the 'bearer' of power. Social practice defines authority, legitimacy and function and creates the social role of bearer of public power and the passive subject in whose name the power is exercised (Searle, 1995).

Accountability may have a temporal dimension. Some accountability exercises are limited to annual reporting like the corporation's annual general meeting or are one-

off events which draws attention to specific issues e.g. Royal and judicial commissions, these events are intended to be a response to the public from those who have power. The need is to move from the spectacle to accountability as a norm and feature of decision making (Dubnick, 2006a,2006b, Dubnick and Justice, 2004, Dubnick and Justice, 2006, Ebrahim, 2003, Ezzamel et al., 2007, Flack, 2007).

The rhetoric of accountability has grown with the adoption of the new public management processes used in government bureaucracy (Newell and Bellour, 2002 2) and for effective administration associated with good governance agendas pursued by donors (Dubnick and Justice, 2006, Dubnick, 2005, Broadbent and Laughlin, 2003). Fiscal accountability is an element of managerial responsibility. Managerial accountability is the answerability of those who have delegated authority for the pursuit of tasks within set criteria. This level of accountability has undergone significant changes as the public management process moved from concentrating on the bookkeeping process, and balancing the books, to the more effective and efficient use of resources - a shift from reporting that the money has been used for the stated purpose (and it has not been wasted) to accounting for effective program delivery (reporting on the accomplishment of outcomes within a value for money orientation) (Broadbent and Laughlin, 2003).

In the private sector, the disputed areas of accountability include the breadth of responsibility (as in triple bottom line accounting, and integrated reporting) and whether governance structure reporting is an integral component to developing trust. In addition, there is a recognition that potential responsibilities are so broad there is a need to focus on the most important ones. An example of this is giving prominence to reporting on related parties transactions as the inherent potential conflicts of interest raise the importance of this reporting to create a trusting environment.

Accounting academics, for example, Arrington and Francis (1993), Arrington (2007), Arrington and Puxty (1991), Boland and Schultze (1996), Willmott (1996), McKernan and MacLullich (2004), McKernan and McPhail (2012), MacIntosh (2002), Messner (2009), Roberts (1991) and Roberts (2009) have adopted various ontological and epistemological frameworks (positivism, interpretative,

deconstruction and historical) , in presenting the relationship between the role of accounting and accountability thereby demonstrating a breadth and depth within accountability research.

Accountability's varying conceptualisations is seen in its attempt to address issues and rationale for action. Accountability is not just a numerical report but incorporates limits to its own behaviour in terms of 'who' makes the call to give an account and the manner in which the account is given. Identification of the acting agent and the allocation of responsibility all impacts on how accountability is practiced. In terms of this research, the prior studies provide different interpretative lenses in which to study TSA accountability. However, it is in the use of narrative that reveals the nature of accountability as a human practice from the ethical, economic and theological perspectives.

The move to reflect a fundamental human experience draws on the use of "accounting" into a stronger sense when it attempts to be more encompassing than the economic ties currently existing within the accounting research of Schweiker (1993), Shearer, (2002), McKernan and MacLullich (2004) and McKernan and Kosmala (2007). Developing the work of Schweiker's ethical approach there is a line of research (Shearer (2002), and McKernan and MacLullich (2004), McKernan and Kosmala (2007), McPhail et al., (2005), Hardy and Ballis (2005), Hardy and Ballis (2013) that continues the development of the theological, accounting and accountability relationships. This thesis continues the development of this strand of research by applying narrative theory as an aid in understanding accountability practice.

5.1.2 Accounting as a human practice

The original motivation for this research came from the Arrington and Francis articles in a 1993 special edition of Accounting Organisation and Society looking at the concept of accounting as a human practice (Arrington and Francis, 1993b). Specifically, the paper by Arrington and Francis(1993a) looked at the giving of the account as a cultural phenomenon. The paper provided a discussion on the practice of accounting – the giving and receiving of accounts – as part of the human experience. In this context accounting is not necessarily limited to what the 'professional accountants' are engaged with. Arrington and Francis considered how

accounting may be seen as part of a moral, economic and social practice. The giving of the account is a discursive event and the understanding of the discourse becomes the work of hermeneutical analysis.

Drawing from the work of Niebuhr[59] (1963), Arrington and Francis developed the concept of the "economic" self that is a productive and a communal self. Choices are conditioned by relationships with others, and the results of choices have consequences for others who share in the community:

Thus the economic 'self' is not a notional self; he or she is both constituted **by** and constitutive **of** communities of others (Arrington and Francis 1993a, 108) [emphasis in the original].

Three images of the moral economic self: the self as maker, the self as citizen and the self as answerer developed as part of the response for the need of the economic account. Niebuhr (1999, 48) observed that the human potential is to make and to construct objects and things. The human as agent is a being in charge and control of his conduct. Niebuhr, as a theologian, noted that the idea of man as the co-creator is well developed in theology. Part of economic activity draws on this creative construction ability.

Arrington and Francis noted the productive self (the maker) is responsible to the teleological question - what is the *good*, of the production undertaken? Accordingly, it is possible for others to seek an account from the agent for the production. Arrington and Francis claim, in the writers view correctly,

> In claiming that economic choices and actions have a teleological moral dimension we come to understand the difference between substantive claims about **the** good production (claims about what **is** good) and the claim that all production is a candidate for discourse with respect to the good that it seeks (Arrington and Francis 1993a, 109) [emphasis in the original].

Productive activity is only one of many responses. The pursuit of self-interest in the production of the good will compete against the interest of others. The discourse arising from production, therefore, seeks the revealing of the reflections and deliberations as to why the agent made the specific choice.

This discursive activity becomes more important as the human agent does not live and act in isolation but acts within a community of others – via groups in society.

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[59] Niebuhr and Schweiker were theologians and draw from that field of study in understanding the concept of self. Ricoeur as a philosopher, whose work in hermeneutics, narrative and identity had strong connections with theological study did not consider himself a theologian.

This 'self 'as a citizen recognises the economic self (in all of its images) as one who lives under the law and other community expectations, one who recognises themselves as responsible and accountable for their actions to others. The self as citizen adds a deontological aspect to the economic experience. In acknowledging the claims and demands of others, the agent effectively asks: 'To whom am I as an economic self, accountable?'

As MacIntyre (2007) noted, the modern self is a 'fragmented self' living a variety of roles, dealing with and competing in often conflicting responsibilities to whom the self as citizen owes responsibility and accountability. Niebuhr was aware of how the self as citizen both changed over time and conditioned many of the responses. The conflict of dealing with changes increases the need for a more comprehensive discourse.

Niebuhr, according to Arrington and Francis, painted a complex multifaceted portrayal of the dimensions of the moral economic self. This is observed in both the self as maker and self as citizen, the self-became the third image as the self as the answerer who provides the explanation and rationale for action. Niebuhr suggested it is in discursive practices that concepts of responsibility and accountability are actualised. A view reflected in Ricoeur's work on narrative identity.

Arrington and Francis discuss Niebuhr's move to cathecontic ethics, the understanding of moral questions beyond both teleological and deontological approaches and looking at the appropriateness or fit of the action. Arrington and Francis observed:

> …responding to questions of accountability and responsibility are now seen as a hermeneutical task to be performed rather than the mere checking of simple correspondence between actions and the ex-ante criteria presumed to govern the agent. (1993a, 112)

The importance of the turn to hermeneutics is reflected by MacIntyre (2007, 209)

> Human beings can be held to account for that of which they are the authors; others cannot. To identify an occurrence as an action is in the paradigmatic instances to identify it under a type of description which enables us to see that occurrence as flowing intelligibly from a human's agent's intentions, motives, passions, and purposes. It is therefore to understand an action as something for which someone is accountable, about which it is always appropriate to ask the agent for an intelligible account.

MacIntyre noted the use of and importance of the discursive practices of giving the account and it is critical to be to be able to identify who is the author of the act.

Whilst in Arrington and Francis they refer to the early work of Ricoeur, it is in Ricoeur's later work that allows for the clear identification of the author of an action and moves to a deeper understanding of the hermeneutic role in narrative accountability. There is a strong consistency in the interpretation of the discursive requirements. Within Ricoeur's work, the turn to hermeneutics is reflected in his analysis of other philosophers like MacIntyre.

In the full discussion on economic accounts, however, it is not just confined to the production of financial accounts that makes financial accounting *per se* but the explanation of all activities undertaken. Arrington and Francis concluded that we will give and receive different forms of accounts both economic and narrative and both as individuals and society we depend on these accounts to give meaning and aid in understanding the moral and economic dimension for ourselves and with/ for others (Arrington and Francis 1993a, 123). A fundamental issue identified by Arrington and Francis is "who am I accountable to?" When applying this to TSA it requires an answer that draws from Booth's beliefs, theology as well as the extant literature on accountability. In applying Ricoeur's identity concepts, the 'who' that is to be accountable must be capable of being identified as the author of the action.

Accounting is not confined to financial accounts as such but rather embraces a fuller discussion of outcomes and the justification of actions taken (or deliberately not taken) and their impact on the community in which the organisation operates. The practice in various countries for a management discussion by the board of directors and chief executives accompanies the accounts, where they discuss the major activities or events during the immediate past and outline future strategies, is a narrative example of the greater form of accounting. The recent embracing of triple bottom line accounting and integrated reporting reflect the view that organisations, particularly large ones, need to account to shareholders in terms of an awareness of their impact on significant stakeholders and the implications in terms of retaining their current freedoms of action, and/or the need to account to significant stakeholders. This is an area for future research discussed in chapter seven.

Arrington and Francis provided a framework from which accountability could be understood which was different to the socialising accountability of Roberts (1991).

Roberts saw speech as a paradigmatic model used in what he called 'socializing modes of accountability'. Socializing accountability was described in terms of the relative absence of asymmetric power, acknowledged interdependency between the self and the other and face to face interaction. The Arrington and Francis framework saw the Roberts model as limiting the scope of accountability by noting that the giving of the economic account has a greater audience than envisaged by Roberts. As discussed in the previous chapters, the act of reading makes any text available to a greater audience than what may have been envisaged by the author.

The authors concluded that understanding of the giving of the account would benefit from a narrative approach, noting that Ricoeur's later work turned to narrative. Further, they provided an initial exploration into the relationship between the style of economic account and the use of hermeneutics in understanding the account.

Arrington and Francis concluded:

> All of us give and receive economic accounts, and all of us depend upon such accounts to donate intelligibility, meaning, and understanding to the moral economic dimensions of both ourselves as well as others (1993a, 123)

In this thesis, the early work of Arrington and Francis is acknowledged and many of the ideas relating to narrative and hermeneutics have been updated to reflect Ricoeur's later work. Arrington and Francis looked primarily at the actions of the individual agent. It is Schweiker (1993) that developed the relationship of economic accounting at an organisational level.

Schweiker's work, similar to Arrington and Francis, provides an early interpretation of identity construction. Schweiker, as a theologian, was aware of Ricoeur's work as it related to narrative and the practice of hermeneutics in understanding text, the importance of discourse and linguistic events in the pursuit of creative activity.

Schweiker argued that the concept of giving an account is a discursive act in which the identity of agents is displayed as intersubjective and constituted by relationships between the agent and others through time. Accordingly, the identity, as constructed, opens to ethical evaluation the action of corporate forces. Schweiker's

arguments have many parallels with the work of Ricoeur, and aids in establishing a link between accountability and identity.

Schweiker observed that, if we cannot make sense or identify the 'who' is acting, it becomes difficult to legitimately hold them accountable and responsible for their actions. Further, it is difficult to direct claims for economic distributive justice if the 'who' cannot be correctly identified. Accordingly, Schweiker states:

> … a different way of thinking about agency, we must explore one activity, the discursive act of giving an account, within which moral identity arises and is rendered intelligible. The argument about agency would then hinge not on consciousness but on the relation of language and activity, in this case of the act of 'giving an account' (1993, 236).

The discourse is in narrative form which allows for identity construction and identification. Schweiker's (1993) ideas and concepts are similar to Ricoeur's arguments on narrative and identity discussed in previous sections, and he was aware of Ricoeur's narrative theories (Schweiker, 1988). Schweiker developed the concept of the giving of the account, in part from the philosophy of Ricoeur, and establishes the link between accountability and identity that is part of this thesis.

Drawing from ethics, Schweiker proposed the question of what is a just distribution of goods and services. This is in opposition to the economic self-interest concepts used to justify an organisation's pursuit of profit maximisation (Shearer, 2002). The fundamental question, therefore, is how we should live if we are to act in accordance with Ricoeur's maxim to 'aim for the good life with and for others in just institutions' (Ricoeur 1992, 180).

For Ricoeur and Schweiker, the challenge is to make sense of the 'who' is acting. In Schweiker's view, identifying the 'who' allows for the legitimate and specific claims of justice and draws from 'giving an account' the identity of the agent. Accounting practice may discursively portray the identity of the economic agent over time

> ..the discursive act of giving an account is one activity in which moral identity is enacted through time (Schweiker 1993, 232).

Schweiker takes a hermeneutical claim in reading an account that the truth of interpretation involves the interpreter. Similar to Ricoeur, Schweiker requires the reader to be a willing participant in the enquiry to see if the interpretation being

offered does fit when the account is given. There is a strong similarity with Ricoeur (1988), noting it is the reader that completes the action of the text.

Schweiker (1993, 234) drawing from Kant's idea of 'aspiration' to generality, we want to be understood by others. The giving of an account is a discursive act of saying/writing about our intentions, actions and relations and outcomes to someone. Therefore, the issue of identity and identifying the agent seeks to render our lives intelligible not only to ourselves but also to others. Recalling the discussion in the previous chapter by Albert and Whetten (1985) on organisational identity, organisations seeking to have their role and purpose understood by others remain close to similar types of organisations but have sufficient difference to ensure their own identity.

Schweiker observed the giving of an account is an activity where we (people) come to be a unique self and within the various types of communities and groups identified through discourses that shape, guide and judge life. These discursive acts take place within a variety of social, political and economic conditions. These acts not only confirm and enhance identity; they can also distort communication and render false claims and confused identity. Trust is established by the actor and the one rendering the identity. Trust is a mood or affective component which shapes how agents understand and evaluate themselves and others. Trust is also invoked by those others as they evaluate the actor (Schweiker, 1993, 242), but violation of trust entails fraud and deceit. Ricoeur noted the risk of suspicion and false testimony being a challenge to the identity process.

As Schweiker observed, the relationship between what is done and what is important:

> …we are speaking beings relative to the formal conditions for the justification of norms as well as **what** a community says about how one ought to live. Moral agency is shaped through discourse which embeds one in a community and some vision of the good. Yet it also implies claims that extend beyond the community. ….determination of **whose** goods or needs count is coextensive with the scope of a moral community… (1993, 238) [emphasis in the original]

The giving of an account is an interpretive act and is important for understanding the ways in which moral identity is shaped and enacted. Humans are guided by purposes and driven by interests who exert force on others and an interdependent world, even while we also suffer the forces and relations of others and the world. As

moral agents we give various accounts of those actions. However, within our identity there is duplication, in that, I am acting and accounting for the one acting. As one acts the actor must give an account of their own life. Yet, as Ricoeur observed, we are not the only ones who complete our own story. So, in relation to an organisation, the stories they tell are never the only stories about their actions, which are completed and/ or challenged by other narrators.

Schweiker observed that giving an account of past actions and their consequences, thereby, ascribing accountability in an *ex post facto* way. Accountability gives reasons for past behaviour and locates the identity of an agent in the past that we commonly assume is in continuity with the present act of accounting for it. Giving an account infuses the temporal structure of identity into a unity.

We not only give reasons to render understandable past acts and traits of character; we also attempt to account for the present. Relationship of giving an account situates the giving of an account in the context of the full scope of our temporality. Ricoeur argues a similar point that an identity's consistency and character are revealed in the narratives. Schweiker notes, however, that the fragility of life counts against precision, and places limits on accountability, yet both Ricoeur and Schweiker note the strong tie between identity, temporality and trust that arise within the discursive act of giving the account. Accountability also entails the ability to respond to anticipated reactions to one's actions. Action is not blind it is undertaken with a purpose. The motive of accountability, therefore, is existence itself.

Schweiker's paper provides additional insight into how narrative brings identity into focus. Similar to Ricoeur's narrative theory Schweiker, Arrington and Francis viewed the giving of an account as an interpretative act and see the use of hermeneutics as an essential tool in the interpretation of the account. This thesis acknowledges the influence of these specific authors in supporting the use of a narrative analysis in the interpretation of TSA narratives.

In using the full body of Ricoeur's work, the development of accountability via narrative brings into focus the dialectic of identity: *idem* and *ipse*. The identification of the actor, the stories and narratives told help establish the identity of the actor.

5.2 Ricoeur's framework

The concept of narrative accountability brings together the answer to the questions: who, what, when, how and why. As discussed in chapter three, narratives form part of sense making undertaken by both individuals and organisations as they function within society. Through the application of Ricoeur's narrative accountability, sense may be made of the TSA accountability narratives. The accountability, associated with the identity, draws from being able to identify who is the agent that is acting, and, thus, responsible for the action. The following discussion draws from the preceding chapter's discussion on Ricoeur's framework.

Ricoeur's (1992, 40-55, 56-87) move from speech to action shows other aspects of an embodied existence which may remain hidden to semantics and pragmatics. The answer to the question 'who is acting?' is subject to whom actions can be attributed. Ricoeur developed the idea that who we are as an individual is tied up, not only to what we say, but to what we do and how we do it. As Kaplan stated:

> Ricoeur argues the failure of an agentless semantics of action is to distinguish between ascribing an action and imputing an action. To ascribe an action to an agent is to attribute reasons or causes; to impute an action to someone is to hold a person responsible for it as a person, not as a mere thing in an ontology of impersonal events. Both ascription and imputation are necessary, but not sufficient condition for understanding meaningful action. Both are valid because people belong to two realms simultaneously; we are objects in the world like any other object but also subjects for whom the object in the world have meaning (Kaplan, 2003, 88).

Selfhood is to be understood in terms of the embodied agency, inserted into a world of events, and capable of initiating and suffering actions imputable to me, the individual, and to others (Ricoeur 1992, 111). To intervene is to act to commence a course of action that causes change or an impact on the environment. An agent in this context is a human being with a history, a social life and a personal identity that changes over time. A person lives within a community and initially acts, according to the norms and principles of that community. To be a person is to be a moral agent whose actions are imputable and for which they are responsible. When this is applied to an organisation the behaviour demonstrated by the organisation reveals the motivation as well as the impacts on the environment. Organisations have their own history and how they relate to their community reveals their acceptance or rejection of community norms and principles (Boje, 2008).

A narrative identity is the dialectic of personal experience and impersonal circumstances. A narrative identity establishes the enduring notion of the subject, as well as the ethical and moral dimension of the subject to whom an action can be imputed. The importance of the notion of self-constancy is that it denotes a consistency of character such that others can count on the person, who in turn is accountable to others:

> ..the term responsibility unites both meanings: 'counting on' and 'being accountable for'. It unites them adding to them the idea of response, 'where are you?' asked by another who needs me. This response is the following: 'here I am' a response that is a statement of self-constancy (Ricoeur 1992, 165).

The ethical implication for personal narrative identity is that an agent must maintain some kind of continuity in time in order to be accountable for one's actions. The self is a narrative identity constituted by means of emplotment, which configures and synthesises diverse and multiple elements into a unified whole. Narrative theory articulates our temporal and historical construction of the world. The self has a history, changes over time and yet maintains a constancy of selfhood by keeping promises; a personal identity can only be understood as a narrative identity (Ricoeur 1992, 143). For a person to keep a promise it is less to remain the same person through time, than it is to remain steadfast and trustworthy in spite of the flow of time, conflicts and other possible contingencies which may occur. If we are to be accountable for our actions, we must be able to be identified as the same person who maintains integrity of character over time (Kaplan, 2003, 90).

The legal structure available to organisations implies they have the ability to have an indefinite life. The importance of being able to bring these organisations to account is discussed via the economic account presented by Arrington and Francis (1993) and Schweiker (1993). The longevity and consistency of some organisations like TSA have allowed trust to be formed in terms of their exhibited behaviour. The practice of consistency in performing their actions has seen TSA called the most effective organisation (Watson and Brown, 2001) and considered as an enduring organisation (Booz, et al 2004).

Narratives not only form our moral ideas but the stories we tell of ourselves and each other helps us to determine if we have actually achieved what we have said. Telling stories can provide the answer to who, what, where, why and how because the telling of a story can occur from multiple perspectives. However, in narrative

there is an identification of characters that can have initiatives and action attributed to them (Ricoeur et al.,1995).

A critical concept in understanding Ricoeur's narrative theory is 'attestation' (discussed in chapter three) (Ricoeur1992, 21-23). Attestation according to Ricoeur reflects in credence, reliability and trust. When I attest to something, not only do I effective make a statement of what I believe but I believe in something. Such a statement is more of a statement of confidence and conviction than a statement of certainty and knowledge. I can say 'what' I am with a high degree of certainty but I only attest to 'who' I am with a degree of conviction. I exist in my words when I ask you to believe in me. The difference between a true and false testimony, that is the claims made, has to do with credibility and reliability (Ricoeur 1992, 22). Attestation is crucial for moral and political judgements.

Ricoeur (1992, 297-356) in his tenth study further developed his arguments relating to the ontological implications of hermeneutics of the self which is evidenced by attestation. Ricoeur argued 'otherness' is not external to selfhood but internal and constitutive of it. Ricoeur argued 'the variety of passivity', which has three main forms, attests to the connectedness of selfhood and otherness. The first form of passivity is experienced via one's body which mediated our understanding, experience and action in the world. The second passivity is experienced with another in relation to the intersubjectivity between the self and other. The third form of passivity is experienced within oneself as the relation between the self and one's 'conscience'.

Conscience is evidence of the '*ipse*' identity. I am who I am because of my capacity to endure through time, to remain constant and reliable so others may count on me, especially in my capacity to keep promises to another.[60]Conscience is the attestation of the self and as such it is the evidence of otherness of myself in that it is an inner voice that commands me because it is superior to me. (Ricoeur et al., 1995)

> ..listening to the voice of conscience would signify being-enjoined by the Other. In this way, the rightful place of the notion of **debt** would be acknowledged.. (Ricoeur 1992, 351) [emphasis in the original]

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[60] McKernan and MacLullich (2004) discuss Ricoeur's work from the ethical studies in RICOEUR, 1992, in relation to the command of love and justice, 'the golden rule' and the law of superabundance.

Authors Kaplan (2003), Stiver (2001), and Gadamer (2004) discuss our relationship between current and previous generations. Kaplan (2003, 95) argued that if the voice of the other is the voice of other people, then there is an indebtedness to previous generations as well as individuals. We are connected in a continuity of generations linking us to the past and to the future. As long as our identities are constituted by stories, my identity is tied up in a larger group of identities:

> ..the identity of a group, culture, people and nation is not that of an immutable substance, nor that of a fixed structure, but that, of a recounted story (Ricoeur et al., 1995,7).

5.2.1.1 Discussion

Ricoeur argued that the understanding of accountability is tied strongly back to identity. The stories told not only establish the 'who' but ties the 'who' into the author of an action. Responsibility for the action and the consequences of the action, therefore, ties who with the 'what' of accountability. In responding to the needs/demand of the other, the responsible agent acts. Ricoeur sees these actions as recognising the valid call of the other. In determining the valid call, individuals locate themselves within their groups and society. Actions within the society are embedded within the societal ideals. A group acts in accordance with this established patterns of acceptable norms. Part of the group ties the individuals back to how they should act. Acting according to mission, acting according to established patterns are ways a group identifies itself and holds itself out as being a reliable and trustworthy group.

Ricoeur's narrative approach allows statements on accountability to be interpreted. The consistent stories of help for others reveal TSA's concern for the needs of others. The carefully constructed and repeating patterns of stories sediments the action into behaviour and forms a character. The use of slogans and catch cries like 'thank God for The Salvos' allowed others to call upon TSA with a certainty that they will act according to its character. The *ipse* identity for TSA shows it is acting according to core beliefs.

TSA is referred to as an enduring organisation (Booz et al., 2004) because of the consistency of its behaviour. Its behaviour is consistent with many of its stories, for example the use of uniforms, bass brands, the military command structure, the ongoing call for funds and the move into social work all have founding stories that are entrenched in TSA understanding of itself.

The notion of consistency allows TSA to argue it is acting according to its Christian principles in all of its activities, whether holding religious services or providing services under government or privately funded programs. TSA narratives tell stories of help and support to individuals and groups of people in a variety of circumstances. People are generally aware of the work of TSA and are able to identify this as an organisation you go to if you require help.

As the manner in which TSA practices its beliefs is through the concept of attestation then TSA accountability will thus be interpreted. In their narratives, TSA asserts that as part of their mission helping people without discrimination. However, the character of TSA is difficult to determine. Recalling from the previous chapter, the self is seen as a dialectic between *idem* and *ipse* identity, *idem* the identity as sameness and *ipse* the identity that is the unique self and relates to the other. The *idem* identity is the numeric identity, which for an organisation is its legal structure and other fixed identifies that, may be similar to other organisations. The *ipse* identity is that identity which is, in terms of the Albert and Whetten classification, the central, enduring and distinctive character of the organisation. In Ricoeurian terms, it is the character that is the author of action.

In the TSA case, it is the legal structuring for the division between church and social work that provides a tension for TSA and its narratives. Whilst in Christian belief helping others and supporting the less well-off is accepted as a personal responsibility, the institutionalisation of this by TSA introduces questions as to who the actor is.

The historical trust deeds and the current TSA Acts reveal a work of service consistent with belief. As discussed in chapter two, the nonconformist actively believed in charity as a reflection of Christian love. TSA affirms its service to the less well off as being consistent with its interpretation of Christian practice.

TSA has a real identity problem as the peak Act in the UK says in effect that TSA is a church which provides social service as an integral part of its religious activities. However, there are separate legal structures which have the traditional religious functions as one operation worldwide, and other distinct legal identities in each country to conduct the social service activities. The two 'branches' operate as a combined entity in each country in terms of their names and in respect of the work

of the religious personnel in most countries., When it comes to projecting an image it is the social work activities which are dominant.

Thus TSA has a (internal and legal) corporate identity as an integrated entity as officials claimed, but they raise and account for the majority of their finances under the social service identity. This statement will be justified in the next chapter.

Transparency on funding integrity is most critical. This is emphasised as a consequence of TSA receiving program funding which prohibits religious practice and the conflicts between government and religious interpretation of program requirements. This was discussed in Garland (2008) on the work of the Australian TSA and the job network. By way of comparison Hardy (2008) socialising accountability, and drawing from Roberts (1991) study on the Sanitarium Health Food Company saw the subsuming of commercial activity as an aid in the pursuit of the Seventh Day Adventist church mission objectives, and accountability of activity being discussed in terms of how the commercial activities was funding other objectives.

Part of the TSA acting is done according to its interpretation of Christian beliefs. Christian beliefs also contain strong emphasis on accountability to God and to society. In the next sections the issue of accounting and accountability will be explored. Ricoeur's view of Christian belief and activity is considered within the TSA context.

5.3   *Accountability in a Christian Context*

TSA claims it is acting according to its understanding of Christian faith and practice as discussed in chapter four. William Booth believed he was called by God to undertake a specific task, and the belief in this calling is reflected in current TSA narratives. Booth, however, had limited theological training and much of his understanding was influenced by the American evangelist discussed in the previous chapters. Booth firmly believed he was only accountable to God, and he drew this from his interpretation of the Bible. Therefore appropriate to briefly look at the theology of accountability as understood from the evangelical Christian viewpoint.

The Christian faith has its own classic and sacred texts, referred to as the canon of scripture. These texts are differentiated from other classical texts available to us in

our culture. Whilst other texts are read by individuals and have as much authority as the individual chooses to give the text, the scriptural canon that is used by and informs the Christian faith impact the whole Christian community. These texts exercise authority over their community, and the community place themselves under the rule of the texts. The texts become the foundation of the identity of the community. The community receives and interprets the texts. However, within the community there are differences in interpretative traditions as illustrated by the divergence in understanding of the canon of scripture between the reformed Protestant and Roman Catholic traditions. This is noted by Ricoeur (1995, 70-71):

> …there is a kind of magisterium in Protestantism with the power to exclude noncanonical texts, but functions (unlike the Catholic magisterium) by saying that the text interprets itself; you can criticise the Bible only by citing another text from the Bible.

Stiver (2001) has argued that readings of the canon will, and has, produced very different emphasis in interpretation. The 'Reformed" Protestant tradition by its nature is a never ending process. This is especially evident in the different translation philosophies used in producing an English text of the canon. Understanding of the scriptural cannon is revised through continued study, application of archaeological and linguistic discoveries, through changes in ordinary language usage and the social political context in which the canon is read (Gates and Steane, 2008). This re-reading produces various foci: including the social gospel, the rise of liberation theology, the evangelical gospel, the rise of feminist theology are some of the modern examples that have arisen.

From this background of community identity calls the individual to respond. The call to respond comes from the 'WORD' embedded in the texts and is transmitted by the traditions, interpretative tradition and the socio-historic context that Christians' operate within today. Ricoeur has argued that the response is, unlike philosophy where the response is an answer to a problem, a conforming to the meaning that is given through scripture. The call by which faith responds is based within a setting of experience and language which has its own structure and symbols. By contrast, the original language and experience contained within scriptures has come to us via a process of transmission and interpretation that has effectively been uninterrupted for two thousand years. As a consequence of our historical context, Christian interpretation cannot be looked at in isolation to the

current theoretical and practical culture that exists today (Gates and Steane, 2008). For as Ricoeur observed:

> Our recognition of the singular status of this experience and language is itself a characteristic of the hermeneutical era of Western reason (Ricoeur, 1997, 203).

As discussed in chapter two, there were many challenges to traditional orthodox interpretations given to the cannon of scripture. The socio-economic context has influenced the interpretation of scripture with the *laissez-faire* approach of the 18th and 19th century allowing the 'domination' of the earth to justify the exploitation of the earth and its resources - including various social classes of men. The rise of the non-conformist churches saw Christian scriptures being reinterpreted with a closer link between economic development and God's blessings and providence. Response to these believed blessings was via stewardship to God that saw the development of systems to identify the effectiveness of resource utilization. Workers were seen as part of the resources available and they were expected to show they were contributing to this effective use of resources. A good worker was rewarded but those identified as deficient would be shunned. Evangelistic Christian groups views on the millennialism impacted on how they saw their role in dealing with society and the use of charity.

In the context of this thesis, it is not possible to provide a full theological discussion on the concepts of accountability and responsibility. A brief discussion will focus on a limited number of elements of reflection on the creation link, the responsibility of a Christian leader, the Christian institutional response and accountability through hope.

5.3.1   The Creation Link

The beginning of the concepts of responsibility and accountability are found in the creation narrative found in the first two chapters of Genesis. These concepts are drawn from the implications of being made in the 'image of God'. Drawing from the work of Thiselton (2007), Grenz (2000), Barrera (2005) and , Flessa (2005) the following discussion looks at some of the possible understandings that are drawn from the creation story.

Being created in the 'image of God' is viewed as a relational concept. Man (this term is used generically to denote both male and female) is free-standing and self-

determining. Man is able to respond freely to God and is responsible to God. This ability to respond direct to God, to others and to self is drawn from man's ability to choose whether to follow God's plan for the creation or to reject it. How Man responds is part of the basis for the creation of Man's accountability. Being the apex of creation, man is separate from other aspects of the creation. Man has a distinctive role in the exercise of the acts of creation. Man was specifically charged with taking care of the creation Genesis 2:15 (ESV, 2001)

> The Lord God took the man and put him in the garden of Eden to work it and keep it.

The creation of man occurred with man being established with specific instructions and commands Genesis 2:16-17 (ESV, 2001)

> And the Lord God commanded the man, saying, "You may surely eat of every tree of the garden, but of the tree of the knowledge of good and evil you shall not eat, for in the day that you eat of it you shall surely die."

The establishment of responsibility and accountability is established as Man is the recipient of God's commands. Dominion over creation meant being a steward and representative of God on earth. The commands to 'dominate' and 'subdue' need to be understood in the Old Testament context and not the current ideological context of a modern industrial society. Dominion in the Old Testament context shows effective and productive management of the resources of creation.

Accountability to God is determined on the basis of 'good stewardship'. Man, therefore, must show how as steward he has utilised the resources given under his control (for example refer Matthew 25, versus 14- 30). Under Christian belief, stewardship means accepting that life and all that is within it was given to us by God. Stewardship implies the wise use of resources that is the effectiveness and efficiency of their use. Interesting enough the effective use of resources can be implied from the genesis story where man is told to be fruitful and multiply. It is not my intention to look at the 'subdue and dominion' commands other than to say that under the Hebrew words for those expressions the responsibility for sound management is espoused (Barrera, 2005).

One of the consequences of Man's uniqueness is demonstrated as Thiselton (2007, 226) states

> …many have perceived human reason or the capacity for cognitive judgement (emphasis in original) as a characteristic that differentiates human persons from the animal kingdom ….. human kind in social and interpersonal terms operates with the gift of phronēsis rather than

techné, which includes the life related wisdom of the Old Testament wisdom literature rather than simply the capacity to gather information which may be shared in common perhaps with some animals and some forms of electronic devices .

The use of reason and cognitive judgement allows man to follow God's commission to exercise 'power' for the orderly functioning and flourishing of the world. 'Power' in God's context is for good – not exploitation or control. As man has joined forces to pursue greater objectives, the development of civilization has led to the creation and use of money. Money has become an instrument of power and used in the quest for the security of the self. One strong biblical tradition and Christian doctrine is the concern for the poor, the destitute, the widow and the fatherless. Scriptural canon shows that God has a special concern for the poor as they live at the edge of destitution with no true economic security. In responding to the use of resources and the care for the other, Thiselton, (2007, 255) states

> What people do with their pocketbook or pursue *exhibits in the bodily world of action* what his or her faith *amounts to: how it is lived out*. (Emphasis in original)

Within the management of resources Barrera (2005) argued establishes the necessity of economic life. Barrera argues that man is social and that functioning of economic life is communal by nature. For Barrera, economic life is an essential venue for growth in moral excellence through personal effort and interpersonal co-operation. Economic life provides the opportunity for man to discharge their obligations of caring for the materials of the earth and each other through virtuous economic activity.

> The economic sphere is at the service of rational beings by providing: the material means for human survival and integral human development; a venue for human labour and creativity; an occasion for growth in moral excellence, an opportunity to participate in divine governance, and a channel for community building, harmony and solidarity (Barrera, 2005, 32)

The creation narrative has also been interpreted as an act of love between God and Man. Man needs to respond to God's love reciprocating love and to God's commands with obedience born from love (Grenz, 2000, 178).

As illustrated in Chapter two, the nonconformist industrialist and some of the 19th century evangelical church saw the relationship between what they did and how they understood God's purpose meant effective management and utilisation of resources. Every person had a part to play in this plan - if they chose not then the sanction of undeserving poor and being shunned was a real possibly. This was an

understanding based on reciprocity but for those in genuine need the obligation to assist was equally as strong.

5.3.2 Accountability and the Christian leader

Barlev (2006) in discussing the role of accountability from ancient history concluded that evidence exists from ancient Egypt and Mesopotamia to show the existence of accountability at the individual level for business activities and individual - state relationships. These relationships were based on careful distribution of work, performance measurement, monitoring of actual performance and reward systems. At the individual to business level, accountability showed the responsibilities of the parties to the transaction. The accountability at individual to state level focused on the responsibility of the individual to the state. The performance of the individual was measured and recorded and compared to targets and expectations. Accountability at state - individual level centred on the state explaining how it honoured its commitments to its subjects. Accounting academics have drawn from ancient Egypt to explain various forms of accountability practices (Ezzamel and Robson, 1995, Ezzamel and Hoskin, 2002, Ezzamel, 1997, 2009).

The concept of accountability from a Judeo-Christian viewpoint adds a further level of accountability: from the leader to the people. Barlev (2006) discusses this idea by way of the example of the Old Testament person of Moses, the people of Israel and the exodus. Barlev provides an analysis of Moses giving an account for the resources collected from the people for the construction of the Sanctuary. With the exodus of the people from Egypt there is a transition from slavery to free people. A free person has the right of choice. This choice allows for the making of basic decisions relating to property and relationships. If property is taken – then there is a right to know how that property has been used. People that are free are equal with each other – no-one has rights or power over their equals. The functioning of a society of free people will have the people differentiate themselves by the tasks that are needed within society. When a person engages in public office they owe to society an account of their activities.

The exodus from Egypt required the people to receive an education into the rights and responsibilities of freedom. Moses became their teacher. When Moses gave the people the statement of account for the sanctuary, Moses was demonstrating that the

people are valuable, that their contributions was valuable, and they deserved to receive an account of how their contributions were used for the purpose for which it was collected. By giving the account, Moses was showing that in a state of freedom and equality the only effective method of governance is one of accountability.

Moses showed that the leader is also the servant. In Mathew chapter 20 verses 25-28 Jesus restates the idea that the leader is the servant

> but whoever would be great among you must be your servant v26.

Barlev (2006) concludes that biblical accountability is reflected in the understanding and practice of governance and accounting today. Firstly, accountability refers to the qualitative and quantitative information given that provides the explanation for the discharge of responsibilities and tasks. Secondly, the Moses story demonstrates the significance of giving an account. There are numerous biblical stories that show the importance of preparing and submitting quantified accounts. Thirdly, the account was given to the people - the report demonstrated the collection and use of funds. Fourthly, the report relied on a common reporting unit - similar to the 'monetary' concept used in accounting. Fifthly, the report adopted the principle of 'full disclosure'' allowing the people to make sense of what has happened. Finally, the report was 'understandable'. The report is easy to read and understand without the need or use of technical knowledge.

Christian accountability requires openness, transparency and understandability from its leaders to the people they serve. William Booth, in his publication of stories, audited accounts and encouragements illustrated in part the concern he had for the people he served and those who shared his vision of the work he believed he was called to do (Begbie, 1920, Railton, 1912). However Booth failed to understand that his accountability was greater than his practice. Booth was keen to show that TSA was producing effective workers for society as a result of TSA intervention. He was unable to show the transparency and understanability required both to society at large and to his own supporters. As Hattersley(1999, 364) observed, there was only one way and that was Booth's way.

5.3.3   Christian Institutional responses

Flessa (2005) discussed how the relationship of Christian belief and the behaviour of Christian institutions can be explored as a consequence of the creation story. Under Christian belief, the human being is considered to have a value of its own. This value emanates from the fact that the human creature is a created being of God. The consequence of this is, under Christian thinking, that the dignity of man is a fundamental value. Accordingly, under Christian thinking, decisions relating to behaviour of the management of institutional resources must reflect this fundamental concept of human dignity.

The concept of self-accountability is demonstrated by a rereading of the creation story which identifies the self-accountability of God. In each of the five days of creation God looked at his work and considered it as 'good'. On the sixth day of creation in which man was created in God's own image, God evaluated His work in its totality and determined that it was 'very good'. One of the functions of accountability is to make sense of our lives. This reading of the Genesis creation story illustrates the significance of self-accountability. As man was made co-creator by God - man was given the task and obligation to make sense of their activities and the results of these activities.

The requirement of accountability also comes from the legal concept of a covenant between God and man. Following the flood and the saving of Noah, God enters into a formal relationship with man and in part institutes the formal giving of account:

> And for your lifeblood I will require a reckoning: from every beast I will require it and from man. From his fellow man I will require a reckoning for the life of man. Genesis 9:5 (ESV, 2001)

Under Christian tradition, accountability has always had a very strong understanding that giving an account meant that a person has to explain what was done in terms of thought, word and deed that is action and motivation (Niebuhr, 1999). This level of demand is significant in that it requires an 'accounting' to be undertaken that captures not only the performance of the action but also the motivation for the action.

Accountability in its present sense is currently structured to primarily explain what has occurred by explanation for the actions of the agent and is reported by the agent to the principal. The explanation of the actions of the agent may be considered to be

in a performance orientation or a conformance orientation to regulation (Dubnick, 2003, 2006b, 2014, Goodin, 2003, Newell and Bellour, 2002). The understanding of the motivation of the action is not significantly explored in terms of the accounting or the forms of accountability (Arrington and Francis,1993a ,1993b, Shearer, 2002, Schweiker, 1993, McKernan and MacLullich, 2004). However, as has been discussed in the previous chapters, Ricoeur's narrative identity theory allows for an interpretation of not only the action itself but also looks at the motivation and the identity of the actor.

5.3.4   Accountability through time and Christian hope

Ricoeur, in the discussion of Christian behaviour and the relationship of their actions in society, provides a further motivation for the pursuit of the social gospel embedded in the Christian gospel. This relates to hope.

Ricoeur (1965) argued that the function of hope in thought is what sustains our intellectual struggle as we struggle to seek out truth from wherever it comes. As hope aids our intellectual struggles, it also sustains us in our actions. As cited in (Dauenhauer, 1998, 90 - 92) Ricoeur states:

> The first sign of Christian hope is to believe that something can always be done in every situation…A hopeful love leads one instead to see that a genuine commitment to Christianity actually demands a commitment to the world and its politics….hope then is not concerned with a future at some remove from the present. It is the way of bearing the present into the future.

Hope finds expression in love and deeds, consistent with a purpose of creation. A Christian in society today takes this hope inspired love as part of the motivation to understand society and its structures, to gain competence to act in dealing with issues that arise within society. The hopeful love looks to the protection of the individual within established organisations that tend to treat the poor and needy in a bureaucratized and often dehumanizing manner. The hopeful love is alert to changes that occur within society and helps to identify the 'new' poor and identify their need. The hopeful love situates the local problems that are being dealt with within a global perspective. A genuine Christian love as Ricoeur states (cited in (Dauenhauer, 1998, 90)

> …makes human relationships more personal in a society which tends to make them mechanical, but love also requires us to include the whole world in our projects for mutual aid, when they tend to restrict themselves to the big collective egoisms.

Ricoeur argued Christians must not neglect the responsibilities they have for social and political life. The first sign of Christian hope is to believe that something can always be done in every situation. Hope is inspired love and leads people to take it to be their duty to understand the structures of society and to gain the competence to act for its betterment.

Ricoeur argued there are three permanent tasks for a Christian believer:

First is a corrective help. Help for the poor tends to become bureaucratized and potentially dehumanising. Hopeful love calls for the protection of what is personal within established organisations.

Secondly, Ricoeur argued Christians should be alert to the changing patterns of need. The nature and scope of poverty is always shifting. A task for one who seeks to improve social conditions is to be alert to who are becoming the new poor and what their needs are.

Thirdly, Ricoeur argued you situate the local problem people must deal with into a global perspective (Dauenhauer, 1998, 33).

A hopeful love tends to lead one to see that a genuine commitment to Christianity actually demands a commitment to the world and its politics. Hope is not concerned with a future some removed from the present but is a way of bearing the present into the future (Dauenhauer, 1998, 90-92).

Ricoeur argued for social responsibility in that he called Christians to sanctify themselves and their society so that they are to incarnate their faith in works that bear witness to their condition as believers. When applied to a Christian organisation, the accountability narrative will need to show a higher level of engagement between the institutions, its stakeholders, its world and its response to the 'higher authority'. In understanding what a hopeful love leads to in today's society, sees genuine Christianity, through its words and deeds, have a commitment to the world and its politics and power relationships.

This discussion of Christian hope may be applied to the understanding William Booth had in relation to 19th century poverty and to current TSA narratives. William Booth saw the social and economic situation differently to the significant majority

of his compatriots. Through his understanding of the needs of the poor, understanding the need of his society and understanding the relationship to the economic issues and impacts on society Booth responded by attempting to deal with what he believed was the root cause for the problems in a particular manner: salvation for the individual and reform of society (Woodall, 2005).

Booth's actions were consistent with his belief and these beliefs were shared by many of his contemporaries. Booth's main difference was that he institutionalised the social responsibility of the gospel into a structured response. Unlike other churches and charity organisations, Booth's organisation was structured to take the poor and the disadvantaged from society the disadvantaged and the poor and then return them to society as 'productive' workers.

Was Booth acting under his religious belief or were his religious beliefs being used to give access to certain financial resources? As Booth noted in 1910 (appendix B) social work had become the focus in every country in which TSA operated. Social work provides significant funds to the work of TSA, a situation that still exists in the 21st century. Modern TSA narratives have maintained the ideas of hope and restoration with the most consistent theme in annual reviews and reports being to provide help for individuals and then return them to productive society.

5.4   The Salvation Army Accountability

5.4.1   Historical issues with The Salvation Army Accountability

Booth's belief in his calling influenced how he saw his obligation to be accountable. As discussed previously, Booth had limited theological training and tended to make decisions based on what he thought rather than on orthodox theology, however much of what Booth espoused was consistent with the beliefs of his time. The non-conformist beliefs and stewardship was reflected in how the non-conformist industrialist created accounting systems to aid in their accountability obligations.

Booth believed his duty was to God and, therefore, the resources needed would come, a view consistent evangelical Christians as discussed in chapter two (Booth, 1925). Booth believed that as all things belong to God than it is only to God that he owes accountability (Begbie, 1920). Whilst Booth may have acted according to his

beliefs, in another way he acted contrary to other parts of Christian orthodoxy relating to the responsibility to Caesar, that is the state.

As discussed in the identity chapter, Booth disregarded other churches and efforts of other organisations to deal with the poverty and social ills. He saw little need for the State to be involved with social work other than by way of providing money.

Booth believed that his honesty (Begbie, 1920, v 2, 150) was the main guarantee of performance. Booth expected that any persons whether family, friends, workers and even donors would follow only his way (Begbie, 1920, v 2 132). This point was challenged by Huxley (1914) in that one's own cognizance could not guarantee future performance from people who succeeded you.

Manson (1906), in his analysis of TSA, showed Booth would not accept anything but full control. The practice for charitable and religious trust in the last quarter of the 18th century was to have in place mechanisms to prevent one person's control by having a board of trustees appointed or by ensuring Charity Commission oversight. These practices were discussed in chapter two. In both the 1878 and the 1891 TSA trust deeds Booth kept full control – he opted for audited financial statements. Booth's critics argued that showing what money came in and what money was spent did not show that the use of the money was valid.

The consistent attacks on Booth and TSA over their finances saw the establishment of an Inquiry into the running of the *Darkest England* Scheme. The *Darkest England* Inquiry was set up by TSA themselves to investigate some of the claims of inappropriate financial behaviour. The committee of gentlemen were given access to TSA records, took limited evidence and visited a number of social facilities (Hattersley, 1999, , Murdoch, 1994, Begbie, 1920, Railton, 1912, James, 1892). There was a legal guarantee given by TSA not to sue the committee members or its witnesses. The terms of reference were explicit in restricting the investigation into the social work fund also called the Darkest England Scheme[61]. The committee conducted its investigation and commented only on the terms that were explicitly

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[61] 1 Has the money collected by means of the appeal to the public for the *In Darkest England And The Way Out* scheme been devoted to the objects and expended in the manner set out in that appeal and in no other?
2 Have the methods employed in the expenditure of such money been of a business like, economical and prudential character and have the accounts of such expenditure been kept in a proper and clear manner?
3 Is the property, both real and potential, and are the moneys from the above appeal so vested that they cannot be applied to any purpose other than that set out *In Darkest England*, and what safeguards exist to prevent the misappropriation of such property either now or after the death of Mr Booth?

given. *In Darkest England* Report released 19th of December 1892. *The Times* provided coverage of the report by producing the full report (minus the appendices) plus an editorial on 21st of December 1892 (Times, 1892a, Times, 1892b).

The Times observation noted that the social work side of TSA under the Darkest England Scheme was not self-sufficient with a deficiency of approximately £70,000 and relied on the spiritual side to keep the service afloat. No commentary was made by the report as to the inter trust transfers. As the Inquiry report made limited comment on the economic use of the money, due to the short time the scheme had been in operation, The *Times* questioned the effectiveness of providing the social wing continued public donations. The *Times* challenged the nature of commercial activities of TSA, with business activities being undertaken under the DES not really what they were claimed to be, for example, wood cutting. *The Times* noted that the report did not address the numerous issues concerning how TSA manages the funds invested with it. The editor at the *The Times* did not take assurances about the level and extent of Booth's control of the funds and noted there was a lack of transparency concerning the level of cross subsidisation that existed between the church and the social side. The Kebbell (1892) challenge of 23 December 1892 claimed that the Darkest England committee was highly selective about who they took evidence and he wanted to see Booth's claims in court. Kebbell had sought to be interviewed by the Committee but was refused.

The general conclusion drawn by the *Darkest England* Inquiry was that money raised in the Darkest England scheme was substantially spent for social activity. This was taken as vindication by Booth and he immediately issued a call for funds to support the scheme. However, as Booth himself noted in his social work speech (discussed in chapter four) the public did not provide all the ongoing money needed to fund the targeted amount for the Darkest England Scheme.

This event was to become the foundational issue as to how TSA responded to its accountability for social activity. Money raised in specific appeals, for example the Red Shield Appeal, are spent according to the appeal's stated objects, money raised outside of the specific appeal is not as transparent. TSA today in its accountability reflects the social service focus, and complies with other disclosure requirements mandated by accounting standards, and legal constraints in the legal structures used,

and in the exercise of its discretion in disclosures and discussions (To be discussed in detail in chapter six).

5.4.2   Current Examples of Salvation Army Accountability statements

In chapter six on Accountability disclosures, a detailed look at the United Kingdom, Canada and Australia disclosures in terms of their financial reporting and the annual review is undertaken. A second form of accountability TSA promotes is its fund raising efficiency and respecting donor wishes. This is different from the formal accounts as these donor statements are designed to reflect the effective use of funds. Using publicly accessible information by the placing the words the *salvation army accountability* into the Google search engine, a significant number of hits were revealed. For purposes of this section only two examples will be used to illustrate how Anglo-American TSA represents to itself, and to its respective society, how it is meeting its accountability obligations.

Canada

> The Salvation Army highly values its relationship with donors and recognizes that without their support, it would not be able to continue to serve more than 1.8 million people every year.
>
> Through a wide range of services, The Salvation Army assists those who need help the most. As it gives hope to the marginalized in communities from coast to coast, The Salvation Army believes that transparency and accountability is essential to its success.
>
> With this in mind, The Salvation Army has joined Imagined Canada's Ethical Code Program.

> The Ethical Fundraising and Financial Accountability Code reinforces The Salvation Army's commitment to high standards of accountability. The Code represents a set of standards to help manage and report charitable activities responsibly. By adhering to these standards, The Salvation Army is complying with generally accepted practices for soliciting and managing donor dollars
>
> http://www.salvationarmy.ca/fundraisingethics/ accessed 9 November 2013

The website of TSA Canada makes the very explicit claim that it is the largest non-government provider of social services in Canada. TSA Canada has a strong need to be able to explain to its society how it is meeting its obligations to society.

In the Canadian TSA 2013annual review the accountability statement note had the comment

> .. external visibility creates public understanding and trust, which are vital to the army's success.

This line strongly reflects Railton's observations concerning how dependent TSA was on good public opinion as an ingredient for TSA success and fundraising, it also reflects Schweiker (1993) view on the importance of trust in the developed narratives. The Canadian TSA links the support of the donors (both financial and volunteer) to how it serves its society. Aligning TSA to the ethical fund raising code for charities establishes the link in donor's minds that TSA is a charity engaged in social service activities. The main source of funds for Canadian TSA is for social service from government and other donor funds. For TSA Canada the church side is minimised with money from members being amalgamated into the broad income category of donations, whilst congregational ministry is shown as an expense item but what makes this expense up is not defined. The fact that TSA Canada will respond to its social service obligations and report the use of a code of ethics illustrates the degree of sensitivity in meeting public expectations, but only for social activities.

United States of America

The second example comes from the United States of America. Whilst their accounts will not be reviewed and analysed in the next chapter due to the degree of separateness that exist within the USA[62] and its different legal structure, the accountability statements provide further insight into TSA and its social activity.

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[62] TSA in the USA is made up of a number of territories, each with their own Commissioner. Each territory is autonomous and work specifically within their own areas. There is no national fund raising like the red shield appeal, that is used in Canada and Australia. The history of TSA USA showed a strong sense of national adaptation and distinctiveness from the United Kingdom. Authors like Gariepy (2009), Watson and Brown (2001), Hattersley (1999) and Murdoch (1994) all have detailed studies on the USA and history and the disputes that existed between the United Kingdom and USA. Ultimately the argument between the UK and USA revolved around the need for incorporation in the United States which challenged William Booth as the sole owner/trustee of TSA assets. The resolution occurred in 1899 with the payment of US$3,000 for a special piece of legislation passed by the New York legislature which gave control of TSA assets to a non-resident called 'The General'.

> Salvation Army fund-raising campaigns are conducted on a local and regional basis. There is no fund-raising at the national level. The normal sources of funds are the traditional Christmas kettle campaigns, direct-mail programs, corporate and foundation gifts, planned giving, and government contracts. What some have said:
>
> "The most effective organization in the U. S." - Peter Drucker, economist, professor, author
>
> "The charity you can trust." -Reader's Digest, December 2002
>
> "One of the top 10 charities that shine . . . one that gives supporters more bang for their buck." -Forbes Magazine, December 2003
>
> The Salvation Army is an effective organization because of its strong partnership with donors and volunteers. The basis for this partnership is rooted in confidence and trust. In order to earn this trust, The Salvation Army strives for two things: 1.) To keep the overhead low, ensuring that your money supports change in the community and 2.) Transparent spending, ensuring that you, the donor, can see where the money is going. Stewardship is noted throughout philanthropy; 87.4% of every dollar collected by the Army goes directly to client service - among the highest percentages of any non-profit in the world.
>
> http://www.usc.salvationarmy.org/usc/www_usc_kenosha.nsf/vw-dynamic-arrays/BDA9261C66B540C886257543007B4388?openDocument *accessed* 9 November 2013

In the USA, fund raising is locally concentrated. Similar to the statements from TSA Canada, TSA USA sees itself as an effective organisation via its relationships with its donors and volunteers. The partnership is based on trust and confidence. As Schweiker (1993) observed, the development of trust occurs through consistent behaviour.

 In one of the declared objectives, TSA "supports change in the community" and " in ensuring you the donor can see where the money is going". Stewardship is noted throughout philanthropy. TSA USA claims 87.4% of all funding goes directly to the client service and is amongst the highest percentages of any non-profit in the world. The narrative from TSA USA shows a social service organisation. The funding flow is to social services. The reporting engaged by TSA USA reflects that strong social service focus.

Both TSA Canada and TSA USA are keen to show how effective they are at managing donor money. The financial accounts for both of these regions assure money raised for specific appeals is spent on the appeal's objectives. As previously discussed, this specific fund accountability emanates from the Darkest England

aftermath. This behaviour will be further explored in more detail as TSA UK, Canada and Australia's financial statements and reviews are analysed in the next chapter.

5.5 Discussion

From 1892 to the present time, TSA has been keen to show money raised for social work is predominantly spent in social activities. In 1892, the Times editorial identified that the church side was supporting the social activities but this observation and how the two aspects of TSA were being funded, was not a point of reference for the Darkest England Inquiry. Criticisms from 1892 onwards have challenged how the two sides have maintained their own funding separateness. If funding proves identity, then on the basis of the accountability statements the TSA dual identity is challenged. The social side now dominates much of TSA funding and consistent with TSA accountability practices; social side sensitivities are predominant in their external statements.

 Narrative accountability brings together Ricoeur's concepts of narrative and identity as stories are told by characters in the story in an effort to explain what actions have been taken. The identity is formed for the character to see if the character has consistency and is trustworthy. The nature of the character addresses the question of whether they can they be trusted to keep their word and whether the claimed character is the same as that identified in action.

Identifying the actors in the stories there are other possible interpretations. Utilizing Ricoeur's mimeses allows for an interpretation of narrative to be defended. TSA was a product of its time and the specific characteristics of its founder. The amalgamation of Booth's strong sense of calling, and the use of adaptation, saw an organisation move in multiple ways to deal with problems and issues that existed in the 19th century and still exist today in the 21st century society.

Differing from Irvine (1999, 2002) who used institutional theory as a means of seeing the legitimacy of the influence of financial statements of TSA, narrative accountability places TSA within society as a social service provider based upon TSA's own disclosures. Unlike its Wesleyan foundation which saw social service as an individual response to faith, TSA sought to separate social service into a

distinct function. The separation of social service from traditional Christian activity has been replicated by other religious bodies since then, for example, Anglicare which is a social service organisation of the Australian Anglican church. Seeing the separation of functions and the need to provide finance for the activities may, therefore, provide a possible rationale for why some researchers saw the existence of the sacred/secular dichotomy in religious bodies.

The use of Ricoeur's work within accounting and accountability has been raised by Arrington and Francis (1993b), Arrington (2007), Boland (1993), Francis (1994), McKernan and MacLullich (2004). Each of these authors looks at the interpretative act of what the account is. Hermeneutics is seen as an appropriate method to understand and investigate the interpretative phenomena. Use of narrative within accounting is seen as a productive tool in understanding how information is constructed and used for a variety of purposes (Beattie, 2014, Beattie et al., 2004, Boland, 1989, 1993, Boland and Schultze, 1996, Brennan and Merkl-Davies, 2013, Merkl-Davies et al., 2011, Macintosh and Baker, 2002). Acknowledging that narrative theory, derived from a philosophical basis, has shared the common conclusion that narrative research is a productive device for sense making and understanding. Within accounting research developing narrative into identity at organisational level is still underdeveloped. Identity work within the accounting literature is mainly focused on individual personal identity in different contexts as opposed to organisational identity (Gendron and Spira, 2009, Haynes, 2006).

Unlike authors that look at the limits of accountability (Messner, 2009, Butler, 2005, Joannides, 2012) Ricoeur's concepts of narrative accountability draws the links between the who, what and why events do and do not occur. Ricoeur's concepts of narrative allow the authors of actions to be identified and therefore held responsible. Understanding the narratives allows for identification of identity, but narratives can be used to confuse identity.

The *idem* form of identity is sameness, it is in this form that TSA is to respond to its legal obligations and to its own legal structures. The *ipse* identity requires TSA to reflect its own character and uniqueness by how it accounts for its beliefs and actions. The full identity is both *idem* and *ipse* and TSA, if it is true to its identity, must show a consistent message. In Christian service, accountability to God and

state is well understood. If TSA needs to meet the expectations of these higher levels of accountability, then it must show how its disclosures are responsive to openness, transparency, maintaining trust, and understandablity.

Whilst TSA is quick to demonstrate accountability for its social service, it appears the narratives used by TSA today minimise the role of the church. Within the next chapter that additional disclosures drawn from TSA financial reports, annual reviews, lodgements with government bodies which will allow the development of either the claimed integrated identity as claimed by TSA or if the social service dominance is more evident. Also, the questions as to the level of consistency of interpretation of the identity of TSA across divisions as conveyed by the external reporting is examined. Finally, the reporting will be examined against the criteria of maintaining trust in TSA over the longer term given its dependence on outside sources of funding.

Chapter 6 Accountability Discourse

6.0   Introduction

In the preceding chapters, the narrative, identity and accountability discourses were presented from a Ricoeurian theoretical position. The discourses used by TSA were interpreted via that framework and concluded that the organisation appears heavily conflicted in regard to its identity and how it constructs its identity boundaries in terms of the church and social side of the organisation. The TSA despite its more recent efforts to reflect the holistic nature of its mission through the *One Army One Mission One Message* initiative, still struggles with the degree of transparency reflecting the funding flows between the church and social activity sides of the organisation. The current narrative utilised by TSA reflect a historical consistency that is traced back to William Booth's annual reports which linked the operations of TSA to specific activities performed by the organisation and specific stories of how the organisation aided people.

In the study period for this thesis, a number of disturbing events occurred that required a response by TSA. For the purposes of this study the Australian Royal Commission on Institutional Child Abuse is examined in the context of how the accounting information reflects the manner in which TSA has dealt with these claims. Referring back to the identity discussion, Albert and Wheaton (1985) pointed out that when an organisation goes through a crisis there is more questioning and concentration as to the fundamental nature of the organisation. The accounting reports for TSA, notably within Australia, reflect how the organisation has handled its own crisis in terms of the hearings impacting on public acceptance, trust and support for the organisation. The accounting disclosures allow a closer understanding of what identity is dominating at TSA as it responds to the ongoing challenges associated with dealing with the child abuse allegations.

In addition to the Australian analysis mentioned above, there will be an analysis of the accountability by TSA in the United Kingdom and Canada to see if the accountability dilemmas are exhibited in those jurisdictions as well.

Whilst recent examples exist which demonstrate TSA claiming to hold a high degree of accountability for funds received from the public in all of its forms, as discussed in the previous chapter, there appears to remain a lack of transparency when the actual accounting, financial reporting and annual review disclosures are looked at in detail. In this chapter, the accounting discourse is located within both its historical positioning and current practices.

The **dual** legal structures used by William Booth which separated the ownership of assets of the social wing and the spiritual wing was designed to allow funding to be directed to whichever aspect of TSA donors wished to support. The legal structures that exist currently allow TSA to minimise what it discloses according to its current accounting practices. The chapter concludes that the accounting discourse follows the dual legal structure and suggests an equality of identity between the church and social sides.

6.1   Historical Background

TSA following its founding in 1865 had a consistent need to collect funds from external sources from the very beginning (Booth, 1925). William Booth placed considerable importance on the production of audited financial accounts and other numerically based reports from the beginning of the organisation (Irvine, 2002). The production of the balance sheet, the main financial statement in 19th century England, was reflected in the trust deeds and other instruments to ensure TSA was seen as showing accountability and able to meet its purposes. This was a direct response to the lead of COS who championed the use of audited accounts as discussed in chapter two, or as Irvine argued an attempt to legitimate itself with its society. Booth was dependent on finance flowing from the wealthier parts of London.

Railton (1912), the first non-Booth Commissioner, stated that William Booth took great care to ensure the constitution of TSA was right. In the 19th century, Booth established various trust deeds, such that Booth claimed it would be impossible or difficult for any other person to take the property of the Army and use it for any other purpose than which it was originally obtained however such a claim was contested and was a constant issue for Booth (Hattersley 1999, 389). As the discussion in chapter two illustrated, in late 19th century Britain the normal

governance of charitable trusts had undergone legal changes with each trust likely to have multiple trustees to ensure there was not absolute control by one person and, hence, the potential for misuse of funds. Booth actively rejected this trend keeping total control.   Manson (1908, 155-160) argued that the sole control demanded by Booth was at odds with many other charitable trusts set up around the same time, especially following the changes to *the Charitable Trust Act* discussed in Chapter two.

The 1878 trust deed, (Appendix A) contained the aims and practices of TSA which defined its identity, in terms of its spiritual activities. The trust deed was clearly focused on the religious activity of TSA and reflected the underlying evangelical Christian mission. The second trust deed, dated 30 January 1891, referred to as the Darkest England scheme (DES), similarly safeguarded the social work of TSA and its funding. The DES deed contained a number of interrelated provisions that allowed for funds to be transferred between the trusts but only with the approval of the General.

Railton pointed out that these two trust deeds separated the work of the of TSA such that people who wished to make donations to support the work of the organisation could direct the provision of funds to the either the religious or social work part of the work of TSA depending on which they wished to support. Similar deeds and other legal processes were followed wherever the Army functioned. Legislation in parts of the British Empire contained preambles or recitals reflecting the references to the original founding deeds of TSA, in terms of the spiritual side and, importantly, the social work of the organisation, for example *The Salvation Army (Victoria) Property Trust Act 1930 Act No. 3896/1930.*

The work of Manson, which questioned the use of funds by TSA, received widespread circulation and critical review by the informed media and other publications as it went through two discrete revisions and updates (Manson 1906, 1908). Manson (1906, 153-169) argued that the general public did not understand TSA financing. If the public gave funds to TSA, TSA would use it for any purpose it chose despite public perception. However, if money was given to a specific program the funds were generally spent in that program. The financial statements issued, according to Manson were effectively on the income and expenditure of the International Headquarters rather than the total organisation. The level of financial

amalgamation made it impossible to see how the money was actually used. The criticism raised in the 19th and early 20th century by opponents to William Booth was that TSA would use the money raised in its social work to support its church work is reflected in a number of early studies (Carstens, 1907, Huxley, 1914, Manson,1906, 1908).

In his critique of TSA social work, Edward Lamb's (1909) doctoral thesis identified a number of concerns over TSA's behaviour. Lamb acknowledged TSA issued a balance sheet and statement of income and expenses and the statements have been produced with the aid of the services of an expert accountant, a point also made by Irvine (2002). However Lamb's criticism was that, whilst TSA showed that funds were not misappropriated, it failed to clearly convey the purposes for which the funds were being used. The public is not aware of the manner or purpose for which these funds were being used. The degree of aggregation in the balance sheet and income statement was such that the public did not know how the funds were being utilised.

Lamb (1909) identified much of the objections that were raised in public forums then and repeated in future criticisms. The objections centred around TSA using the strength of its social work to raise the funds and then applying some of the those funds to the carrying out of its religious activities. TSA did not help itself when General Booth in 1906 stated that the popular view that the social wing was separate was wrong; the social wing was not separate from the spiritual side. In 1909 (Booth, 1925), TSA denied that subsidisation occurred between the two sides and referred back to its publicly available accounts but the issue of how TSA raises money for its church operations has remained under critical review (Manson, 1906, Murdoch, 1994, Middleton, 2009, Shepherd, 2006). Whilst TSA insiders (Watson and Brown, 2001, The Salvation Army, 2008), may talk about the dual accountability of the organisation, public perception of the organisation is strongly focused on the social work performed (Hazzard, 1998, Middleton, 2009).

Part of General Booth's legacy was for the production of audited accounts. Since 1911, there has been a constant increase in the general requirements to produce information. Changes in the concept of what financial statements should include, the rise of accounting standards, changes in general corporate and non-corporate

legislation and the increase in public expectations for accountability are greater than envisaged by General Booth.

As discussed in the previous chapter, religious accountability is not just compliance. Christian accountability is at a higher level, and in terms of the requirements of the higher authority as outlined in the scriptures. TSA in claiming a high level of accountability, therefore, needs to meet the expectations of these higher levels of accountability, and must show how its disclosures are responsive to openness, transparency and understandablity.

How then does the recent practice of TSA support the holistic identity construction seen from the internal rhetoric (as discussed in previous chapters), or does one or other of the legal entities become the primary focus of attention? Further, what does the focus of disclosure say about the identity the organisation is trying to convey and its desire to be transparent in its transfers between entities?

6.2   Locating the Study

In this chapter, the types of discourses found in the annual reports and reviews are analysed. Following the discussion from the preceding chapters, these discourses are subject to a hermeneutic analysis. Each of the documents has been subjected to multiple readings. Observations made are tested against the rules of hermeneutic validation discussed in chapter three. Changes in identity are isolated and discussed. As Ricoeur sees identity in a combination and interaction of the *idem* and *ipse* forms, the analysed discourse looks at each part of the identity in turn and their interrelationships. In interpreting this identity and its adequacy, account is taken of the internal rhetoric of the nature of TSA, the diverse views within the organisation as to its identity, and the history of TSA. The principle of accountability from a Christian theological perspective provides standards by which to judge the level of disclosure which is appropriate. The announcement in 2006 by the General regarding the alleged institutional child abuse within Australia provided a time for reassessment by TSA, therefore, the period of study provided a window of opportunity to understand how the TSA identity would be impacted by the perceived threat.

The purpose of this chapter is to look at three distinct geographic regions of TSA operations. Publicly available annual reviews, financial statements, other annual reports and internal communications have been accessed and reviewed for the period 2006-2014. All documents have been obtained from publicly available sources, the organisation's websites and documents lodged with regulatory bodies.

The first region examined was TSA in the United Kingdom. As the founding location of TSA, the original trust deeds set the focus and spirit of how TSA would work globally. Analysing the accounts of TSA in the United Kingdom provides a lens to see how the accounting discourse reflects the internal identity discourse, at least to the extent that the internal rhetoric is made available to the public. Additionally, the discourses may be understood through the legal requirements contained in the governing Act (The Salvation Army Act (1980)) and in the United Kingdom Statement of Recommended Practice for Charities and Non-profits (SORP), and how the public understands the organisation.

The second region examined was TSA in Canada and Bermuda[63]. This site was selected as its founding legislation (dated 1909) reflects what Railton identified as the underlying objective of TSA from the spiritual and social side. TSA in that region claims to be the largest non-government provider of social services. From the accounting disclosures, TSA Canada completed a financial accounting consolidation project, bringing together the church and social side into one set of financial accounts; the rationale for the project was to improve the discourse with its stakeholders with emphasis on showing how effective is the organisation.

The final region examined was TSA in Australia. In this region there are two autonomous territories. The Eastern Territory, with its headquarters in Sydney, covers New South Wales and Queensland. The Southern Territory, with its headquarters in Melbourne, covers the remainder of Australia. Whilst there is a national office located in Canberra, it mainly functions as a national secretariat, and does not produce public accounts. The two territories have adopted completely different accountability behaviours and reflect different understandings of social accountability to the general community. These differences were clearly illustrated

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[63] This is how TSA describes its operations

by the timing, type and level of disclosure each of the Territories adopted in light of the institutional child abuse allegations and the Royal Commission investigation[64].

Melbourne has a very special place in TSA history. Commencing in 1883 it is the place with the longest continuous social service ministry through the prison program. Secondly, it is the first place TSA received government funding to run a specific social program; this pre-dated Booth's Darkest England Scheme (Bolton, 1980, Booth, 1890).

6.2.1   Corporate Governance

As discussed in the previous chapters on identity and accountability, TSA has its own governing instrument. The existence of these instruments does not place TSA outside of the legal environment of the countries in which TSA operates. In each jurisdiction, TSA is required to meet the accounting and other legislative requirements. At times, TSA may have hidden behind its founding instrument to restrict what information is released. In 21st century environments that is increasingly seen as unacceptable behaviour.

In each of the three regions studied, all have made various disclosures relating to governance. In the UK, the disclosures are mandated by the Charity Commission requirements and SORP for Charities. In Canada, there is a compliance issue given their signing to the ethical fundraising code. In Australia, the governance disclosures are voluntary. Whilst it is possible to review TSA through its form of governance, it is not the focus of this thesis. Compliance with disclosure requirements mandated by accounting or other regulations forms part of the identity that is referred to as the numeric identity- an identity of sameness - the *idem*.

As argued in the previous chapter, given the accountability claims made by TSA, the dual structure set up by Booth in the 19th century (and replicated to various degrees in Canada and Australia) implies TSA will need to demonstrate high degrees of transparency such that the dual purposes of church and social service are able to be clearly delineated. Shepherd (2006) argued that there is ambivalence in TSA in making such open and transparent disclosures. Manson (1906) argued it was a deliberate strategy of TSA to promote the social work to the public to obtain money from the public which was then used to aid the running of the church side.

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[64] Royal Commission into Institutional Responses to Child Sexual Abuse

In the following discussion, the actual disclosures made by TSA will be discussed. The *ipse* identity requires uniqueness, the accountability to the higher authority.

6.3 United Kingdom

TSA in the United Kingdom (UK) is a registered charity with multiple registrations with the UK Charity Commission. The two main charities recognised under the Charity Act (2011)[65] are The Salvation Army Trust (Central Funds) Charity Registration Number 214779, and the Social Work Trust Group, Charity Registration Number 215174. The governing instrument for The Salvation Army Trust is *The Salvation Army Act 1980* as amended. The Salvation Army's Social Work Trust governing instrument is the deed poll dated 30 January 1891 and ancillary trusts. The 1891 trust deed is the Darkest England Scheme trust deed signed by William Booth, currently named the Social Work Trust.

TSA is considered to be a large charity[66] within the United Kingdom. Accordingly, it is required to produce detailed accounts for lodgement with the Charity Commission within the prescribed time frames. Accounts are required to conform to the Statement of Recommended Practice (SORP) for Charities and non-profits, issued 2005 (as amended).

There are significant levels of disclosure required for large charities. Of interest is the UK requirement for the charity to identify how its aims and objectives are aligned with the public benefit. Neither the Charity Act nor the SORP define the term 'public benefit'. The Charity Commission gives general guidance and the reporting organisation is required to demonstrate how its aims and its practices aligned with what the organisation understands is the public benefit. TSA is required to confirm it has considered the public interest requirement when discussing its annual results.

The accounts produced by TSA have adopted a compliance approach. The SORP requires discussion on:

- structure, governance and management,
- objectives and activities,

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[65] the latest compiled act incorporating all amendments post 2005
[66] donations greater than £50 million

- achievements and performance,

- fund raising and grant making, and

- a financial review for the year.

Additional disclosure requires future plans, to achieve the principal objectives, be identified for the following period. Finally, the assurance statements from the directors/trustees are made.

The financial statements of both trusts of TSA have been produced in accordance with the SORP and other applicable standards. The accounts of the organisation follow a standard format of: statement of financial activities, balance sheet, statement of cash flows and notes to the accounts.

Compliance with the SORP, Charity Commission guidelines, legislative and other official requirements make TSA the same as any other organisation or charity. Financial statements produced reflect a compliance form of accountability (the *idem* identity).

The significance of social work for TSA in the United Kingdom is made clear when, for example, the trustees state:

> The activities of its Social Work Trust make The Salvation Army one of the largest and most diverse providers of social welfare in the UK after the government. Its Social Work Trust enables The Salvation Army to put belief into action by helping thousands of people each year through a range of community based services both within local communities and in residential settings. (The Salvation Army 2013 Social Work Trust accounts, p1-submitted to Charities Commission)

However, in the 2014 Social Work Accounts, the above statement that had been a feature of the social work trust accounts for the preceding four years is conspicuously missing. In its place is the general mission statement:

> Called to be disciples of Jesus Christ, The Salvation Army in the United Kingdom Territory exists to save souls, grow saints, and serve humanity. (The Salvation Army 2014 Social Work Trust accounts, p1-submitted to Charities Commission)

The change appears to be a realignment in the description of activity reflecting the *One Army One Mission* initiative discussed in the preceding chapters.

6.3.1 The Salvation Army Trust (Central Funds) 2014 Accounts

The 2014 accounts can be placed in perspective by considering the policy shift between the 2013 and 2014 accounts. The preamble to The Salvation Army Trust (Central Funds) 30th March 2013 report, submitted to the Charities Commission, states:

> The Salvation Army is a Christian church providing spiritual, emotional and material support to people in need. Through the work funded by its Central Trust, The Salvation Army puts beliefs into action through a wide range of services provided from its church and community centres, seeking to spread the Christian message in ways that engage with the needs of contemporary society. Therefore The Salvation Army in the UK seeks to offer people a range of approaches to Christian worship as well as engaging in a variety of programs of practical concerns to meet physical and emotional needs, especially among the most vulnerable. It also speaks out on issues of social justice and seeks to influence public policy where appropriate. (The Salvation Army 2013 Trust (Central Funds) accounts p1 - submitted to Charities Commission)

However, in the 2014 Central Funds Accounts the above statement that had been a feature of the accounts for the preceding four years is also conspicuously missing. In its place is the general mission statement:

> Called to be disciples of Jesus Christ, The Salvation Army in the United Kingdom Territory exists to save souls, grow saints, and serve humanity." (The Salvation Army 2014 (Central Funds) Trust accounts, p1-submitted to Charities Commission)

Both the Central Funds and Social Work Accounts have altered their description of activity via their mission statements.

Under the UK Charity Act both the church and the social side are required to be registered as charities. This dual registration is a continuation of the legal separation used by Booth in the 19th century by setting up the two trust structure.

The Central Funds represent the pursuit of the Christian religion.

> The Salvation Army principal objects are the advancement of the Christian religion and pursuant thereto the advancement of education; the relief of poverty; and other charitable objects beneficial to society or the community of mankind as a whole (2013, p5)

The Central Funds accounts reflect the operation of the church side of The Salvation Army. Accounting policy note 1(h)(2013, 27) says:

> The financial statements consolidate the results of the corps and divisional headquarters which, for the purposes of compliance with the statement of recommended practice, are considered to be branches, and the results of the subsidiary and associate companies, and of the subsidiary trust (William Booth Memorial trust), Reliance bank which is an associated company, is consolidated using the equity basis of accounting.

In the Central Funds and the Social Work Trust accounts there is a connected trusts disclosure which stated:

> The Salvation Army Trustee Company is a trustee of a number of connected trusts which are concerned with specific aspects of the Army's work. (The Salvation Army 2014 (Central Funds) Trust accounts, p22-submitted to Charities Commission)

For accounting in the Central Fund accounts, the Social Work Trust is not considered an entity required to be consolidated. The Central Funds discloses it supports the work of connected trusts and the Social Work Trust is disclosed as a related party entity. The connection is purely via The Salvation Army Trustee Company, which does not produce publicly available accounts. The same position exists within the Social Work Trust.

The 2014 Central Funds Accounts demonstrate a heavy reliance on unrestricted funds to support the religious work of TSA with £128,549,000 out of the total income of £196,265,000 (65.5%) (2014, 28). The following accounting policy and financial statement notes illustrates this reliance.

Accounting Policy Note 1 (g) (2014, 32) defines the restricted funds as being held for restricted purposes as specified by the donors. Unrestricted funds being designated reserves held for purposes nominated by TSA in the exercise of its discretionary powers. As argued by Manson (1906) and Lamb (1909), if the public does not specify the purpose of the donated fund TSA will use it for any purpose within its objectives. The public may think it is supporting the social work but in the absence of directions TSA considerers the funds as unrestricted and thus capable of directing it to church or social work activity.

Note 8, (2014, 35) Charitable Activities shows how the Central Funds are reflected in the operation of the social work trust - where direct cost and grants to the value of £14.342 million are reflected as part of the expenditure of the central funds and allocated between restricted and unrestricted funds. There is no discussion as to specifically how this money has been applied. In 2014, a new disclosure occurred in both the Central Funds and Social Work Accounts.

> Following a review, in methodology for allocating Headquarters support costs from Central Trust to Social Work Trust was changed to provide a better picture of the costs of providing social programmes. This additional Cost to Social Trust has been funded by an increased grant from Central Funds. (The Salvation Army 2014 Trust (Central Funds) accounts p17 - submitted to Charities Commission)

This disclosure does not explain what is meant by support cost, as social work activity is conducted via the corps structure, as well as the designated social work facilities, the meaning of headquarters support cost is not clear. Note 10 shows the extent of support cost allocated from territorial headquarter (Finance, IT, HR, Property, Communications, Legal and secretariat, other) to programs controlled by the central funds. The allocation to social work is disclosed as a single figure without the same level of breakdown given for the other programs.

Note 2 (2013, 27) states that Member's donations are a restricted fund for the Central Funds and represent the personal giving by The Salvationist to support their local corps and to the work of TSA. The size of these donations (£20,766,000) is not sufficient to fund the running of the church and evangelism programs (£40,829,000). The size of member's donations has seen a steady decline over the study period.

In accordance with the original 1878 trust deed and the current Salvation Army (1980) Act, the General has the ability to apply the funds contributed to TSA itself into whatever purposes they deem appropriate. In the financial statements, this discretion has limited disclosure within the accounts. How TSA delineates church/ social activity is not disclosed. From the disclosures in the notes TSA relies heavily on unrestricted funding.

In accordance with the disclosures of the Central Funds, this part of TSA is focused on the provision of religious activity. The trustees/directors statement confirms that TSA is operating in and for the public benefit. The organisation is keeping within the mission statement. The following groups were identified as those who benefit from the work of TSA central trust:

- those who worship or participate in other activities at TSA church and community centres
- those who are vulnerable and disadvantaged members of society, including homeless people,
- elderly and all lonely people,
- children, young people and families, people dealing with issues of substance abuse and
- the wider community of society as a whole. (Central Funds, 2014, 1)

TSA argues that it takes a holistic approach, engaging with people's physical, emotional and spiritual needs, and offers its services without discrimination. The statement is consistent with The Salvation Army (1980) Act which essentially specifies that TSA is a church and some social work activity is a subordinate activity which is integral to its religious endeavours.

In discussing the principal objectives for the year, and achievements and performance, the directors provide a detailed analysis of the work that has been undertaken by TSA and has assessed how it has met its original objectives and indicates how it is going to be moving forward in the subsequent year. TSA Central Funds report identifies clearly how it operates within a Christian platform.

In 2014, there is a change in the review of operations disclosure. Greater information is provided in how the Central Funds is meeting its religious activity. Enhanced discussion occurs in the main areas of Adults and their families, Children, Youth, The community, Spiritual Development and Prayer, Healthy Churches, Ministry through music, Schools and Colleges, Publishing, Media, Government, Heritage, Training, Strategic Information, Members and Volunteers. Within each of the sections there is discussion of plans, achievements and performance or there is acknowledgement of effort and support. In the Central funds 2014 report, a comment from the Territorial Commander has been included for the first time in the study period, part of the comment states:

> This report recognises the immense contribution made by our network of almost 700 corps (churches) in the UK which are not only places of Christian worship but also bases from which we serve the community. ……. After reading this report, I would encourage you to read the Trustees report of our Social Work Trust which complements this, outlining our extensive social services work. The two reports provide a comprehensive account of The Salvation Army's work in the United Kingdom. (Central Funds 2014 p 2)

This new disclosure appears to be a response to *the One Army, One Mission, One Message* initiative launched by retired General, Linda Bond, in 2011. The initiative was discussed in the identity chapter; the statement is a broad version of the mission statement discussed earlier in the chapter. The Territorial Commander invites readers to read the Social Work accounts to appreciate the range of services provided by TSA. This invitation is a way of guiding the reader to see the TSA as holistic, the preferred view of the organisation.

In previous periods there were mismatches in disclosure, for example, the central fund made minimal disclosure on social programs but noted changes to local authority's budgets. TSA Social Work Trust would face a reduction from the authorities for residents in care homes - the Central Funds may need to provide increased funding to the social work trust (2011, 13). The Social work trust account did not mention this issue.

In disclosing its fund raising activities, the Central Funds (2014, 15) report discloses how income from a coordinated fund raising had reached high levels compared to previous years. TSA identifies the effectiveness of its fundraising and acknowledges the commitment of supporters, donors and funders. TSA also disclosed their funding raising activities target and appeal to the other charitable trust organisations and other grant making bodies. The annual appeal for public funds called the *Big Collection*[67] raised £2.1 million and came from the door-to-door collecting originated by the local corps. These funds go direct to the Social Work Trust but a direct disclosure in the accounts is not identifiable which may be appropriate if it is all shown as revenue in the social work accounts. However, the reader is left unclear in this regard.

TSA declared in 2014 that in the United Kingdom it had 27, 000 (2011 29,869) soldier members, almost 9,000 (2011 9,338) adherents and 3,500 (2011 4,464) young people attached to the organisation. In TSA a soldier is considered to be a converted person of at least 14 years of age who has been enrolled as a soldier of TSA after signing a statement of beliefs and promises, whilst an adherent is a member of TSA who has not made the same commitment to soldiership. TSA recognises in the United Kingdom that there are thousands of volunteers and the organisation makes clear it could not function without volunteer support. The 2014 report confirms the declining trend in TSA membership.

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[67] The equivalent fund raising is called the Red Shield Appeal in Australia.

6.3.2   Salvation Army Social Work Trust Group 2014 Accounts

The stated objectives of TSA Social Work Trust (SWT) are:

- in the relief of poverty, sickness, suffering, distress, incapacity or old age
- the advancement of education
- the provision of training in Christian and moral principles and
- the assistance of those in need of protection.

The trustees of SWT confirmed in producing the accounts they have taken into consideration the Charity Commission's general guidance on public benefit when they have reviewed the SWT aims and in planning of future activities.

The trustees have identified a very wide range of people they aid:

- homeless children and families
- old and all lonely people
- victims of substance and/or alcohol abuse
- military personnel
- people who are victims of human trafficking
- prisoners
- people with health issues
- women who are victims of domestic violence
- people with learning difficulties.

The list, given in the SWT report, has a high degree of correlation with the original focus of the social work contained in the William Booth Darkest England Scheme (Booth, 1890). The social activities specified here are not the same as those used in the Central Funds disclosures. This reflects the legal status of the 1891 Trust Deed and the current 1980 Act. The focus of the Darkest England Scheme and its 1891 Trust deed specified the types of social activities undertaken by the social wing. There is, in general, a separation between the types of work undertaken by the church and social sides although there is some possible overlaps. This social work description is required to align with the work described in Booth's *In Darkest England* book

The directors of the SWT state that TSA adopts a holistic approach to its work, engaging with people's physical, social, emotional and spiritual needs.

Similar to the Central Funds accounts, the Social Work Accounts have been subjected to major disclosure revision. For example in the 2011 accounts on p5 of the director's report, TSA is widely acknowledged as an agenda setter in social welfare provision. In 2014, a similar claim is absent. In the 2014 accounts, there is a closer alignment with the holistic approach described above for example:

> Our community services include a variety of programmes, the majority from our network of 698 corps and community centres (churches) throughout the United Kingdom. A number of community programmes are operated through Social Work Trust. The Salvation Army Central Trust funds our corps-based community services, details of which can be found in the Trustees report for the Central Trust   (*Social Work 2014 p 9*)

The strategies adopted by TSA social work trust look at the changing needs of the most vulnerable groups in society, identifying and influencing social policy both at national and local government levels, as well as the maintenance of other forms of social service activities. In the disclosure of the principal activities, the trustees confirmed what the focus was in 2014 and against that list of achievements they identified how the trust has met the objectives.

In the disclosure relating to grant making, it indicates that the TSA Social Work trust is not a grant making charity, however, it does make grants to TSA Central Trust and other connected organisations with which it works for the furtherance of its objectives. The 1891 trust deed allows the transfer of funds between the SWT and the general trust and accepts transfers from the general trust. Disclosure of such grants is seldom reported in detail.

In the accounts as produced by the SWT, a number of items are identified that shows the movements that exist between the social work trust and the general trust. Accounting policy note 1(d) states that resources expended include the cost of generating funds which consist of contributions to direct campaign appeal expenses and running costs of the central trust donations and fundraising departments together with the cost incurred on rented properties.

In the SWT 2014 Accounts the following information is found:

Note 7 - the accounts reveal that an amount of £694,000 was transferred to the central trust fundraising department to recognise the fund raising cost associated with the social work program.

Note 5 - an income disclosure in the note reflects income generated from employment services, family counselling and other activities of £6,779,000.

Note 11 - an expense note shows the social operations expenses and reflects the cost associated with the utilisation of employment services, family counselling and other activities of £9,782,000. The two notes 5 and 11 show the service is operating at a deficit and, therefore, is subsidized from other activity or funding sources.

The accounts do not clearly show whether the Big Collection funds have been transferred from the central trust to the social work trust or if they are first recorded as received by the social work trust from the public.

6.3.3   The Salvation Army UK and Republic of Ireland Territory Annual Review 2014

The annual reviews are part of the UK TSA disclosures that have occurred since its beginning (Irvine, 2002). Within these reviews TSA records its activity. The annual reviews used in this thesis show a combined discussion of both the church side and the social side of TSA in the United Kingdom. In accordance with the Charity Commission requirements, there are assurance statements included in the review. The timeliness and accuracy of these disclosures raises the question as to the purpose of the reviews. For example, the 2014 Annual review for the year ending 31 March 2014 was accessible from TSA UK website in 2015.

The annual review produced by TSA is not a traditional form considered to be an accountability document. The review is a narrative and as such it is a document produced to tell a specific story. As discussed in the identity chapter, all communications from an organisation form part of the identity being presented. In TSA UK the annual review tells the story that TSA is there when needed. Within the annual review the *ipse* identity (what makes us unique) is mainly found. The focus on social service is also emphasised.

In the accountability derived from the TSA narrative, the degree of openness is challenged given the length of time taken to release the review to the public. The annual review is placed on the TSA UK web page significantly later than the end of the financial year to which it relates. There is general compliance with the ten month limit for lodgement with the Charity Commission of the financial accounts and annual return. For the 2014 review, the delay between the 31 March year end and the release of the annual review for that year was 12 months. The length of delay for the annual review was not isolated to the 2014 year and occurred a number of times during the study period. Given the delay, the TSA cannot be seen as placing a high priority on meeting accountability obligations. Firstly, meeting compliance rules and, secondly, promoting its activities as discussed below.

The opening statement of the 2011 annual review, (page 1) declares that:

> The Salvation Army has a social mission that reaches into every aspect of life…we are a worldwide evangelical Christian church. Our mission is based on the Bible; our motivation is the love of God as revealed in Jesus Christ. Yet to ask, faith is not enough without action. We aim to put our beliefs into practice through a programme of practical action, serving our communities, supporting those in need and fighting for social justice. We help people find the things that give meaning to their lives, including a sense of belonging and personal worth. Our work is so diverse in the UK and the Republic of Ireland. This review tells the story of that work over one eventful year.

Following the One Army, One Mission, One message, the focus of the annual review had changed from emphasising its role as the one of the largest non-government provider of social service operations, as seen in the discussion in both the annual accounts and annual reviews prior to 2014, to currently reflect the claimed holistic view of TSA operations. The opening statement in the 2014 annual review announces that:

> Putting faith into action… this is today's Salvation Army. We are a worldwide evangelical Christian Church. Our message is based on the bible; our motivation is the love of God as revealed in Jesus Christ, which can transform people's lives and change them for the better.
>
> We engage in a programme of practical concern for the needs of humanity, actively serving the community and fighting for social, justice. Our Christian mission is based on a simple, passionate belief that our faith demands expression in action as well as words. The services we provide are diverse, reflecting not just our national priorities but the varied needs of the individual communities we serve.

In this opening message, the UK Territorial Commissioner asked the reader to look at the annual review as a way of seeing the variety of work undertaken by TSA, this is a common invitation found in most of the annual reviews. The Commissioner gives an open invitation for readers to become involved in the work of TSA. This

approach reflects the approach adopted by the founder, William Booth in his reviews. This approach is seen in multiple reviews across the study locations, and is consistent with the narrative of TSA in bringing in the reader as part of the solution offered by TSA to correct social ills. As discussed in the narrative and accountability chapters, the reader is asked to be part of a solution that gives hope to the recipients of TSA services. The reader completes the story. By encouraging the reader to go into the story, TSA seeks to have the reader immersed into the story, become identified with the story and ultimately become part of the solution by the reader actively supporting, notably through donating money, TSA work. The reader is not directed to a specific appeal or program but directed to the overall work of TSA.

The 2014 annual review is a document of 12 pages in length. The review has a title 'When people are hurting, we're here'. Each annual review has its own title or focus. The underlying theme of the reports is to show the effectiveness of TSA as a charity or social service provider in the United Kingdom and throughout the world.

In understanding this report, TSA as a welfare and social justice organisation is utilising its review to show the positive impact that the work of TSA has on people's lives. As stated previously, TSA through its central and social work trusts is considered to be both a church and a charity; it provides welfare services and campaigns for social justice. The physical form of the review has been produced as a glossy report primarily directed at supporters of the organisation, other church leaders, grant making organisations, members of Parliament and people who are interested or want to find out about TSA itself. This is demonstrated by how the reports are structured and the strategic use of pictures showing parliamentarians being shown TSA work and 'teaser' comments about TSA effectiveness from recipients scattered throughout the report. The layout of the report changes from page to page reflecting individual stories, individual needs and how the TSA has identified what has been needed and has provided a solution. In terms of the narrative of TSA, this follows a pattern of problem identification, specific characters, solution, recognition and reflection within the annual review.

The narrative shows the social side and the spiritual side to be of equal importance as illustrated by the UK territorial commanders opening comments (2014, 3) and by

the TSA mission statement to preach the gospel and to meet human needs. Based on the number of pages allocated to the social activities versus religious accomplishments, the report clearly favours the social activities. Whilst this could have a number of interpretations, for example, the social side is more important and substantial in scope than the spiritual, or the purpose is to recruit more support from the wider community because the majority of the money comes from that source. Given the historical emphasis on the social service activity despite One Army, One Mission initiatives more people understand or identify with TSA via its social work activity.

The annual review contains a one page financial summary. The financial summary shows income, expenditure, reserves, the statement of the Trustee[68] and a statement by the auditors. The income summary is primarily a text based document identifying the amount of income reported by the two trusts – the central fund and the social work fund. The report appears to be a simple amalgamation of the information contained in the financial reports of the trusts. The format of the information is different for both income and expenditure. The income is provided in narrative format whilst the expenditure side is provided in a table form. There is a single statement saying "excluding inter-fund transfers" but there is no disclosure as to the quantum of these transfers. Reconstructing the central funds and social work accounts the eliminated income entry represents the grant of £13million given to the Social Work from the Central Funds, no other apparent adjustments have occurred despite the disclosure made in the annual accounts discussed above.

The financial statements are highly summarised. The trustees make it clear that the level of information may not be adequate for other purposes. A full set of financial statements would be available by contacting the marketing and fundraising department of TSA or by accessing the reports lodged with the UK Charities Commission.

The statement of the auditors is a statement confirming they have looked at what has been disclosed in the review and is consistent with the full accounts of TSA central fund and the social work trust as lodged with the Charity Commission. The graphs produced in the review are very difficult to read despite attempting to

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[68] The trustee is from The Salvation Army Trustee Company.

provide an understanding of the level of income and expenditure that has been achieved by TSA.

The auditors dated their statement 18th December 2014 (9 months after the year-end). However, the usefulness of the audit statement is challenged, as illustrated by the tables 6.1 and 6.2 below. The Charity Commission provides a number of options when inquiring about a charity. One option is the financial summary which shows the basic summary information listed as Income, Spending, Accounts Received and Annual return received. The commission provides a brief commentary on what has been submitted, for example its note on consolidated accounts. In the tables below, the majority of the information is accessed via the Charity Commission. The inclusion of the annual review audit is added by the writer in the first table to show the TSA behaviour between the statutory compliance and the treatment given for the annual review.

Table 6-1 -Central Funds lodgements

214779 - THE SALVATION ARMY (Central Funds) Financial summary as recorded by the Charity Commission

Financial year end (FYE)	Income	Spending	Accounts received	Annual Return received	Annual Review Audit date#
31 Mar 2014	£196,099,000*	£166,957,000*	28 Jan 2015	29 Jan 2015	18 Dec 2014
31 Mar 2013	£181,516,000*	£176,275,000*	27 Nov 2013	21 Nov 2013	17 Dec 2013
31 Mar 2012	£162,208,000	£159,685,000	20 Dec 2012	04 Jan 2013	31 Mar 2012
31 Mar 2011	£149,546,000*	£149,216,000*	21 Dec 2011	20 Dec 2011	09 Jan 2011
31 Mar 2010	£144,717,000*	£150,147,000*	24 Jan 2011	16 Nov 2010	31 Mar 2010##
31 Mar 2009	£152,140,000*	£131,763,000*	23 Dec 2009	16 Nov 2009	31 March 2010
31 Mar 2008	£155,788,000*	£122,666,000*	12 Dec 2008	25 Nov 2008	16 Jan 2009

Consolidated Accounts (this is a Charity Commission Discussion on what are consolidated accounts. TSA does not make similar comments in their financial statements)

The charity has submitted consolidated (or group accounts) rather than, as previously, accounts for the individual charity itself (charity only accounts).

Consolidated accounts bring together the resources of the charity and the subsidiaries under its control in one statement. These subsidiaries may be non-charitable and to exist for purposes that benefit the parent charity e.g. fund-raising. It is also possible for one charity to control another charity and to produce accounts for a charitable group.

Consolidated accounts have for some time been accepted as best practice in commercial organisations. It became compulsory for charities to submit either individual or group for accounting periods commencing on or after 1 April 2008, as the provisions of the Charities Act 2006, which recognised group accounts for the first time, were fully implemented.

(Source:

http://apps.charitycommission.gov.uk/Showcharity/RegisterOfCharities/FinancialHistory.aspx?RegisteredCharityNumber=214779&SubsidiaryNumber=0 Access date 13-Feb-2015)

[#] The annual review audit date is the date used in the statement of auditors, Knox Cropper, found in The Salvation Army UK and the Republic of Ireland annual review financial summary. The date is the date printed in the review. The annual review is found at http://www.salvationarmy.org.uk/uki/AnnualReview)

[##]This is not a typographic error by the writer, it is the actual date claimed in the annual review 2010.

The above table showed TSA lodged the annual report and the accounts at different dates .

Table 6-2 - Social Work lodgements

215174 - THE SALVATION ARMY SOCIAL WORK TRUST Financial summary as recorded by the Charity Commission

Financial year end (FYE)	Income	Spending	Accounts received	Annual Return received
31 Mar 2014	£104,579,000*	£108,013,000*	28 Jan 2015	29 Jan 2015
31 Mar 2013	£102,189,000*	£103,447,000*	27 Nov 2013	27 Nov 2013
31 Mar 2012	£107,809,000*	£102,010,000*	20 Dec 2012	20 Dec 2012
31 Mar 2011	£207,011,000*	£93,993,000*	21 Dec 2011	16 Dec 2011
31 Mar 2010	£95,554,000	£88,730,000	21 Jan 2011	16 Nov 2010
31 Mar 2009	£93,213,000	£84,727,000	23 Dec 2009	13 Oct 2009
31 Mar 2008	£85,825,000	£81,400,000	14 Nov 2008	24 Oct 2008

(Source:

http://apps.charitycommission.gov.uk/Showcharity/RegisterOfCharities/FinancialHistory.aspx?RegisteredCharityNumber=215174&SubsidiaryNumber=0 Access date 13-Feb-2015

There is often a date mismatch between the dated declared in the annual review and the date accounts were lodged with the Charities Commission. For example, in

preceding annual reviews, the date of the combined annual review audit report has often been stated as 31 March in the year of review, in 2010 the annual review the audit report was dated 31 March 2010 despite the fact that the actual reports on which they annual review is based were not approved and signed until later in that year. This raise questions as to the validity of the information that is being provided by the organisation and/or why the financial information is not finalised for public viewing earlier if it was finalised and available internally earlier.

The table shows the information received by the Charity Commission and the date the auditors signed the annual review. The lodgement of documents with the Charity Commission is within ten months from end of financial year. The Annual review is the document that appears on the TSA website.

However, prior year reports are not kept on the website, there is no issue/ update date on the annual review part of the website nor in the media centre news release area. The audit date is from the printed copies extracted during the research period.

6.3.4   Discussion

The accounts of TSA-UK in this analysis have concentrated on the 2014 year. The justification for looking at that year is that TSA is registered under the Charities Commission and is required to submit annual returns on annual reports in conformity with the charity commission's requirements and the statement of recommended practice in the United Kingdom for charities and non-profits. The format of the accounts and the required disclosures of information have been progressively improved from 2005 onwards with a stable level of disclosures of the organisation being reflected in the 2011 and subsequent accounts. The 2014 accounts represent the latest evolution of disclosures that have occurred over the preceding nine years. Accounts for the study period have been reviewed for consistency of disclosure and changes in information. The 2014 Accounts were the first main change in reporting behaviour over the study period, specifically reflecting the claimed holistic approach of TSA.

Over the study period, there has been a change in how the annual reports are accessed. Prior to 2011, the accounts were easily downloaded with a file size of approximately 2 megabytes. The downloaded file was a PDF file. 2012 accounts have not been utilised in this analysis as the publicly available accounts listed on the

UK charity commission website appear to be corrupted and a significant amount of information is missing from the files. The 2012, 2013 and 2014 accounts have seen a significant increase in file size up to 22 megabytes. The files now appear to be a scanned copy of the printed reports. The physical reports have not seen a significant increase in size with the reports being approximately 50 pages in length. What the motivation is for the change in delivery of the report format, and the rationale for increasing the apparent difficulty in accessing the information at TSA should be explained. However, it may simply be due to the choice of scanning reports without thought to the increased difficulty in the download process.

The decisions made in the 19th century by Booth and the reporting practices utilised in the current period have maintained the separation of the two sections of operations of TSA. In terms of the United Kingdom, TSA has clearly demonstrated that it operates in two distinct operations for legal purposes but not necessarily in the way it views itself and its activities. The use of the general fund and the social work fund reflects the elements of the dichotomy in the organisation. This is the legal separation that occurred in 1891. TSA UK in its own accounting discourse has maintained the separation in accounting and to a large extent in its annual reviews.

When William Booth setup the 1878 and 1891 trust deeds, the ability to transfer funds between the two operations was established with the 1891 Trust and clearly limited to social work activity being undertaken by the church side, with the approval to transfer being specific rather than general. This ability was one of the ongoing criticisms raised against Booth. The annual reports of TSA Trusts shows these transfers occur and do not clearly explain the justification and the programs the funds have been utilised for, nor does it explain the sources of funds for the corps based social programmes. Whilst it is possible to partially reconstruct the accounts and find out some degree of the quantum of inter fund transfer, it is clear TSA has not seen it as important to highlight the quantum and ultimate use of funds transferred. This could be because they do not believe such information is important to recipients or it could be they do not want to attract too much attention to such transfers. Alternatively it could be that they see the two functions so interconnected that the transfers are irrelevant.

Further, the use of restricted funds and how unrestricted funds are used for the production and maintenance of the objectives and aims is not clear in the reports. Echoing Manson (1906, 1908) and Lamb (1909), TSA still does not take the public into its confidence by giving full explanations, nor does it seem TSA believes it necessary to be transparent about those transfers. As discussed, TSA has a heavy reliance on the use of unrestricted funds. As the annual reviews are a narrative of TSA activities, the impression for the reader is that as TSA social work is given greater significance, then money given in support of TSA is generally assumed goes to social work. As Lamb (1909) argued, this was not the case in earlier periods. In failing to give specific directions as to the use of funds, the public is not actually aware about the actual use of the funds. The funds provided by TSA members, as disclosed in the recent financial statements, are insufficient to cover the cost of the church and evangelical programmes (2014 £20766 versus £40829). As discussed in the identity chapter, the difference between the professed identity and how the public understands that identity creates identity confusion and potentially increases distrust.

What the Charity Commission registration has done is to crystallise the separation. The internal rhetoric of TSA as a holistic organisation in the United Kingdom was not clearly supported when the annual financial statements and reviews are investigated for the period until 2011[69]. From 2013 greater holism is claimed but the accounting disclosures do not provide sufficient transparency in showing the inter funds connections. TSA UK does not consider there is any issue with their practice and carefully maintains the dominance of the social service narrative.

As TSA in the UK is not a public or listed company, their compliance with Corporate Governance Directives is purely voluntary. The 2014 disclosures are the clearest in terms of claimed holistic approaches, but the lack of clarity in how the various programmes are fully funded remains an issue. As a non-profit organisation TSA cannot claim such disclosure would place them at a competitive disadvantage as non-profits are expected to show effectiveness and efficiency in the use of entrusted resources and TSA is keen to show the level of funding costs and money directed to program expenditure. This ambivalence of funding church operations

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[69] This has to be partly qualified for 2012 since some of the information was corrupted

was an issue of concern raised by Shepherd (2006). William Booth's claim that he and his organisation were accountable only to God was not only incorrect in the 19th Century; it is out of place in modern demands for transparency and accountability. Nine years on from Shepherd's paper, TSA struggles with the disclosure of its funding arrangements.

6.4   Canada and Bermuda

TSA in Canada has been governed by a private Act of Parliament from 1909. The governing council of TSA in Canada was incorporated by an Act of Parliament in 1909 for the purposes of administering the property, business, and other temporal affairs of TSA in Canada. TSA is a religious, charitable and not-for-profit organisation, and is registered by the Canadian revenue agency for tax deductibility of contributions.

TSA in Canada and Bermuda commenced its work in Canada in 1882 and, claims it has grown to become the largest non-government direct provider of social services in Canada. TSA claims they give hope and support to vulnerable people in 400 communities across Canada.

The reports of the Canadian operations cover a period from 2009 until 2014, the financial year end concludes on 31 March each year. The rationale for the selection of this time period is based on the fact that during this period the Canadian TSA conducted a consolidation exercise to bring TSA in line with the Canadian not-for-profit accounting standards so it would, as TSA Canada claims,   reflect more accurately both the quantum of work and efficiency of work that TSA Canada is undertaking. Similar to what was observed with the 2014 disclosures in the United Kingdom, the Canadian Territory has made disclosure claims in the 2014 reports to reflect the holistic nature of TSA operations. The dominant claim made by TSA Canada is:

> The Salvation Army has a proven track record that goes back 130 years in Canada. It is now one of the world's largest providers of social services. Annual Review 2013-14 page 12

TSA Canada, unlike TSA UK, is very quick to release its yearly information. From 2011, the date of the signed financial statements and audit reports occurred within three months. This places TSA Canada in line with established commercial practice of releasing financial information. The release of the annual review/annual report

onto the TSA Canada website occurred within the month following the signing of the accounts. This is significantly quicker than TSA UK. Part of the consolidation project (discussed below) rationale was for a complete picture of TSA work and to present the administrative/ fundraising cost more accurately. TSA Canada acknowledged its reports were being produced to help TSA discharge its public accountability for use of public funds. TSA Canada is clearly complying with the accepted corporate norm and demonstrates its *idem* identity accordingly (similar to other charities).

From 2011, the use of management discussion and analysis become standard practice. There is a significant overlap between the annual review and annual report (which includes the financial statements). The management discussion and governance is reported in both reports.

6.5   Consolidation project

In 1997, the Territorial Finance Council made the decision to include all of the financial information of ministry units into the territorial financial statements but it took until 2010/2011 before this process was fully achieved.

The TSA Canada Finance Department website located at www.salvationist.CA/departments/Finance   provided a wealth of information relating how one organisation handled bringing a diverse organisation into a fully consolidated reporting entity. Publicly available documents from 2005 onwards, have been utilised to analyse how the organisation has moved from a non-consolidated state to a fully consolidated set of financial statements.

In summary, the consolidation project had the following objectives and purposes:

- to present an accurate and complete picture of the work and ministry of TSA in the Canadian territory
- to clearly document program funding as such, rather than as gifts to qualified donees
- to present administrative and fundraising cost accurately in comparison to total revenues so as is to maintain the integrity of the organisation in the public sight,

- demonstrate the army's fund raising and administrative costs are low by comparison with many other charitable and not for profit organisations.
- to prepare for compliance with Canadian accounting standards as they move towards international harmonisation. The Canadian standards gave exemption from consolidation of large numbers of individual entities but such exemption was likely to be removed.

(Source: Salvation Army Canada and Bermuda Territorial Consolidated Financial Statements produced by the Finance Department, September 2005)

Part of the claimed rationale for the consolidation was the fact that TSA is routinely contacted by the public and media regarding information concerning the use of donations and the percentage of cost spent on fundraising and administrative functions. TSA Canada was unable to provide satisfactory response because neither the existing Canadian T 3010 charitable information return, nor the audited financial statements published by the governing council, provided either a full or favourable representation of the scope of work carried out by TSA in the Canadian territory.

TSA Canada claimed the costs associated with the territory and divisional headquarters administration were included in the accounts but there was no income or expense shown for any of the ministry units, so the level of administrative and fundraising cost always appeared to be higher than what TSA would claim. This resulted in incorrect conclusions being drawn regarding the size and scope of TSA work and how well it managed to maintain low levels of administrative and funding costs, thereby, maximising the funds spent on charitable programs. The TSA Canada finance department acknowledged this was a serious problem because both public and government are continually seeking more information about charities and their accountability for the use of public funds. TSA Canada saw it as necessary to show itself in a favourable light given the significance of government funding for its operations.

6.5.1   The pre consolidated 2009 accounts

The requirement to consolidate has existed since 1997[70].

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[70] Canadian Accounting Standards Consolidation and Business Combinations

The accounting policy statement note 1 stated that the financial statements are presented in accordance with Canadian generally accepted accounting principles. The accounts identify the headquarters and various other operations of TSA as being included in the accounts, then a note says:

> …separate financial statements are prepared for all Salvation Army operations, including corps and community churches, institutions, hospitals and Grace Communities Corporation

Note 19 controlled entities states

> ... the corps and community and social service centres are considered controlled entities but are not included in these financial statements as they are individually immaterial. There are 321 corps and community churches and 151 community and social service centres. Summarised financial information has not been provided for these entities because it would not be practical or cost-effective to accumulate all the required information in the time available.

The controlled entity note failed to acknowledge the total of the large number of individual units. TSA relied on administrative convenience rather than meeting accountability expectations. The audit report signed for the 2009 accounts by KPMG in Canada makes no reference to the fact that TSA had failed to fully comply with the requirements and relied on the then existing exemption from non-consolidation of a large numbers of small units. The deficiency of this approach is demonstrated in a subsequent section.

6.5.2   2010 accounts

The financial year 31 March 2010 financial statements were released in September of that year. The consolidation project documentation indicated 2010 would mark the first year of a full consolidation exercise. However, the statutory accounts released did not reflect the timetabled completion of the consolidation project. TSA Canada in note 17 maintained a similar consolidation note to what was revealed in 2009 accounts (Note 19). However, it is probable that the consolidated accounts were prepared internally to provide comparisons for the 2011 accounts.

6.5.3   2011 accounts

In the financial year March 2011, TSA Canada produced its first set of fully consolidated financial statements in accordance with the existing Canadian accounting standards. The accounts included restated 2010 accounts to give a consolidated comparison.

The accounts were strictly a compliance document which included the required financial analysis and report (management commentary). The KPMG audit report stated that the accounts are a consolidated set of statements.

 The table below represents the effect of the consolidation between 2010 consolidated and 2010 non-consolidated, as disclosed in the audited accounts issued in 2010 and 2011. This table is produced by the writer, not TSA.

Table 6-3 - Consolidation Impact Canada

	Non-Consolidated (2010 issued) $,000	2010 Consolidated (2011 issued) $,000	Difference $,000
Balance Sheet			
Current Asset	73,064	70,231	2,833
Investments	615,922	598,867	17,055
Accrued Pension Asset	8,473	8,473	-
Capital Asset	697,780	715,797	(18,017)
Other		4,418	(4,418)
Total assets	1,395,239	1,397,786	(2,547)
Liabilities			
Current	33,629	77,870	(44,241)
Long Term Liabilities	384,202	170,295	213,907
Fund and Capital balances	977,408	1,149,621	(172,213)
	1,395,239	1,397,786	(2,547)
Statement of operations			
Revenue	321,444	660,623	339,179
Expenses	259,171	577,232	(318,061)
Excess	62,273	83,391	21,118

The 2011 accounts state they are consolidated financial statements. However, there is no discussion in the accounts as to the effect of the consolidation process. The above table was constructed from publicly released information and clearly shows there has been an impact as a result of consolidating all of TSA operations into one set of financial statements. Despite this neither the audit report, nor the financial statements themselves make any reference to the restatement of the 2010 balances, nor do they show the effect of this change in accounting policy. An analysis of the notes of the accounts themselves does not show any major changes other than the

removal of the controlled entities note. Normal accounting practice would require an explanation of changes when applying a standard for the first time. The level of difference also challenges the pre 2010 accounts claim that the impact of consolidating the ministry and community service centres would be minimal.

As a charity, TSA Canada utilizes fund accounting. Accounting policy notes 1 (a) and (b) describes the operating fund as the funding source for the operations of the territorial and divisional headquarters, colleges, recycling operations and the grace community centres. The operating fund also includes donations and legacies with no external restrictions. The restricted funds are those funds which have specific restrictions. Though the accounts for 2009 to 2013 show interfund transfers, there are no disclosures as how the church/ social sides of the organisation are being funded. There is a lack of transparency in terms of how the church operations were impacting the result of TSA Canada, nor was there any discussion on the funding of church activity. Referring back to the rationale for the consolidation exercise, TSA Canada in selectively revealing what would be released effectively challenged their credibility. Shepherd (2006) is insightful because as a former Chief of Staff in TSA Canada he was aware of the degree of 'cross subsidization' occurring between church and social.

6.5.4   2013 accounts

The KPMG audit statement for the 2013 accounts shows that they audited the consolidated financial statements for the period 2011, 2012 and 2013. The 2013 accounts represent a stable level of disclosures required following the consolidation process commenced in 1997 and accelerated in 2005 onwards. The accounting disclosures within the 2013 accounts, however, have not significantly altered from the 2011 accounts.

A feature from the 2011 accounts is the inclusion of a management commentary about the performance of TSA in Canada for the respective time period. Under Canadian requirements, there is a discussion of who TSA is, the legal and corporate structure, the charitable statements and financial highlights is now made part of the management commentary. In a section titled public accountability, it stated:

> The Salvation Army recognises its accountability for the financial resources placed at its disposal by its contributors for the furtherance of its mission to serve the most vulnerable in our society. Donations from the public at large, which includes money from individuals,

foundations, corporations and all levels of government, are used for our community and social service programs.

6.5.5   2014 accounts

In the 2014 financial accounts for TSA Canada the following statement now appears in the management commentary:

> The Salvation Army exists to share the love of Jesus Christ, meet human needs and to be a transforming influence in the communities of our world. …. The Salvation Army is a branch of the Christian church with over 300 corps or congregations in Canada and Bermuda. The Army is diligent in stewardship of donations so that funds solicited in its public appeals are used to fund community and social service programs and activities, rather than corps and congregational ministry unless the donor designates otherwise.

Further, in the management commentary section titled public accountability it states:

> The Salvation Army recognises its accountability for the financial resources placed at its disposal by its contributors for the furtherance of its mission to serve the most vulnerable in our society. Donations solicited from the public at large, which includes funds from individuals, foundations, corporations and all levels of government, are used for our community and social service programs. Corps and congregations are financed by donations from Salvationist and other funds.

Within the accounts there is no clear disclosure detailing the operating activity of the Corps and congregations. The accounting policy note 1(a) describes the operating fund as:

> The purpose of the Operating Fund is to record the administrative and operating activities of the Organization. This includes the operations of all divisional headquarters ("DHQ"), National Recycling Operations ("NRO"), colleges, Grace Communities Corporation ("GCC") and all programs operated at ministry units.

Whilst TSA in Canada uses a fund accounting process, as discussed in the previous section, the disclosures contained in the financial accounts do not provide sufficient detail, or provide sufficient information to reconstruct, on how the Corps and congregations have actually received their funding and the sources of such funding. The financial accounts do not disclose how the revenue and expenses of the Corps and congregations are being reflected. The use of the operating fund seems to cover the majority of activity. Ministry units are included in the operating fund definition but the expression "all programs operated at ministry units" is insufficient to allow a differentiation between social and church activity. Despite the claim of being aware of their accountability obligations, there seems to be a lack of disclosure to differentiate between social programming and church spiritual operations. TSA Canada has effectively removed the ability for a donor to see if their money has

been allocated to social or spiritual although TSA has publicly said all money donated for social work is used for that purpose only. There may not be a legal requirement, but TSA Canada's amalgamation is the issue of financial ambivalence as discussed by Shepherd (2006).

6.5.6   Canadian annual reviews

The annual reviews of TSA in Canada have followed a very standard pattern of identifying the work undertaken by the organisation and illustrating this work through specific stories where TSA has aided particular people. This may be illustrated by the introduction from the annual review 2012- 2013 (http://www.salvationarmy.ca/annualreview2012-2013/):

> As the largest non-governmental direct provider of social services in Canada, The Salvation Army is driven by our desire to extend compassion and generosity to anyone who needs it. In our 2012-2013 annual review you will find stories that reflect the extent of our impact on communities and families. Stories such as Tanya, a single mum of twins who is finding ways to cope with the responsibility she has to bear on her own, and Catherine, a survivor of the Alberta floods who continues to rebuild.

Further, in the review it states:

> The Salvation Army believes that financial accountability and transparency are essential to our success. Our financial statements demonstrate the care we show in utilizing the gifts donors entrust to us. We ensure the maximum possible return on investment, which enables us to provide the best possible programs and services to the people we serve.

> Thank you for your support. You have proven once again that Canadians care for each other. The Salvation Army is grateful that you have chosen to be part of our family.

The message from the territorial Commissioner also illustrates how TSA is portraying itself in the Canadian situation.

> For more than 130 years, The Salvation Army has had the privilege of serving vulnerable people in communities across Canada.

> The Salvation Army not only provides the necessities of life such as food, clothing and shelter, but our programmes address needs such as language barriers, loneliness, unemployment and family challenges. Our services continually adapt to meet emerging needs.

> The Salvation Army is driven by our desire to extend compassion and generosity to anyone who needs it. We help one person at a time, believing that each person is infinitely valuable and equally worthy.

A casual reading of the style and language used would see similarities between the UK and Canadian annual reviews. The organisational message is presented in a similar form. Throughout the review, readers are encouraged to see how their contribution to the work of TSA helps those who are considered to be the most

marginalised and desperate within society. Annual reviews of TSA proudly list the numbers of services that have been undertaken whether it is community and family, emergency disaster relief, work in developing countries or other social activities and disclosed the level of support given by TSA. However, within these reviews the one aspect that is missing in the analysis of the work of TSA is exactly what happens within the church side. TSA Canada proudly boasts how much their social services assist people from the coast to coast in Canada and Bermuda.

Whilst TSA Canada claims local corps provides support for social programmes, there is insufficient detail to validate the claim. Funds from members are amalgamated into donations – classified as operating funds. Government funding is shown as a receipt into the operating fund. Congregational ministry is shown as an expense for the operating fund. TSA Canada reflects the majority of its activity in a general manner.

6.5.7   Discussion

What is TSA Canada's identity? On its own disclosures it would be very difficult to say anything other than it is a religious social service organisation. A review of the accounts and the annual review reflect the view that TSA is primarily a social service organisation. Within the accounts themselves there is little, if any disclosure, relating to how TSA as a church functions and is funded.

TSA Canada annual reviews have shown an increased reliance on multimedia presentations. Small videos demonstrate the impact TSA has meeting specific individual needs or social issue. Much of the disclosures are the 21st century equivalent of Booth's 19th century disclosures. What remains minimised in TSA Canada's review is how TSA operates as a church.

The statement that it is the largest non-government provider of social services, that it is one of the most efficient social service providers, and the concentration on individual social programs indicate that the Canadian discourse does not reflect a holistic approach, as claimed in the United Kingdom. TSA for the Canadian operations has clearly focused its public identity on social service.

The consolidation project, whilst it may have provided greater information in terms of the total operations of TSA in Canada, was motivated by the need to show TSA

was operating efficiently and was a good steward of resources. The disclosures on the expense side show the cost of administrative functions in more detail and this provides the evidence for the claim of effectively managing the resources.

Information relating to how the individual ministry units are funded, and how or what programs are being run from the ministry units, is totally removed. There is no ability to see within the accounts of TSA how it functions as a church. As TSA Canada uses the term 'ministry' to refer to both church and social activity, disclosure of ministry expenditure does not necessarily refer only to church activity. Following the consolidation of accounts, one is left with the conclusion that, according to the accountability discourse, TSA Canada exists for the purposes of meeting social needs. The comment that it is part of the Christian church is no different from any other religious organisation that claims to operate under Christian principles. The dominate discourse used by the TSA Canada reflects that message of social service.

The annual review, as stated, provides very detailed discussions and attempts to link strongly how public accountability has been maintained. The information contained within the financial statements still does not provide sufficient information to see how this claimed openness is actually reflected. The purpose of money raised is hidden within the accounting disclosure of TSA Canada. In the 2014 annual financial statements, it is difficult to determine exactly how the funds within the operating funds reflect the church ministry side as opposed to the program side of funding. The criticism of authors (Lamb, 1909, Manson, 1908, Milligan, 1982, Shepherd, 2006) about the lack of transparency in the management of funds within TSA still resonates today.

6.6 Australia

TSA in Australia commenced operations in 1880 in Melbourne, the operations in Sydney commenced in 1882 and other parts of Australia started soon thereafter.

Consistent with the behaviour expressed by Railton, TSA had private property acts established in each of the major states, for example, *The Salvation Army (New South Wales) Property Trust Act 1929* and *The Salvation Army (Victoria) Property Trust Act 1930*.

The functions of TSA within Australia are split between two territories which were formed in 1921. The Southern Territory incorporates the activities undertaken within Victoria, South Australia, Western Australia, Tasmania and the Northern Territory. The Eastern Territory incorporates the activities undertaken within Australian Capital Territory, New South Wales and Queensland.

TSA's Southern Territory will be referred to as Melbourne, as this is the location of the territorial headquarters. TSA's Eastern Territory will be referred to as Sydney, as this is the location of the territorial headquarters.

The accounts of TSA within Australia are influenced by the international accounting practice policy and procedures issued from TSA International Headquarters in United Kingdom. The Australian accounting practices are also impacted by the Orders and Regulations issued by the International Headquarters. Much of the Australian TSA governance structure may be found in the annual reports for Melbourne, for example, Australian Southern Territory 2014 Annual Report pp 40- 45.

 The publicly available documents for Sydney and Melbourne have all been obtained from TSA's own websites. However for a number years access to the complete financial statements for Sydney required additional written request to access the documents and printed copies of the reports.

Unlike the United Kingdom, where TSA is registered as a charity both as a church and as a social work organisation, TSA in Australia is recognised as a charitable organisation for tax purposes. Currently, there is no Australian equivalent to the UK Charities Commission, although a charity style commission has been established[71] but it has limited functions at the present time. Whilst the Australian TSA is required to lodge various reports to state regulators, there is no one coherent reporting body where the detailed audited accounts may be obtained.

The operations of Sydney and Melbourne occur within the same legal, tax, economic and to an extent social context, but how the two territories have responded to their context has been different. The requirement to produced annual

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[71] The ACNC has been established by an Act of Parliament but the issues of federal versus state regulation are not fully resolved and the current federal government has as a policy its dissolution but at the time of this project has not been able to get its dissolution legislation approved by the upper house and the government does not place a high priority on gaining dissolution relative to its other agenda items.

audited accounts found in the TSA UK Act and trust deeds is not explicitly stated in the various States TSA Property Acts. The TSA property acts are for the protection of the social work assets. Whilst the preamble to the property acts refer back to the original constitutional deeds (1878 and 1891 deeds) it is by implication that TSA Sydney and Melbourne produce the annual report/review.

From 2006 until 2014 there have been significant changes in how Sydney and Melbourne have approached their financial accountability obligations to their stakeholders. Analysing the Australian financial statement discourse reveals two different approaches.

The operations of the TSA Sydney are covered by the following Acts of Parliament

- The Salvation Army (New South Wales) Property Trust Act 1929;

- The Salvation Army (Queensland) Property Trust Act 1930; and

- The Salvation Army (Australian Capital Territory) Ordinance 1934.

Each of these Acts covers the work of TSA Social work not the general operations of the TSA church. There is no Act in Australia equivalent to The UK Salvation Army 1980 Act. The operations of TSA church appear to be covered by the appointment of a Commissioner which indicates that all general property is held on behalf of the General. The General is a corporation sole in accordance with the UK Salvation Army Act 1980.

TSA Sydney states in its 2014 annual report:

> This general purpose financial report covers The Salvation Army Australia Eastern Territory Social Work ("The Salvation Army" or "Social Work").

Similarly, TSA Melbourne in their 2014 Annual Report (2014, 40) states:

> The Salvation Army has been operating in Australia since 1880. For the business purposes of its Australia Southern Territory, it is incorporated by the following Acts of Parliament:
>
> The Salvation Army (Victoria) Property Trust Act 1930;
>
> The Salvation Army (South Australia) Property Trust Act 1931;
>
> The Salvation Army (Western Australia) Property Trust Act 1931;
>
> The Salvation Army (Tasmania) Property Trust Act 1930; and
>
> The Salvation Army (Northern Territory) Property Trust Act 2002.

> The Territorial Commander acts as the representative of the General in The Salvation Army Australia Southern Territory. The Territorial Commander receives a Commission and acknowledges this by signing a bond under legal seal. This document is legally binding upon the parties concerned, and creates a legal relationship between the Territorial Commander and the General of The Salvation Army. From time to time, further particulars affecting that relationship may be set down in a power of attorney issued from the General to the Territorial Commander.

Similar to the Eastern Territory Acts the Southern Territory Acts specifically relate to the property held for the social work functions. There is no general parliamentary Act which covers the church based operations of TSA in Australia.

6.6.1   Salvation Army Eastern Territory (Sydney)

TSA Eastern Territory released their last publicly available full financial statements for the year ending 30th June 2007 but after a gap of seven years Sydney issued its full reports on the TSA Sydney website in 2014. Sydney's type and level of disclosure has undergone a number of changes over the study period. Significantly, Sydney withdrew information from their website and instituted a request for information instead. No justification has ever been provided for why Sydney restricted access to their financial statements for the seven year period. During the period 2007-2014, Sydney only released the annual review statement on its website. The timing of the release occurred between 6-7 months after the 30 June year end.

In the 2006 Annual Report, Sydney produced a partial form of consolidated accounts. In these accounts they reflected a consolidation of part of the general work and the social work. At that time, the general work was defined as relating to its church activities, the social work being the social functions of TSA. The 2006 financial accounts indicated they were a form of consolidation of the accounts. They did not include either income or expenses arising from activities which occurred within the church or corps of TSA and the consolidation incorporated the administrative cost of the Territory and Divisional Headquarters. Like Canada, the 2006 form of consolidation may have provided incomplete information about the effectiveness of TSA's operations. In the 2007 Annual Report, the previously produced consolidation disappeared, and no explanation was given as to the reason for the removal of the consolidation.

In 2007 and subsequent years, the accounts for Sydney were specifically focused on the social fund activity of the organisation as discussed below. Obtaining the information required specific request to TSA Sydney to be given the accounts.

There are no discussions relating to fund transfers between the social work and the general side.

In the 2006 and 2007 financial statements, there is a compliance reconciliation and disclosures relating to related party transactions, with Sydney identifying activity for the purchase of goods and services between itself and Melbourne. There is comment on the joint relationships for the funding of the Red Shield appeal and limited disclosure on joint-venture arrangements relating to the *Employment Plus* employment services conducted at that time. The Social Fund transfers surplus funds to the General Fund for investment. The disclosure is referred to as a receivable. Income from this investment is via an agreed return as opposed to a market rate. No disclosure is made as to any difference between the market rates for an equivalent investment versus the internally agreed rate. At no time did the accounts of Sydney disclose the amount of subsidisation that had occurred between the social fund and the general fund.

From 2007 until December 2014, Sydney removed from its website the audited financial statements without any explanation or notice and released a highly summarised one page discussion incorporated with the annual review. With the 2008 financial year, the annual review issued by Sydney had summarised information relating to the social work and social fund activities. Whilst in the statement there was information about where one could request the detailed financial reports, Sydney had imposed a multiple step process in obtaining that information relating to how it conducted its operations. No explanation was provided for the change in behaviour.

For the period 2008 to 2013, specific requests had to be made to obtain the relevant financial statements. Often these statements were not sent and multiple requests were made to obtain these documents. On a number of occasions one was referred back to the website to download the existing annual review which only contained the summarised and graphic information, or one was sent the annual review document itself.

Sydney is clearly following the format for its annual review as seen in TSA UK. The difference is that the UK full accounts can be obtained from the Charity Commission. In Sydney, you are reliant on the organisation to provide the accounts.

Sydney maintained a high degree of control over the release of its information. The timing of the withdrawal of the information coincidentally corresponds to the increased public disclosure within the media of the issue concerning institutional child abuse allegations (Middleton, 2009).

A review of the annual report/review of Sydney shows highly summarised information pertaining to the social activity of the eastern territory. The focus was made on how TSA was maintaining its efficiency and how it was meeting the needs of its community. TSA Sydney reported on its website the cents in the dollar that went to social work programs. During the study period 85 cents to the dollar was the average figure disclosed. The narrative report of the annual review maintained a very traditional TSA story, helping people in a variety of circumstances. The reviews use the standing tactic of bringing the reader in by seeing how they contributed to the operations of the organisation. The organisation acknowledges that if it was not for the readers' contribution then the work of the organisation could not be as successful as it was. The annual review continues the social service narratives seen in TSA UK and Canada. The review encourages readers to see the effectiveness of TSA work and to support in general TSA work. However, the lack of detailed financial information covering the full TSA operations means the review is probably not seen as an accountability document. The narrative is the *ipse* identity being discussed. In TSA Sydney *idem* identity was not explicit.

TSA Sydney annual reviews are designed for donors, contributors and program funding grantors. They are not sufficient to understand the accounting and financial operations of the organisation. This can be illustrated by the lack of transparency shown by Sydney in relation to child abuse allegations which the organisation acknowledged in 2006.

Although there is a children's home apology on the Sydney website http://salvos.org.au/need-help/family-and-personal-issues/childrens-homes.php , there is no financial disclosures as to the impact of this behaviour (the page which originally contained the public apology issued by the General in 2006, has been removed and replaced with a general discussion on the Royal Commission). Within the released financial statements, there is no detailed acknowledgement of the financial consequences of the child abuse allegations. In the 2006 accounts and

subsequent accounts, Sydney states that there is no contingent liability or provision of any material issue. Why Sydney failed to make any disclosure in the financial statements is a matter of conjecture. As the children's homes were part of TSA Social operations, the lack of explicit disclosure can possibly be explained by the assumption that Sydney has taken the funds not from the social work side *per se* but from internal general funds. The absence of disclosure and in the absence of having publicly available accounts for the general fund means it is difficult to determine the reality of TSA accounting treatment. However in the 2014 Annual Report and financial statement a provision for the carers' expenses appears! This will be discussed in a later section in this chapter.

6.6.2   Salvation Army Southern Territory (Melbourne)

Melbourne has maintained the public release of financial statements for the organisation in the southern territory. Whilst it is clear that Melbourne is still focused on a social work fund there are limited clues as to the interrelationship between the social and general fund of the southern territory.

In the 2006 and following years in both the annual report and the financial report, the Trustee statement refers to how the accounts presented were designed to meet their legal obligations, the needs of its internal and external stakeholders and specifically noting that the accounts are designed to meet the needs of the donors, contributors, grantors and management.

The Trustees statement lists TSA's purposes and makes the comment that it was raised up by God for the work of:

- transforming lives
- caring for people
- making disciples
- reforming society

The Trustees' statement in 2006 and subsequent years makes a clear distinction between the general work considered to be TSA church work and most of its administration, and its social work.

The Salvation Army (Victoria) Property Trust Act 1930 [72] has the clear distinction between church and social embedded, not only through the preamble, but also within the Act itself. The 1930 Act makes it clear that the work of the church and the social work must be kept distinct. Similar to the UK trust deed of 1878 and 1891 there is the ability for a transfer of funds between social and general and no detailed information is explicitly required. The 1878 trust deed allows it to be at the discretion of the General. *The Salvation Army (Victoria) Property Trust Act 1930* has similar open ended abilities. The Trustees of the Melbourne have their prime obligation in showing how the social fund has maintained itself. The explicit

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[72] AND WHEREAS by Deed Poll under the hand and seal of the said William Bramwell Booth bearing date the first day of June One thousand nine hundred and twenty it was (inter alia) recited that in connexion with and as the outcome of the work teaching and experience of The Salvation Army in the United Kingdom and in Australia and in other countries of the world the said William Booth and the said William Bramwell Booth had evolved and promulgated various operations for the social moral and temporal welfare and improvement of the poorer and more needy classes of society and of persons who were destitute or vicious or feeble-minded or suffering from injury or sickness or ill-health or orphans or other children needing care in orphanages or reformatories and for other charitable purposes which operations were then and are now generally known and described as the Social Work of The Salvation Army and which in relation to the Commonwealth of Australia (thereinafter called "the said Commonwealth") were thereinafter sometimes referred to as the Social Work and that in connexion with the carrying on of the Social Work in the said Commonwealth the said William Booth and the said William Bramwell Booth as his successor in office had acquired certain real and personal property particularized in the schedule thereto and other real and personal property would thereafter be acquired for the purposes of the Social Work and that it was right and desirable that the same respectively should be kept distinct from the other or proper real and personal property of The Salvation Army and be used and devoted exclusively in and to the Social Work in or connected with the said Commonwealth and that the Social Work should be defined and regulated and the trusts of the said real and personal property already acquired and thereafter to be acquired for or in connexion therewith declared as thereinafter appearing:
Preamble

AND IT WAS THEREBY WITNESSED that the said William Bramwell Booth declared that the real and personal property particularized in the said schedule and all property real and personal which might thereafter be acquired by gift grant purchase or in any manner whatsoever for the purposes of the Social Work in or in connexion with the said Commonwealth and all real and personal property for the time being representing the same or any part thereof respectively and all which were sometimes thereinafter collectively referred to as "the trust property" should at all times thereafter be held upon trust to use and apply the same and the income thereof for the social moral and temporal welfare and improvement of the poorer and more needy classes of society and of persons who are destitute or vicious or feeble-minded or suffering from injury or sickness or ill-health or orphans or other children needing care in orphanages or reformatories in the said Commonwealth and for other charitable purposes in or in connexion with the said Commonwealth in such ways and by such means as the said William Bramwell Booth or other the Director (as thereinafter defined) for the time being of the Social Work should at any time or from time to time think fit subject nevertheless to the provisoes therein contained:
Preamble

AND THAT the Social Work should at all times thereafter be under the oversight direction and control of the person who should be for the time being General of The Salvation Army and he should be called in relation to the Social Work the Director of the Social Work (thereinafter referred to as "the Director") and that it should be his duty to determine and enforce the laws and to superintend the operations of the Social Work and to conserve the same and the trust property for the purposes of the trusts thereby declared:

AND IT WAS PROVIDED that for the purpose of identifying and ear-marking the trust property and the income thereof and keeping the same distinct from all property of The Salvation Army full accounts of all moneys contributed collected or received for the Social Work and of the application thereof should be kept in such manner as to keep the same always distinct and separate from the property of The Salvation Army and that all conveyances leases transfers assignments and assurances made to the Director for the time being for the purposes of the Social Work should be expressed to be made to him as such Director and should thereupon become subject to the trusts of the Deed Poll now in recital and that whenever any property real or personal acquired for the purposes of the Social Work should be conveyed leased transferred assigned or assured to any trustees or trustee other than the Director for the time being such trustees or trustee should in each case execute a sufficient declaration of trust so as in every case to enable the property conveyed leased transferred assigned or assured to be sufficiently identified or ear-marked as being property devoted to the purposes of the Social Work:

Preamble SALVATION ARMY (VICTORIA) PROPERTY TRUST ACT 1930

requirement for the production of audited accounts is not contained in the TSA property acts, however, Melbourne has maintained a constant disclosure of its social work activity during the study period. Melbourne claims it is following best governance practice even though it is not legally obliged to do so.

In 2006, Financial Report Melbourne acknowledged the child abuse problem. In note 14 of the accounts a total of $6.5 million was provided. In note 25 of the accounts, a discussion on potential compensation claims was identified with an upper amount of $10 million stated initially. However, the Trustees acknowledged the issue and identified the time period when the alleged abuse occurred and the type of support given to those affected. Aware of the public perception of how the claims will be settled, the Trustees made the following comment that:

> …no red shield appeal monies have been or are being used to fund any compensation or associated counselling cost but rather, internal Salvation Army funds are being used for this purpose[73]

The assurance was designed to assure the public that their specific Red Shield donations would not be used to fund an organisational failing. However, the accounts in 2006 and subsequent years do not specify how the provision is being funded other than the generic reference to the use of internal funds. TSA Melbourne went to great lengths to assure the public Red Shield Appeal money would not be used to fund the claims, however, TSA Melbourne has not specified how the claims are being financed nor whether the International Headquarters have provided any assistance in this matter, recalling all non-social funds are owned by the General. The Red Shield appeal is the main public funding campaign run within Australia. The specific assurance that Red Shield money will not be used aligns TSA Melbourne with the specific fund accountability used by other jurisdictions.

The accounts following 2006 have shown this provision to be utilised, such that in the 2014 accounts the provision stood at $3 million. This is in marked contrast to the lack of disclosure made by Sydney.

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[73] "The Salvation Army has publicly acknowledged its deep regret of any incident of abuse perpetrated by any of its staff against some children in its care during the 1940's, 50's, 60's and 70's. As part of its response, The Salvation Army has provided compensation grants, access to professional counselling services, pastoral care, reimbursement of medical expenses and, where necessary, contributions to legal costs. No Red Shield Appeal monies have been or are being used to fund any compensation or associated counselling costs, but rather, internal Salvation Army funds are being used for this purpose." Australian Southern Territory Financial 2005/2006 Report p 7

In 2006, the accounts of Melbourne provided detailed explanation following the adoption of the International Financial Reporting Standards (AIFRS). Whilst they noted that with the adoption of the standards, there would be increased volatility in reported results as a consequence of how financial instruments and investments are accounted for, the trustees at that time, made it clear that they were acting according to best practices. The information provided would allow users of the accounts to make their own determination on the analysis of the AIFRS impact. The majority of the impact comes from the treatment of the defined benefit plan and other superannuation liabilities.

The income statement of the social fund has a one line entry referred to as 'general fund'. This is understood as being transfer of funds from the social to the general to recognise the cost incurred by the general side in supporting the social work funds and activities, however, in the related party note, there is no discussion as to what is the nature of this transfer.

The Trustees stated that they follow the Australian Stock Exchange's good corporate governance guidelines, though not legally required to undertake that level of reporting they were doing so to demonstrate their accountability for the resources entrusted to them.

6.6.3   Two cities, two stories

Both Sydney and Melbourne claim to be operating under best practice via good corporate governance. However, the difference in their behaviours is very stark.

As discussed, Sydney had introduced additional steps which must be undertaken before obtaining the social fund's detailed financial statements. Sydney has failed to make any disclosures relating to its obligations arising from the child abuse allegations until 2014 and that is discussed in the next section. Sydney has also failed to provide any detailed analysis of transfers between the social work and general work but relies on limited disclosure in terms of how much they paid for goods and services between the different operating areas. Sydney for the majority of the study period produced an annual review on its website. Whilst Sydney may claim it is meeting its legal obligations, Sydney does not appear to be demonstrating a level of openness, transparency and understandability expected of an organisation like TSA.

Whilst Melbourne has adopted a greater level of transparency and disclosure, the failing of Melbourne to provide more information relating to its funding transfers between the social and the general fund implies that Melbourne is not providing a full or comprehensive analysis of what operations the organisation is actually undertaking. Whilst the two stories have a common theme, that is, TSA is there when you need them, the accounting and accountability discourses for TSA within Australia are primarily focused on the social activity in line with its legal structure whilst ignoring the interdependency of the church and social functions, and that they operate under a single name.

6.6.4 Suffer the Children

Middleton (2009) undertook a reputation management analysis of TSA following the 2003 disclosures of child abuse within the organisation. Middleton, an external person from TSA, undertook a narrative analysis as a way of studying TSA reputation management. Using deconstruction techniques, Middleton concluded external stakeholders have their understanding of TSA as framed by TSA narratives. TSA Narrative:

> Salvationists are compelled towards outstanding charity by their own beliefs that this will open the doors of heaven, and stakeholders perceive a need for The Salvos based on their imperatives for a functioning welfare system (2009,15).

Middleton's study found that TSA's narrative elevated social work to be equivalent of the spiritual work of the organisation, as illustrated by the TSA mission statement to preach the gospel and to meet human needs. TSA promotes its social activities as helping those less fortunate and those who are most vulnerable; this has been identified in each of the three countries studied. TSA identifies itself as the one cares for all people and is reflected in its mission statement to meet human needs without discrimination.

Middleton observed that TSA used its reports to demonstrate to external stakeholders that it is an organisation committed to the welfare of people. Accordingly, TSA use of resources, and, interpretations of success through the stories that portray successful outcomes allows the organisation to maintain a high degree of credibility within the community.

The TSA Australia main legal documents are the respective states property acts and it may be argued that the legal position requires an emphasis on the social side

activity. This does not explain the lack of disclosure of the church since both Sydney and Melbourne state there are two aspect to TSA work. In comparison to TSA Canada and UK, TSA Australia minimises the church activity to the point of non-disclosure. In support of Middleton's observations and findings, the accounting in Melbourne and Sydney ties back into how the narrative of the organisation is being utilised and TSA portrays its dominance in social work. The conclusion one may reach is that Sydney is focused totally on managing stakeholder perception. There is no discussion of the church activity that the internal rhetoric will often portray and the strategic emphasis on one mission, one organisation.

In 2014, TSA was required to attend the Royal Commission into Institutional Responses to Child Sexual Abuse[74]. The evidence presented at the commission focused on a number of children's homes run in New South Wales and Queensland (the Eastern Territory)[75]. The purpose of this section is not to discuss the claims before the Royal Commission, but to identify how TSA has responded to the incidents in their 2014 Financial Reports and Reviews.

In the 2014 Melbourne annual report, the following disclosures are made in relation to the response to the child sex abuse allegations and the Royal commission.

> This year has been challenging – especially in light of the Royal Commission into Institutional Responses to Child Sexual Abuse. We continue to work openly and transparently with government seeking to provide healing to survivors of abuse and remain honest with supporters, employees, the public and people affected. p4

On page 54 in the discussion on Red Shield appeal donations, Melbourne reaffirmed that no Red Shield appeal funds are being used to cover carer leave claims. A possible interpretation of this disclosure is to increase the assurance to Red Shield donors that their money is not affected by the carer leave claims, and

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[74] Royal Commission into Institutional Responses to Child Sexual Abuse

Exhibits for Case Study 5, January 2014, Sydney

The hearing examined The Salvation Army's response to child sexual abuse at boys' homes in Indooroopilly, Riverview, Bexley and Goulburn. http://www.childabuseroyalcommission.gov.au/exhibits/a0bd6592-0036-42eb-9c33-62c7ad8312b1/case-study-5,-january-2014,-sydney

Case Study 10, March 2014, Sydney

The hearing examined the handling by The Salvation Army (Eastern Territory) of claims of child sexual abuse between 1993 and 2014. http://www.childabuseroyalcommission.gov.au/case-study/6a3d5984-f16c-478e-8e1a-cb5b82541637/case-study-10,-march-2014,-sydney

[75] The Eastern Territory website for the Royal Commission located at http://salvos.org.au/royal-commission/

that there are other funding sources. This behaviour is consistent with Middleton's analysis.

Note 21 contingent liabilities point B Carer leave's claims:

> The Salvation Army has publicly expressed it is deeply regretful of any incident of abuse perpetrated between the 1940s and the 1980s towards children who had been in its care. This provision is to cover claims currently being processed, including cost for access to professional counselling services, pastoral care, medical expense reimbursements and legal cost. In addition to the provision for care leavers claims of $3 million recorded at 30 June 2014 there may be further claims lodged with The Salvation Army which would need to be assessed. The Salvation Army is unable to quantify the estimated future cost of such claims.p74

The disclosures undertaken by Melbourne in 2014 have demonstrated a consistent pattern commencing with the original disclosures in 2006. Whilst in 2014, Melbourne acknowledged its responsibility and its regret, the accounting of the provision and the identification of the carers' obligation has consistently stated to the public and its donors that no Red Shield appeal money is being utilised by the organisation to fund these claims. The 2014 report reaffirms Melbourne is about connecting with the most vulnerable people in communities all over Australia. Melbourne makes the following statement about who they are

> The Salvation Army is one of the world's largest Christian social welfare organisations. Each year we extend care to more than 1 million Australians facing crises. We are committed to supporting the most marginalised and disadvantaged members of the community. p5

The Melbourne narrative is consistent with showing the importance of the social service narrative. This must be interpreted with care as it was made in the context of the reporting of the social work fund.

This study confirms the observations made by Middleton. The 2014 annual report ensured that the donors and funders and other supporters of TSA understood how TSA was meeting the needs of the neediest with the use of individual stories of how TSA has responded to differing issues that continues a long line of storytelling.

As stated previously Sydney, after a gap of seven years released its 2014 Annual Report incorporating their financial statements on its website in December 2014. No explanation has been provided by TSA Sydney as to why the annual report was reinstated on the website. As observed by Middleton (2009, 147) TSA clearly manages its stakeholder perceptions, and the return of the full annual report with

financial statements may appear as an attempt to validate TSA Sydney's claim of transparency in its operations.

Within the 2014 Sydney report, the statement by the Territorial Commander states:

> The Salvation Army has this year continued to be there, providing a helping hand for people in need. It's what we've done for nearly 150 years worldwide, it's what we will continue to do today and it's what we will go on doing while ever there is injustice and pain in our world….

The Sydney report has acknowledged the Royal commission and its impact

> This year we have been transparently supporting the work of the Royal commission into institutional responses to child sex abuse, which focused on past abuses within The Salvation Army. As Commissioner of The Salvation Army, I want to again express my deep sadness for the abuse experienced by children in our care. This has been a painful process for all involved, most of all for survivors who have had to recount their allegations of abuse. The Salvation Army is committed to supporting survivors of abuse on their journey towards healing. Support for survivors may involve counselling and other forms of personal support including compassionate grants where required. No red shield appeal funds are used for these grants. P4

Whilst the social service narrative clearly expressed service and support to the vulnerable, the reaction of Sydney to the abuse allegations from a financial sense is not transparent. The accounting disclosures for the personal injury claims, as Sydney describes it, have identified some very perplexing accounting behaviour.

The 2014 report states:

> the main reason for the decrease in operating surplus before transfers to reserves are due to the increase of $3.070 million in the provision for the personal injury claims and also a provision of $4.745 million doubtful debt is made against a dispute over a government contract p 51

The 2013 report makes no similar commentary.

Whilst this statement is made in the Trustees Report, Note 6 Expenses discloses the provision for doubtful debts as a separate line. The Personal Injury claims do not have separate disclosure.

The lack of disclosure raises the question as to why they would affect operating surplus of the social work fund if they are going to be reimbursed by the church. The non-disclosure of expenses could be consistent with reimbursement but not with the statement that operating surplus had been decreased. On the other hand, if it was coming from another source within the social work fund such as a profit on a contract with an outside party that would reduce the surplus. The lack of disclosure

challenges whether TSA Sydney is actually being as transparent in its operations as it has claimed, especially as the issue of financial compensation for the alleged child abuse victims has not been finalized.

Note 18 Provisions : Contains a line Personal Injury claims Provision 2014 $5.350 million (2013 $2.280 million).

The 2013 accounts do not have any such provision disclosed in the provision note on page 68 of the 2013 Annual Report.

Sydney has undertaken a restatement of the 2013 results and presented them as the comparative in 2014. No explanatory note, justification or acknowledgement as why this restatement has occurred has been provided. This is contrary to accepted accountability requirements.

The following table produced by the writer show the restatements that have occurred:

Table 6-4 TSA Sydney Provision Restatement

	2013 Report (Trustees report date 22 October 2013)	2013 (as reported in 2014 report Trustees Report date 28 October 2014)
Personal Injury Claim Note 18 Provisions	None Reported p 68	$2.280 million p74
Total Provisions	$20.354 million p 68	$22.634 million p 74
Accruals Note 16	$8.854 million p 68	$6.574 million p 73
Of which Accruals (accruals according to the note were primarily salary and wages)	$7.267 million	$4.987 million p73

This suggests that the 2013 provision for personal injury claims were included in accruals and were not deemed worthy of separate disclosure.

In Note 21 2014 Report Contingencies

> Since January 2013 The Salvation Army has welcomed the work of the Royal Commission into Institutional Responses to Child Sexual Abuse and has openly and transparently cooperated with the Royal Commission. The Salvation Army once again offered its sincerest apologies to survivors and their families who were failed whilst in our care. The Salvation Army remains committed to working with survivors for their healing process.

> Despite the provision for personal injury claims made at 30 June 2014 (refer notes 3(y) and 18), given the circumstances, The Salvation Army is unable to completely quantify the future claims which might be lodged during the healing process. The Trustee do not expect the unknown future claims to have a material effect on The Salvation Army's financial position p 75

Compared to Note 20 2013 Report Contingencies

> The Salvation Army is not subject to any material contingent liabilities at the reporting date. P 68

Note 24 Royal Commission

> On 12 November 2012 the Federal Government announced a nationwide "Royal Commission into the sexual abuse of children in institutions". The Salvation Army is co-operating with the investigators throughout the enquiry, and continues to support those impacted people. P69

The above note disclosures reveal a number of contradictions. The 2014 Report admits TSA was working with the Royal Commission since January 2013, but the 2013 Report makes no such disclosure. The 2013 report does not have any provision but the quantum of the personal injury claims appears to have been transferred from accruals in the comparative figures in the 2014 accounts. Neither the 2014 nor the 2013 report shows the funding source for the eventual payments especially since the children's homes were part of the social arm of TSA. The concentration on protecting the reputation of TSA is demonstrated by Sydney assuring donors Red Shield fund money is not utilised in meeting the claims. This assurance has been repeated many times by both Sydney and Melbourne.

Sydney has failed to reflect at least the level of disclosure Melbourne has undertaken over the last 6 years. It has consistently failed to disclose any information but at the last minute makes a claim similar to Melbourne – protecting the Red Shield reputation.

The 2014 report shows TSA at the forefront of addressing social needs. Key highlights presented with images and numbers show the extent of the services provided. Thirty two pages of the report detail the impact that TSA services have had on individuals and the community. Reflecting on Middleton's observations, TSA Sydney in 2014 has used the 2014 annual report to protect the image of its social services – even as the financial information disclosure is reluctantly undertaken.

The Australian Charities and Not-for -profit Commission[76] requires the lodgement of information from registered charities. TSA Sydney and Melbourne are fully registered. Whilst the social work side of the TSA operations is disclosed, the general side of TSA activity though registered has no financial information as it is not mandatory for religious charities to lodge their financial data.

Sydney and Melbourne have adopted different disclosure strategies over the study period. Whilst it may have been possible for TSA to hide behind its legal veil and not release more financial information then to do so would have challenged its commitments to accountability. The accountability commitments clearly made by TSA UK and Canada are not as explicit or prominent in TSA Australia. TSA Sydney in 2014 has reintroduced its more easily accessed public accounts and reports to show the work it has undertaken, and in terms of length of disclosure, minimise the discussion about the impact of the Royal Commission. Even though the General formally apologised the disclosures on the Royal Commission are only found in the Australian report.

The main public funding is the Red Shield Appeal as this has been promoted over the last twenty years resulting in increased corporation and individual support. The specific and often repeated claim that Red Shield money will not be used to fund the alleged child abuse claims is consistent with Middleton's observation on how TSA shapes the narrative to protect its reputation.

6.7   Chapter discussion

William Booth determined that numeric accountability was very important, and within the trust deeds and the private enabling acts there are clear references to the need to produce audited financial accounts. To protect funding sources in 19th century England and in response to ongoing allegations, Booth enshrined in the founding deeds the need for the organisation to maintain separate accounts for the social fund activities and church fund activities. The trust structure allowed funds to be transferred between the two trust funds in a manner that was often hidden in the organisation's reporting. The historical actions appear to be replicated in modern

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[76] Australian Charities and Not-for- profits Commission
https://www.acnc.gov.au/ACNC/FindCharity/Search_the_ACNC_Register/ACNC/OnlineProcessors/Online_register/Search_the_register.aspx accessed 21 June 2015

reporting as the evidence from this chapter appears to confirm that TSA demonstrates significant awareness of the need to show accountability to social side donors and funders.

TSA has experienced high levels of recognition and trust. As previously identified, general members of the population see the organisation as doing good work in meeting the needs of those considered vulnerable, those who society often overlooks, the less fortunate and disadvantaged people. The level of trust experienced by the organisation, therefore, represents a highly marketable commodity and one that appears to be carefully nurtured via its reporting. However, such trust is easily damaged for example, by the child abuse allegations.

Whilst there are no suggestions the TSA fails to undertake the activities as claimed, TSA goes to great lengths to portray itself as a good steward of resources for the social programmes. However, the level of selective reporting in the financial statements due to the high level aggregation of the numbers, combined with selective stories used in the annual reviews and reports, makes it difficult to understand how the funds of the organisation have flowed from the general population into their programs and therefore, meeting the needs and objectives of society. This is noted especially in relation to both the Canadian and Australian operations of TSA.

As discussed in the accountability chapter, the two forms of identity - *idem* and *ipse* have specific forms of accountability. The dual mission of preaching the gospel (church) and meeting needs (social) is reflected in the majority of TSA narratives. However, whilst TSA substantially shows its legal compliance accountability, its narrative accountability disclosures discussed in this chapter state the dual mission is done in a context where the social work aspects are dominant in creating the identity of a Christian social work organisation. The accounts and related disclosures in notes and annual reports do little to clarify the financial dimensions of the interdependencies between the church funds and the social work funds. This seems to contradict the claim of one organisation with one mission if the interrelationships are not highlighted.

Also, the safeguards in place to avoid conflicts of interests in the inter relationships are not clearly identified nor are the potential conflicts between donors and TSA addressed.

Major events, such as the consolidation exercise in Canada and the child abuse exposure, demonstrate a willingness to meet minimum disclosure requirements but in a manner which demonstrated a reluctance to adopt an open and transparent approach. In this regard, the differences in the approaches of Sydney and Melbourne indicate that there is no uniformity in attitudes throughout the territories. However the dominant theme is to highlight all the good work TSA is doing whilst not fully addressing the issues relating to trust. This is incompatible with the standards outlined in biblical precedents.

Prior studies on the use of financial reports and reviews show they may serve many purposes - marketing, voluntary disclosure , and legitimating its activity (Stanton and Stanton, 2002, Campbell et al., 2009, Cooper et al., 2005, Cribb, 2005) - all provide alternate ways of interpreting TSA. As discussed in chapter three on narrative, Ricoeur argued that the use of hermeneutics allows for multiple readings but only from one perspective at a time. The development of the accounting narrative used by TSA shows a strong focus on both self legitimisation and marketing of activities it undertakes.

However, given the need to protect funding an alternative lens in understanding TSA behaviour comes from impression management literature (Aerts, 2005, Leventis and Weetman, 2004, Davison, 2004, Davison, 2007, Merkl-Davies et al., 2011, Brennan and Merkl-Davies, 2013). The actions of TSA via reporting are designed to portray the underlying TSA message of helping those most in need. The invitation by TSA for readers to see how their contributions aid and help the most vulnerable directs the reader into a preferred understanding of how TSA works.

The use of narrative study in accounting for financial and management accounting purposes has a long history (Aerts, 1994, Beattie, 2014, Bjurklo, 2006, Llewellyn, 1999), this study builds on previous narrative works and extends this to identity construction (Ricoeur, 1991a).

The criticism by Mason and Lamb at the beginning of the 20th century is still relevant for the 21st century Salvation Army. The organisation does not appear to be willing to bring the public into its confidence and explain how the total organisation (both church and social) receives funding and how the total organisation is capable of meeting the social and spiritual needs of mankind. Even in the UK with the dual registration and dual focus, there is a lack of transparency as to how the funds flow between church and social.

What is apparent is that TSA is asking the general public to believe it is capable of managing the funds in the most appropriate manner. The accountability narrative shows efficiency in minimizing administrative costs, compliance with donor instructions and clear direction of funding use in the social service activity. This attitude reflects William Booth's stand following the launch of the Darkest England scheme and his comments in 1911 (discussed in chapter four) that basically stated that the social work could not be undertaken by any other organisation or church until TSA came into existence. TSA institutionalized an aspect of Christian belief; the doing of charity became an institutional focus. TSA narratives elevate social work to be the equal of the spiritual work. No other Christian church makes a similar claim.

As demonstrated, TSA is deeply conflicted. The internal rhetoric of church and social work of being holistic is not supported by the legal structures used by the organisation. If TSA wishes to portray itself in the holistic manner in which it claims it operates, then changing the accounting narrative of the organisation will be one place to start. While current annual reports and reviews attempt to show the holistic nature of TSA, the dominant narrative is social service. The United Kingdom, Canada and Australia all share a common narrative focus on the pre-eminence and the importance of social work it is funding and its operations.

The signing of the 1891 Darkest England trust deed created two distinct operations. In the official history of TSA Sandall (1955) described the meeting between William Booth and the legal representatives who were constructing the Darkest England trust deed. At that meeting, the solicitor Dr Roger, identified four cardinal points that were observed in drawing up the deed. These being that there should be no doubt as to the General being a genuine legal trustee, that there should be

absolute certainty as to all properties being invested in the General as trustee; that the monies and property should be kept quite distinct from those of TSA; and for that the General's position as trustee should be such that in the event of any breach of the trust he would be amenable to being charged by the Attorney General. Despite the efforts of Dr Roger to incorporate those safeguards, the critics of TSA pointed out the unrestricted discretion of the General. The accusations of financial impropriety raised by Kebbell, (1892), Manson, (1908), Milligan, (1982), argued that there was a lack of trust in Booth's accounting, from both informed and uninformed observers. As Shepherd (2006) wisely cautioned TSA of the need to be transparent in how the two sides of TSA operations are financed, it appears the behaviour of the 19th Century still has major influence today.

Whilst internally people struggle with the fact that some officers and soldiers of the organisation have a strong social focus and see the organisation as meeting specific social needs, the hierarchy of the organisation has tried significantly to provide reconciliation between the church and social activities (Clifton, 2009, The Salvation Army, 2008).

Overwhelmingly, the annual reviews and reports of the organisation have not adequately or strongly reflected the holistic organisation as suggested by the internal rhetoric. There exists a dualism of identity. The legal status contained in Acts of Parliament and trust deeds and the practice of each of the three countries that have been studied emphasised the social service activity of TSA. TSA is a social service organisation that practices its religious principles in meeting its social work function.

Chapter 7 Discussion and Conclusions

7.0 Discussion

150 years ago an itinerant Christian minister and his wife commenced an open air evangelical mission. Their purpose was to preach the Christian gospel, to lead individuals into personal salvation. In the 19th century England, this was neither unusual nor uncommon. William and Catherine Booth started their work without fanfare and without any long-term guarantee of finance and support. The revivalists from the Methodist teaching of John Wesley and the presence of American evangelical preachers in the United Kingdom saw a wave of itinerant preachers work throughout England. Salvation for the individual was seen as the solution for individual problems with poverty.

In late 19th century England significant changes were impacting on society. A review of the period history, as detailed in chapter two provides an interpretative lens to understand why people acted as they did. The societal narratives in 19th Century England were full of changes. Challenges to the old established orders, increase in distrust of the establishment churches because of perceived abuse of their position - established churches were the dominion of the higher classes. Social, political and economic, philosophical changes were increasing at a rate not previously experienced.

William and Catherine Booth, founders of TSA, were products of their time and the specific beliefs held by William and decisions on organisational structure and control had, and still have, a profound impact on the development of TSA. The history of TSA has shown how it undertakes its service to community which has undergone many changes. Originally, TSA was solely an evangelical movement; its purpose was specifically to preach the Christian gospel, and to exhort individuals to accept the message of personal salvation. This action followed a belief of the time that as a result of the change in an individual the old ways would be replaced with new beliefs, understandings and behaviour such that a former society outcast would become a more valuable member of society. However, spiritual change does not guarantee economic change. Stories are told of how an alcoholic, a gambler or a family abuser changed to become a stable member of society and many of the other

stories that could have been told that did not show any economic betterment. In current TSA reports, stories are still told about individuals who have been helped, but the personal salvation part of the narrative is often minimised or left out.

The "pure religion" taught within the Christian message talks about helping the poor and needy as a response to receiving God's blessing. In late 19th century England, the use of charity was seen as part of one's duty. The giving of time and money was, as it is today, a popular way for people to perform their duty. Christian theology, as discussed in chapters two and five shows that the pursuit of the pure religion was first and foremost an individual responsibility. Whilst in Old Testament theology the nation of Israel would be condemned for failing to honour commands, the main criticism was directed at the teachers and elders who were failing to provide a proper example.

Railton (1912) showed that the TSA move to social service originated from individuals responding to a particular need. Authors sympathetic to TSA all report how specific social problems were individually addressed. The official TSA history showed how William Booth gradually accepted the relevance of social service. The practical theology taught by Wesley and adopted by Booth meant that social work became a specific point of differentiation for William Booth.

The narratives of the 1880s and 1890s showed that to meet the needs of the poor large financial resources were needed. In Christian teaching if a task is from God, then God will provide the necessary resources but you are also responsible to God for how the resources were utilized. In chapter two on historical context and chapter five on accountability, various Christian theological themes were discussed relating to divine providence as evidence of God's blessing on the work being undertaken and accountability being the giving of the account to God and to society for the resources entrusted. Unlike the sacred secular dichotomy used in previous religious accounting studies, in the 19th century this dichotomy was not understood or practiced. TSA claims in the current period that the dual mission encapsulated by the slogan 'Heart to God, Hand to man' does not imply an artificial split between the church and the service activities but rather that the service activities are an integral part of the religious mission. The TSA mission statement to preach the

gospel and to meet human needs show an equality of the spiritual and service mission or a strong inter-connection.

William Booth was convinced he was called by God to undertake his work and was convinced God would provide the necessary resources. William Booth's accountability, therefore, was focused on honouring his commitment to God to focus his efforts on doing God's work on earth. He did not appreciate the equal need to be accountable to those who worked with him and to society at large.

Railton's (1912) reporting of William Booth's social work speech in 1910 is potentially a meta-narrative for TSA as it showed the claimed spiritual focus to the TSA social work. In Booth's discussion, Railton showed how in meeting physical needs the TSA was providing a facility to meeting spiritual needs by preaching a spiritual gospel. However, as demonstrated in chapter two, the Charity Organisation Society was in conflict with the concept of religious charity and sought to provide an alternative of social service without religious attachments.

Two other issues, identified by Railton, related to the legal structure used by Booth in creating TSA and the need to maintain good public opinion for TSA. The constant requirement to seek finance meant Booth needed to cultivate public support. Much of the work of Catherine Booth was to facilitate the acceptance of TSA by the wealthy class in West London. TSA showed by its activities it favoured the established government and not socialist based organisations (Woodall, 2005). TSA showed it was committed to making those it helped productive members of society. As Booth demonstrated in his social work speech, TSA was accepted in many countries based on its social work. TSA was seen as meeting a societal need. In doing so, Booth attempted to ensure funding for his operations and this was Railton's second important observation: Booth deliberately set up two discrete trusts.

There are two foundation documents for TSA. The first was the 1878 Trust deed that set the parameters for the church side of TSA. The second was the 1891 Darkest England Scheme Trust deed that set the legal foundation for property used within the social scheme.

 From 1878 to 1980 the 1878 Trust deed was transformed from a charitable trust deed to an English Act of Parliament. The focus of the 1878 deed was religious activity. Sections of the community accepted that helping the Christian missions was a way of helping the poor. The 1878 Trust deed, however, gave William Booth total control over the assets. As discussed in Chapter two, charitable trust abuse saw major reforms being implemented before William Booth set up his 1878 Trust. One of the reforms was the introduction of safeguards to ensure the trust operated correctly and that the power of the trust did not reside with one person. This idea, that absolute control is risky and should normally be avoided, is a concept that is reflected in modern concepts of governance. William Booth's behaviour was at odds with other charitable trusts of the time.

The 1891 Darkest England Scheme trust was set up to hold the property of the Scheme. This document formed the legal basis for the social work activity in the United Kingdom. The Trust also gave total control of the assets back to Booth and subsequently to future generals. Additionally, the trust set up a mechanism that allowed money to be transferred from the trust to the general side of the Christian Mission (TSA as it is now called). This was consistent with the view that the 1878 trust was there to support the religious activities. This seemed incompatible with the objective of the use of two trusts to attract different donors.

As Railton (1912) noted, Booth worked to ensure that the legal structure was set to ensure funds could be directed to either the church side or the social side. There were two discrete legal vehicles. TSA was not one organisation with a dual mission. Railton noted that setting up the legal structures in other countries Booth considered to be important. The issue of asset control was part of the problem with setting up the TSA in the United States (Hattersley, 1999, Murdoch 1994).

Booth required both trusts to produce audited accounts of income and expenditure. The accounts were maintained by professional accountants. In doing so, Booth was trying to establish that TSA was an organisation that could be entrusted with resources. The control demanded by Booth meant the financial integrity of TSA was challenged by parties both inside and outside the organization. Is it different in the current period? The answer is no. As demonstrated in chapters four: Identity, five: Accountability and six: Accountability Discourse, TSA has needed to deal

with criticism concerning its financial management and accountability almost since its inception (Kebbell, 1892, Manson, 1906, 1908, Lamb, 1908, Milligan, 1982, Shepherd, 2006, Middleton, 2009).

As argued in this thesis, TSA presents itself as an organisation with a dual mission and argues the social service is consistent with its spiritual message. TSA argues that it takes accountability seriously and produces the relevant financial and other reports to support their position. TSA sees itself as a church meeting human needs. Yet externally people primarily see TSA as a social service organisation. As argued in this thesis, there is an identity mismatch. This mismatch creates confusion and challenges organisational relevance. TSA identity is not aided by what appears to be financial accountability ambivalence as discussed by Shepherd (2006) and the use of legal structures which complicate rather than support a clear concept of TSA. The use of fund accounting with its restricted and unrestricted split, allows TSA to provide information that may be technically correct but fails to show in a transparent manner how funds are moved between church and social activities. As reported by TSA UK and Canada, and probably the case in TSA Australia, TSA members do not contribute enough to fund church operations. How the church side is funded is not explicit. The financial ambivalence discussed by Shepherd (2006) revolves around the lack of transparency in how church funding is obtained.

By utilizing Ricoeur's narrative accountability theory, this thesis has looked at how TSA presents itself via its narratives and, thus, establishes its external identity.

In answering the identity question the respondent seeks to establish who they are. Ricoeur's narrative theory draws identity from the stories told and actions/inactions displayed. Ricoeur's narrative brings lived experience into the stories we tell. Via the stories told an identity and character are formed and transmitted across time. The stories reveal why an action occurred in the way it did. They reveal the beliefs and the motivation behind the actions. The stories build up over time to form a unique identity. Ricoeur has argued that all actions can be read as a story – but the author is not the sole determinate of how the story is read. The reader brings to the story their own understanding – an understanding that is conditioned based on the time and context in which the reading occurs. Unlike spoken discourse where the

meaning can be negotiated between the speaker and the hearer, the meaning of text escapes from the author and originator.

Within groups, stories are told that allow for a shared understanding to be developed and it is to the shared understanding that members turn to when a significant challenge to a group's functioning arises. Within societal groups that we belong to, we understand our traditions, our place in history and the influence it has on how and why we act.

Ricoeur's framework allows for an interpretation of all text and actions since narrative is the constitutive of identity and identity is constitutive of accountability. Narratives, therefore, reveal the identity of the one who is accountable. Narratives reveal who is the author of an action. The identity of the one who narrates confirms that they are the one who takes responsibility for action. One acknowledges the action via attesting to the action. To attest reveals not only the action, but also the belief and motivation that creates and engenders the action. Reading the stories allow for both accountability and identity to be identified.

The narrative analysis developed by Ricoeur's framework allows for the identification of the holistic organisation that TSA claims. The official history, narratives, documents and various position papers show an organisation convinced by its own rhetoric that 'heart to God, hand to man' is the correct way of understanding TSA motivation and purpose. The use of stories within the annual reports or reviews directs and allows a reader to see how TSA is meeting social needs. By engaging the reader to see how they have helped and in seeking further help from the reader, the reader is given the opportunity to be part of both the story and the solution. This has been used by TSA from its earliest day so the reader sees the effort taken, and asking for support taps into the impact that the story may have had on the reader.

TSA has claimed that the social service practice is how it has interpreted the commands of Christ to show concern for the less well-off. The concept of practical religion was and is well understood within the Christian community. TSA talk of war was a personal obligation and was institutionalised. TSA history showed social service started as a result of individual activity. The move to organisational response was a result of Booth seeking reform not only of the individual but for

society; however, the reform was as Booth saw it. In moving TSA to social activity Booth tapped into the Victorian morality and thought of helping people less well-off was right and proper to do. The legal structures, even though Booth kept control, separated TSA into two specific entities; one focused on spiritual salvation the other focusing on meeting the physical needs. The modern mission statement reflects the preaching of the gospel in a meeting of physical needs. It can be related to Ricoeur's narrative identity concepts that highlight two elements of identity. The first element that captures part of the identity of an organisation (the *idem* identity) reflects the degree with which the organisational identity absorbs the traits of similar organisations through the requirements that they comply with regulations relating to the relevant type of organisation (for example complying with charities regulations or the specific laws relating to their legal structure or general expectations of Christian organisations). The second element of Ricoeur's identity analysis is the component that creates the distinctiveness of the organisation or the uniqueness of its character (the *ipse* identity). Thus, Ricoeur's framework allows an explanation of TSA because its *idem* identity shows compliance and sameness with other organisations and the *ipse* identity shows the uniqueness of TSA acting according to its beliefs.

Financial statements, annual reports and reviews are part of the story told by an organisation. Within these documents, stories are told that review actions. How these actions are explained draws from the reasons for the action. Within these reports, many interactions are revealed especially when the story involves multiple actors. Within an environment where money is the medium of exchange, how money is utilised in pursuit of action and how it is obtained adds to the story. The money used ties the author into a relationship with the provider of the money. A story revolving around money and other resources (such as volunteer work) creates a relationship based on accountability. How accountability is understood is developed in how the stories are presented. The basic structure for all accountability is the telling the story about action. Accountability is all about how resources are being utilised. Accountability stories draws from the identity of the participants.

Associated with the TSA spiritual service narrative is the financial accountability narrative. Within these narratives there are a number of competing narratives. Following Ricoeur's guidance, the many perspectives that form the narrative are

able to be delineated. Firstly, the TSA financial accountability narrative shows how TSA is meeting its interpretation of pure religion. Throughout the annual reviews, the expression commonly used is meeting needs in the name of Jesus. This claim is reflected by the various territorial commissioners' reviews of any given period as demonstrated in chapter six. The accountability of spiritual service links the current behaviour back to William Booth's 1910 social service address.

A second perspective reflects the efficiency and effectiveness undertaken and achieved by the organisation. Here TSA is quick to reveal the cents in the dollar that goes to the cost of administration and fundraising. As a large service provider, one commonly used metric is the split between fundraising and administration and funds directed to programs. TSA Canadian used this as part of their justification for producing a consolidated financial report.

Within the annual reviews and reports TSA show how it is a good steward of the money and resources received. Another aspect of the financial accounting narrative is the one that is at odds with the holistic work. Within each of the three areas studied, the general claim is that the TSA is the largest, or one of the largest, non-government providers of social services. Within all territories studied the strongest emphasis is on social service. Within the two territories in Australia, the church aspect of TSA is substantially excluded from their annual review and reports and their formal filings with the charity regulator.

Within the perspective of financial accountability, TSA's identity may be understood as a contested identity. The TSA narrative is not clear in its financial accountability as to who is the actor. The division between the church and social is not explicit, and is implied by the legal entity which is reporting. This would not normally be identified by readers of the reports. In terms of accountability TSA appears to have a confused identity construction particularly as its hierarchy stress a unified organisation but continue to employ distinct legal entities for the church and the social services. This is further complicated by church employees operating in both spheres.

Within the narratives of accountability used by TSA, there is a clear link with utilising the funds given according to the directions from donors. The result of The Darkest England Inquiry saw TSA being able to claim that funds raised were spent

on that particular program. The same claim is made today that funds raised are spent in accordance with donor directions. Under charitable trust accounting if there are no specific directions the funds may be spent in pursuit of any declared objectives. Within TSA narrative the general social work is promoted. There is a heavy emphasis on social service – reader support of TSA will continue the work. The narratives minimise the spiritual church side. If a reader responds to the TSA narrative on social service and does not provide explicit direction, TSA can and probably does use the unrestricted funds to support any of its objectives within the spiritual or social areas.

In following the *idem* identity form, TSA meets its legal obligations. Lodgement with government regulators and publishing annual reports for its operations all reveal TSA is similar to any other entity required to meet statutory duties.

In telling the stories of work with individuals or social issues TSA reveals its *ipse* identity – responding according to its beliefs. The stories show the consistency of behaviour such that TSA can claim it is there when it is needed. TSA is able to be identified as the actor providing the help. In using the hermeneutic approach contained within Ricoeur's framework, both the *idem* and *ipse* identity can be delineated.

TSA identity becomes confused due to its form of accountability. If TSA promotes its social service, then given its legal structures is there a need for donors to give explicit directions. This is further complicated by the fact that it undertakes contract social services which may or may not be profitable and the accounts do not normally disclose the results of such activities. The lack of openness, transparency and understandability in its accounts challenges TSA's professed identity. Booth created the dual legal structures to allow choice for donors to direct their support. TSA narratives give the appearance of this choice but the accounting process obscures it.

Accountability is not simply about compliance. Christian accountability covers the explanation for thought, word and deed, it is not meant to be undertaken in a manner that hides or obscures. Accountability requires openness, transparency and understandability – not legal precision. In this sense, it is difficult to understand the tardiness of TSA Canada in producing appropriate reports, or the behaviour of TSA

Sydney in minimizing the Royal Commission impact. The commercial imperatives appear to be more important than Christian beliefs.

Using Ricoeur's framework of narrative identity allows for a deeper understanding of organisational behaviour. In undertaking hermeneutic analysis, placing an organisation within their context a richer view of how they demonstrate their relationship with society emerges. Unlike research that has used other theories like institutional, legitimacy or stakeholder theory to understand accountability practice, Ricoeur's approach allows organisational narratives to incorporate all forms of communication to show accountability. The *idem* accountability reflects what an organisation must do. The *ipse* accountability reflects the uniqueness of the organisation. The *ipse* identity takes the account and reflects the forms of accountability and, thus, makes the account greater than the economic account practice found within the calculative accounting. The reader is able to infer elements of the identity from what the account discloses and what is not said. Within the *ipse* identity, an organisation needs to be able to respond to pressures emanating from society. For churches, the current attack on credibility, trust and relevance sees a need to establish their accountability according to belief as opposed to accountability for funds. Following Ricoeur organisational accounts are part of the practice of living within society – ethics, accounting, narratives combining to ensure organisations actually give a better account rather than simply following rules.

7.1 Research Questions

- Do the public accounting disclosures and various discourses aid in the continuing development of The Salvation Army identity as illustrated by an analysis of three jurisdictions in which The Salvation Army operates?

  > The public accounting disclosures and reporting appears to show that TSA struggles to understand its own identity.

  > Whilst in 19th century England, the early focus of TSA activity was spiritual by the 1890s the focus increasingly became social. Accordingly the use of a narrative started to show the importance of the social service activity as confirmed by Booth in his 1910 address.

Historical analysis of TSA, using Ricoeur's narrative identity, reveals an organisation that shifted in words and actions from its original objective of pure evangelism when it adopted many of its society structures, and reconfigured itself as a champion of a group of people within society and found a social practice and identity which was unique. The utilisation of legal structures and accountability practices meant the earliest history of TSA was open to criticism. The Darkest England inquiry set in place a form of accountability that gradually facilitated social service activity pre-eminence. Social service has become the dominant funding source and attracts the most volunteers and receives the greatest discussion within the TSA financial narratives.

- In the development of The Salvation Army identity, how has The Salvation Army's use of narrative accountability ebbed and flowed over time?

As Railton noted, Booth set up the funding dependency of TSA drawing heavily on public perception and support. Without that support, TSA would have ceased to exist. Consistent with 19th century religious revival, the TSA narrative was about how it aided individuals in achieving personal salvation. As individual TSA members saw and addressed social issues it took Booth until the 1890's to see the value of social service. With the publication of Darkest England in 1890 the social service narrative became institutionalised. By 1910, William Booth acknowledged that the social service was the beachhead for TSA to move into other countries. In the 1920s, with legal disputes over whom the third general would be, specific legislation was passed in Australia specifically to protect the social service property. In the 1980s TSA described itself as movement, as opposed to a church. By 2008, TSA narrative was trying to establish itself as a church, a charity and social service provider. In other words language ambiguity showed TSA was not clear about how to present itself. In 2011, TSA launched the One Army, One Mission initiative to demonstrate that the dual activities really represented one mission as claimed by TSA.

However, in 2013, with the public announcement of the latest General, TSA described itself as a social service organisation.

Accordingly, it is argued that TSA has employed multiple identity constructs throughout its history.

The accountability practice of TSA was always a combination of stories and numbers from the beginning. This reflects Booth's own view of accountability. With the vindication given by the Darkest England Inquiry, the Social Service accountability narrative became formulated.

The founder's narrative versus the current narrative has moved only in terms of degrees of understanding. His ambivalence as to its primary purpose both in theory and in practice is reflected in partially inconsistent legal documents (Acts in various countries and trust arrangements), public statements which suggest one body but in practice reporting on social activities without always acknowledging that this implies two separate bodies whose inter-relationships potentially create conflicts of interest. Shifts in emphasis over time and acknowledged internal disputes as to the fundamental purpose of the organisation also create an impression of an organisation struggling with its self image. Further, the imperative to continuously raise money to support its activities create tensions in that giving too much emphasis to the religious aspects may reduce the availability of donations.

The founder's view that as long as there were controls against fraud, and audits confirmed that, then no further accountability was necessary, seems to have influenced reporting attitudes over time. This failure to acknowledge the need for clearer accounting to reflect the flow of funds between the two entities is part of the reason for the mixed identity message. Throughout its history, TSA has shown itself to be reluctant to embrace modern levels of transparency and accountability and the Christian view of accountability to stakeholders.

- How have the Australian arms of The Salvation Army as represented by the Eastern and Southern territories developed their own forms of narrative accountability?

  Within Australia the TSA disclosures by Sydney and Melbourne are very different in both form and content up until 2014.

  For a number of years, TSA Sydney removed from its website its full accounts. A specific request was required to obtain the once publicly released information. TSA Sydney never explained why it removed the previously publicly released documents. The full financial accounts only returned to the website after the Royal Commission hearings.

  TSA Melbourne provided limited information relating to the institutional response to the allegations of child abuse from 2008. TSA Sydney failed to do so until the 2014 disclosures. As Middleton (2009) showed, TSA Sydney engaged in impression management to minimise the potential damage arising from the abuse allegations. TSA Sydney's response in the financial narrative has been to minimise what and how it discloses its obligations to those affected. The 2014 report is evidence of the continued use of impression management techniques.

  TSA Melbourne has maintained its release of documents to the public throughout the study period and has claimed it is following corporate governance best practices despite it not being legally required to.

  Within TSA Melbourne and Sydney, it is clear that their reports are for social service, the narratives used within these reports are about assisting people. TSA Sydney and Melbourne both state the general work which shows that the church activity of the organisation is not disclosed.

  Both territories use the religious charity classification to not make public disclosures about church activity and funding. Whilst TSA

may argue legally they only have to, or should only disclose social activities, in taking such an approach they are not true to the statement that they are a church which undertakes social activities in support of those religious obligations. Further, as the legal entity it should as good practice disclose inter- relationships with related entities (the church).

Finally, given TSA believes in treating others fairly then this should be reflected in their disclosures in the social activities which failed to adequately protect some children in their care, and, thus, as a consequence of those failures gave rise to actual and potential liabilities which need to be disclosed in the accounts. The lack of appropriate disclosures questions whether the actions of some parts of the organisation to protect its reputation or protect its fundraising priorities were consistent with the primary function of being a church with all its values and priorities. Of course, many other churches facing the same predicament behaved in the same manner.

7.2   *Limitations*

At the beginning of this thesis it was stated that there was some bias as a result of the writer's prior involvement with TSA. This bias has two main aspects, firstly, in understanding the TSA stories as originally the stories were taken at face value. In undertaking the mimetic analysis of what TSA was saying, these were placed within the context of historical, social and economic perspectives. This rereading would be required of anyone seeking a deeper understanding of any text. In the candidate's case multiple readings were necessary to see who the actors were within the stories. As the research developed, it became very clear that the original understanding of the organisation had to be revised.

The second aspect of the bias relates to the writer being a qualified accountant. This aspect of the bias was reflected in what was understood to be accountable. Trained in the calculative practices of accounting initially meant the accounting disclosures were read in accordance with practice rules. In undertaking the rereading envisaged by Ricoeur's framework, the skill in reading stories needed to be developed. Other readers trained in sociology or other social science fields may read the stories and

come to different conclusions. However this simply confirms and conforms to the understanding of mimesis$_1$ which brings to understanding the pre-existing knowledge of the reader.

As this research has only drawn from publicly accessible data, it is probable that different conclusion could be reached if private information was available. As identity is a publicly created phenomenon utilising public documents, this will allow other researchers to look at other perspectives of accountability and narrative. Also, it is a different exercise to consider whether the internal and external images differ. However, given that the internal pronouncements which were made public about internal tensions over the primary objective of the organisation may not have been sighted by all external stakeholders, it is possible that some of them may interpret the identity differently depending on their exposure to information.

In applying Ricoeur's theory, the books and articles used were those that are translated into English. A significant portion of Ricoeur's work was written in French; therefore, there is an issue as to the degree of correctly applying Ricoeur due to the lack of understanding of the original language and or the quality of the published translation.

As acknowledged in the development of a hermeneutic analysis and specifically by Ricoeur himself interpretation, ultimately, is about argumentation. Other people can read the same material, can develop different understandings. That is not a flaw as there is an acceptance and understanding that each person brings to the analysis their own understanding and the challenge of any form of interpretation is whether or not it can be validated.

7.3   Future Research

As Arrington and Francis (1993a) argued the giving of an account is a discursive event and the understanding of the discourse becomes the work of hermeneutical analysis. Utilising Ricoeur's hermeneutic analysis allows an understanding of how organisations function and perform within society. With the increasing use of different styles of reporting, the narratives produced by organisations are becoming more prolific and, therefore, more subject to interpretation and investigation.

With the rise of the Integrated Report[77] there is an increasing emphasis on how an organisation is meeting its objectives through its business model. The Certified Institute of Management Accountants has been at the forefront as to how an organisation can address the issue of dealing with their stakeholders and meeting the challenges of reporting.

In a recent report, the Chartered Institute of Management Accountants (2014), discusses how organisations are attempting to address these issues of engagement with stakeholders. The importance of the organisational narrative to aid in the development of trust is central to the accountability of an organisation being met. This is consistent with Ricoeur's views on identity. The traditional understanding of accountability in terms of purity of financial information is being supplemented by a narrative form of accountability from a wider perspective.

As organisations deal with an increasingly volatile environment, the traditional metric of profit performance is losing its dominance. Traditional accounting practices have failed to capture the challenges organisations face. Organisations are increasingly turning to stories to explain not only their performance but also their engagement with stakeholders. Whether there is a shareholder centric or a stakeholder centric view, organisations need to inform how they are responding to their environment.

This research, therefore, contributes to how these new narratives can be understood and investigated. As illustrated by the figure 7.1 below, the new reporting requires engagement. Traditional financial information focuses on the past; the dominant reporting is predicted to become the stories that explain how the organisation is responding to its critical environments.

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[77] Integrated Report http://integratedreporting.org/

    <IR> is enhancing the way organizations think, plan and report the story of their business.

    Organizations are using <IR> to communicate a clear, concise, integrated story that explains how all of their resources are creating value. <IR> is helping businesses to think holistically about their strategy and plans, make informed decisions and manage key risks to build investor and stakeholder confidence and improve future performance. It is shaped by a diverse coalition including business leaders and investors to drive a global evolution in corporate reporting. Access date: 26 June 2015

Figure 7-1 Long Term Business Success
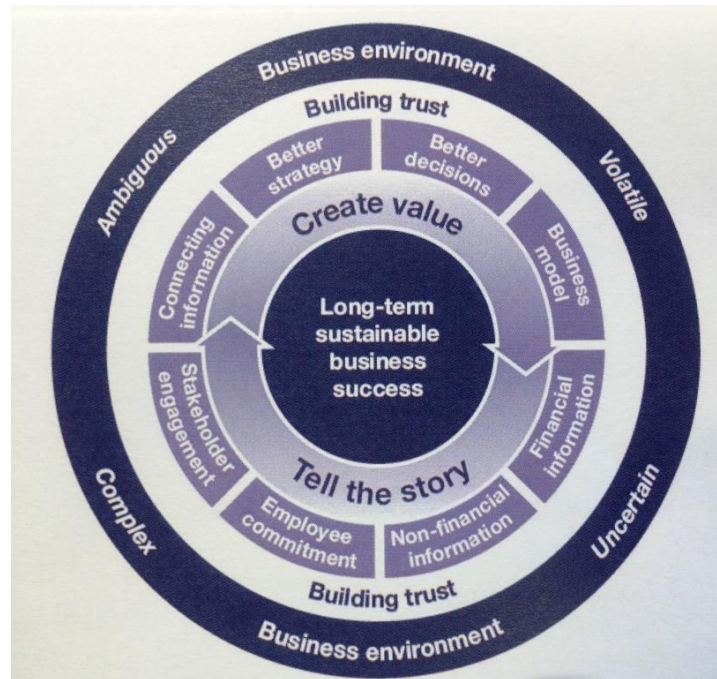
Source: Chartered Institute of Management Accountants 2014, 9

The increase use of narratives by organisations allows narrative analysis to be developed in a richer way. Ricoeur's theories provide a mechanism that will allow rich and deep analysis of corporate behaviour. Stories told will increasingly form how an organisation identifies itself as being part of a solution rather than as a creator of problems. As survivability requires trust to be established and maintained, the narrative analysis will allow for a greater awareness of the reality of the projected image. Contextualising an organisation and undertaking hermeneutical analysis will see the development of an organisations identity construction and whether the identity is acceptable or contested. Accountability will flow from the explanations and not just from financial profitability.

Corporate citizenship is addressed more frequently in these developments. This fits in with the idea of Ricoeur a good life is supported by just institutions and identity is partly shaped by the public's view as to whether the particular organisation meets its social and economic obligations appropriately.

7.4   Conclusion

 A brief discussion of Railton's observation concludes this thesis.

> At the same time it will be found that by his financial plans he has made The Army so largely dependent upon public opinion that, were its beneficent work to cease, its means of survival would at the same time become extinct, so that it could not continue to exist when it had ceased to be a Salvation Army (Railton, 1912 chpt XXII p 138).

TSA has demonstrated over time that it has provided a much needed social support in a manner that cannot be easily be duplicated by government organisations. The success of those social operations has overwhelmed the original religious focus and, as such, has created tensions as to its primary objective or whether it has dual activities. TSA has overcome the original financial vulnerability of the church functions but has replaced it with an equivalent vulnerability as to maintaining the flow of resources to the social work. This has led to protective attitudes towards both the public identity, particularly in the social work arm, and the survival of the church. The consequence of these vulnerabilities has probably been a failure to recognise the need for greater accountability in relation to social work stakeholders and the detailed disclosure of potential and actual conflicts of interests in transfers of resources between the two separate legal entities. In light of the above it is not surprising that the organisation has experienced an identity crisis.

Chapter 8 References and Appendices

8.0 References

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8.1   APPENDIX A

THE FOUNDATION DEED OF THE SALVATION ARMY, 1878

[Inland Revenue Stamp 10s]

TO ALL TO WHOM THESE PRESENTS SHALL COME I William Booth of 3 Gore Road Victoria Park Road Hackney in the county of Middlesex Minister of the Gospel the founder and General Superintendent for the time being of The Christian Mission Send Greeting.

Whereas in the year 1865 the said William Booth commenced preaching the Gospel in a tent erected in the Friends Burial Ground Thomas Street in the parish of Whitechapel in the County of Middlesex and in other places in the same neighbourhood.

And whereas a number of people were formed into a Community or Society by the said William Booth for the purpose of enjoying religious fellowship and in order to continue and multiply such efforts as had been made in the tent to bring under the Gospel those who were not in the habit of attending any place of worship by preaching in the open air in Tents Theatres Music Halls and other places and by holding other religious services or meetings.

And whereas at the first the said Society was known by the name of the East London Revival Society and afterwards as the East London Christian Mission.

And whereas other Societies were afterwards added in different parts of London and a Society Was also formed at Croydon.

And whereas the name of these united Societies was then altered to that of " The Christian Mission."

And whereas divers halls or Meeting-houses School-rooms Vestries lands buildings and appurtenances situate lying and being in various parts of Her Majesty's dominions and elsewhere have been or are intended to be and hereafter may be given and conveyed to certain persons in such gifts and conveyances named and to be named upon trusts for the purposes therein and herein mentioned or any of them and generally for promoting the objects
of the said Christian Mission under the direction of the General Superintendent.

And whereas in order to render valid and effectual such trusts to remove doubts and prevent litigation in the interpretation thereof or as to the terms used therein to ascertain what is the name or title and what are and what shall be for ever the

doctrines of the said Christian Mission and also in order to preserve the system of the said Christian Mission generally by means of a General Superintendent it has been deemed expedient to make and execute these presents.

Now these presents witness that for the purposes aforesaid I the said William Booth Do hereby declare :-

Firstly: That the name style and title by which the said religious community or mission hereinbefore described hath during the last nine years been called known and recognised is " The Christian Mission."

Secondly: That the religious doctrines professed believed and taught by the Members of the said Christian Mission are and shall for ever be as follows :-

1. We believe that the Scriptures of the Old and New Testaments were given by inspiration of God and that they only constitute the Divine rule of Christian faith and practice.
2. We believe there is only one God who is infinitely perfect the Creator Preserver and Governor of all things and who is the only proper object of religious worship.
3. We believe that there are three persons in the Godhead the Father the Son and the Holy Ghost undivided in essence and co-equal in power and glory.
4. We believe that in the person of Jesus Christ the Divine and human natures are united so that He is truly and properly God and truly and properly man.
5. We believe that our first parents were created in a state of innocency but by their disobedience they lost their purity and happiness and that in consequence of their fall all men have become sinners totally depraved and as such are justly exposed to the wrath of God.
6. We believe that the Lord Jesus Christ has by His suffering and death made an atonement for the whole world so that whosoever will may be saved.
7. We believe that repentance towards God faith in our Lord Jesus Christ and regeneration by the Holy Spirit are necessary to salvation.
8. We believe that we are justified by grace through faith in our Lord Jesus Christ and that he that believeth hath the witness in himself.
9. We believe that continuance in a state of salvation depends upon continued obedient faith in Christ.
10. We believe that it is the privilege of all believers to be " wholly sanctified " and that " their whole spirit and soul and body " may " be preserved blameless unto the coming of our Lord Jesus Christ " (I Thess. v. 23).
11. We believe in the immortality of the soul in the resurrection of the body in the general judgment at the end of the world in the eternal happiness of the righteous and in the endless punishment of the wicked.

Thirdly: That the said Christian Mission is and shall be always hereafter under the oversight direction and control of some one person who shall be the General Superintendent thereof whose duty it shall be to determine and enforce the

discipline and laws and superintend the operations of the said Christian Mission and to conserve the same to and for the objects and purposes for which it was first originated.

The General Superintendent shall have power to expend on behalf of The Christian Mission all monies contributed for the general purposes of the said Christian Mission or for any of the special objects or operations thereof but he shall annually publish a Balance Sheet (duly audited) of all such receipts and expenditure.

The General Superintendent shall have power to acquire by gift purchase or otherwise any Hall or Meeting-house Schoolroom Vestry land building and appurtenances and any seats fittings furniture or other property whatsoever which may in his judgment be required for the purposes of the said Christian Mission and to build upon such land or alter or pull down any such buildings and to hire on lease or otherwise any land or buildings and to lend give away let sell or otherwise dispose of any such property land or buildings as he may deem necessary in the interests of the said Christian Mission wherein all Trustees shall render him every assistance and he may in all such cases as he shall deem it expedient so to do nominate and appoint Trustees or a Trustee of any part or parts respectively of such property and direct the conveyance or transfer thereof to such Trustees or Trustee with power for the General Superintendent to declare the trusts thereof and from time to time if it shall seem expedient to him so to do to revoke any such trusts or the appointment of such Trustees or Trustee and upon such revocation the same property shall be conveyed or transferred to such person or persons and upon such trusts as he may direct but only for the benefit of the said Christian Mission.

Fourthly: That the said William Booth shall continue to be for the term of his natural life the General Superintendent of The Christian Mission unless he shall resign such office.

Fifthly: That the said William Booth and every General Superintendent who shall succeed him shall have power to appoint his successor to the Office of General Superintendent and all the rights powers and authorities of the Office shall vest in the person so appointed upon the decease of the said William Booth or other General Superintendent appointing him or at such other period as may be named in the document appointing him.

Sixthly: That it shall be the duty of every General Superintendent to make in writing as soon as conveniently may be after his appointment a statement as to his Successor or as to the means which are to be taken for the appointment of a Successor at the decease of the General Superintendent or upon his ceasing to perform the duties of the office such statement to be signed by the General Superintendent and delivered in a sealed envelope to the Solicitor for the time being of The Christian Mission but such statement may be altered at will by the General

Superintendent at any time during his continuance in office upon a new statement being signed by him and delivered as before mentioned to such Solicitor as aforesaid.

In witness whereof I the said William Booth hath [sic] hereunto subscribed my name and affixed my Seal this seventh day of August in the year of Redemption One thousand eight hundred and seventy-eight.

Signed Sealed and Delivered by the said William Booth WILLIAM BOOTH Seal

in the presence of:

THOS WHITTINGTON
3 Bishopsgate Street Without, Solr.
J. E. BILLUPS

This Deed was duly presented to and approved by the persons assembled at a General Meeting of the Christian Mission held at 272 Whitechapel Road in the county of Middlesex.

And we the undersigned William Booth and George Scott Railton do hereby in the name of The Christian Mission set our hands hereto in ratification of and for perpetuating testimony of this Deed.

Dated this same 7th day of August 1878.

Witnesses to both signatures
THOS WHITTINGTON
J. E. BILLUPS

General Superintendent
WILLIAM BOOTH

G. S. RAILTON
Secretary of The Christian Mission

Enrolled in the High Court of Justice (Chancery Seal of the Division) the 13th day of August in the year of our Enrolment Office in Lord 1878 (being first duly stamped) according to Chancery the tenor of the statutes made for that purpose.

72 p

GEO. THOS. JENKINS,

C.R.W.

BE IT REMEMBERED and entered as of Record that Whereas the Society called and known previously to the end of the year One thousand eight hundred and seventy-eight as "The Christian Mission" was on or about the first day of January One thousand eight hundred and seventy-nine with a view to the more beneficially extending of its operations renamed and has been since that time and is now usually known as "The Salvation Army".

Now I William Booth the General of The Salvation Army (and also the General Superintendent of The Christian Mission) do hereby by virtue of all and every powers and authority in me vested declare that the said Society formerly known and in the within written Deed described as The Christian Mission is now and is intended to be hereafter called and known or described for all public purposes of its operations as "The Salvation Army" and that the expression "The Christian Mission" in the within written Deed contained shall be taken to mean "The Salvation Army" and that everything in the within Deed contained relating or referring to The Christian Mission shall be taken as relating or referring to " The Salvation Army".

In witness whereof I have hereto set my hand this twenty-fourth day of June One thousand eight hundred and eighty.

WILLIAM BOOTH
Seal of the Supreme Court of judicature, Central Office, Enrolment Department

Witness, THOS. WHITTINGTON

Enrolled in the Central Office of the Supreme Court of Judicature the twentieth day of April in the year of our Lord 1906.

42 P Fos. 4. 4/-

Source of this version:

http://www.salvationarmy.org/heritage.nsf/titles/1878_Foundation_Deed_Of_The_Salvation_Army   access date 8 January 2010

8.2 APPENDIX B

Most erroneously and unfairly it has been widely assumed that the great work of The General was the establishment in the world of some Social Institutions. Happily, we have got a verbatim report of an address to his Social Officers gathered around him a year before his death in which we have a complete statement as to the beginnings and principles of the work, so that we can see exactly how he wished it to be regarded.

1. By the Social Work, I mean those operations of The Salvation Army which have to do with the alleviation, or removal, of the moral and temporal evils which cause so much of the misery of the submerged classes, and which so greatly hinder their Salvation.

2. Our Social Operations, as thus defined, are the natural outcome of Salvationism, or, I might say, of Christianity, as instituted, described, proclaimed, and exemplified in the life, teaching, and sacrifice of Jesus Christ.

Here I would like to say that Social Work, in the spirit and practice which it has assumed with us, has harmonised with my own personal idea of true religion from the hour I promised obedience to the commands of God.

To help the poor, to minister to them in their slums, to sympathise with them in their poverty, afflictions, and irreligion, was the natural outcome of the life that came to my soul through believing in Jesus Christ.

Before many days—nay, before many hours—had passed after my conversion, I was to be found praying in the cottages in the working−class quarters of the town in which I lived, talking in the slums, comforting the dying, and doing, so far as I knew how and had ability, what seemed to me most likely to help the poor and miserable classes, both for this world and the world to come.

3. But Social Work, as a separate entity, or department of the Kingdom of Jesus Christ, recognised, organised, and provided for, had to wait for The Salvation Army.

For many years after the commencement of my public work, during which time I had, as opportunity served, helped the poor in their distress, I was deterred from launching out to any great extent in this direction by the fear so commonly entertained that by relieving their physical necessities I should be helping to create, or at any rate to encourage, religious hypocrisy and pretence.

All this time, nevertheless, I felt, and often keenly felt, that there surely must be some way by which, without any evil consequences, I could legitimately fulfil the cravings of my own heart, as well as comply with the commands of my Lord, who had expressly told me that I was to feed the hungry, clothe the naked, care for the sick, and visit the prisoners. For a long time, however, I failed to see how this work could be done in any organised or extensive manner.

Gradually, however, the way opened, and opened largely, as a result of our determination to make the godless crowds hear the message of Salvation.

I said, "They shall hear; we will make them hear; and if they won't hear in any other way, we will feed them, and accompany the food we give them with the message to which they so determinedly turn a deaf ear." In the very earliest days of The Army, therefore, in order to reach the people whom we could not reach by any other means, we gave the hungry wretches a meal, and then talked to them about God and eternity.

4. Then came the gradual unfolding of our Social methods, which have been so remarkably successful. My dear wife's heart had been particularly drawn out on behalf of the fallen outcasts of society, who, often more sinned against than sinning, appealed peculiarly to her large and tender sympathies. More than once she found opportunity for extending help to individual cases of misfortune, obtaining homes amongst her friends for some of the children, and assisting the poor mothers to win their way back to virtue.

But it was not until the end of 1883, or thereabouts, that anything like a systematic effort in this direction was organised on their behalf. Touched by the helpless and pitiable condition of some poor girls who had sought Salvation at the Corps at which, with her husband, she fought as a Soldier, a baker's wife, living in one of the most wretched streets in Spitalfields, took the girls, in distress and trouble, into her own home. Before long it was crowded to its utmost capacity, and still other women were clamouring for admission. She implored us to help her, and we engaged and opened a house as our first Rescue Home, placing it under the direction of Mrs. Bramwell Booth.

The breaking forth of the same spirit in different directions in other lands quickly followed.

At about this time our first Prison Rescue Brigade, in the Colony of Victoria, was organised by the late Colonel Barker. So striking was the success attending his effort that, before many months had passed by, magistrates in the city of Melbourne were actually giving delinquents the option of being sent to prison or to our Prison−Gate Home, and the

Government placed the former Detective Police Building at our disposal, at a nominal rental.

Not only does the genuine Christian spirit carry the soul out in sympathy with misery, but it often leads it to prefer certain particular classes of sufferers or wrongdoers, on whom to lavish its self−sacrificing love, and restlessly spend itself in efforts for their benefit. In the case of one Salvationist, it will be the dying; in another the daughters of sin and shame; in another the homeless; in another the children, and in yet another the drunkards.

With Colonel Barker, as with other comrades under our Flag to−day, it was the criminals. This spirit thrives and becomes more effective by what it feeds upon. It must, therefore, be wise to favour its preferences, so far as it is possible to do so without losing sight of the well−being of the whole.

We did this with Colonel Barker, and we are acting on the same principle with others to−day. Then came our first Women's Rescue Home in Melbourne, to help us in the establishment of which the Colonial Government gave £1,000. It was upon foundations of this character that our Social Operations in New Zealand, France, South Africa, and several other countries were subsequently built up.

For years past our Officers, men and women, both in the United Kingdom and elsewhere, had carried on what may be spoken of as an unorganised form of Slum Work; but it fell to the hands of my glorified daughter, the Consul, to institute, in London, what was then and for some time afterwards known as "the Cellar, Gutter, and Garret Brigade"—the forerunner of scores of Slum Posts, which are now such a recognised feature of our operations all over the world.

Our first Men's Shelter was opened in Limehouse, London, during the winter of 1887−8, and was soon followed by the opening of similar Institutions in other countries, far−off and near at hand. From our earliest days drunkenness had been one of the many foes of God and man against which we had specially taken our stand, and thousands of its slaves had been rescued from its grip, and become valiant Soldiers in our ranks. Our first Inebriates' Home, conducted in the interest of women, was not, however, opened until 1887. This was in Toronto, Canada.

The Social Work in the United States had its birth in 1885, in an effort made on behalf of prisoners at Hartford, Connecticut. Similar efforts followed in other cities, and Rescue and Industrial Homes, Shelters, and Farm Colonies followed on in due course.

All these enterprises and many others, to which I have not time now to refer, were prior to the publication of "In Darkest England and the Way Out," and had, no doubt, a powerful influence in inspiring that volume. Since then one branch or other of Social Work has been commenced in every country in which our Flag is flying.

Notwithstanding the satisfaction produced by these and kindred efforts in my own mind, and in the minds of those immediately associated with me, and although the results were truly remarkable, and the possibilities seemed to be still more wonderful, the beginnings of these Social enterprises attracted comparatively little notice.

The New Movement—for thus I may describe it—which, with half an eye, thoughtful men might have seen to be pregnant with blessings for the whole world, was almost unnoticed by either the Authorities or the Press; while our supplies of men and money for its conduct and extension were very limited. Suddenly, however, the scene was changed, and, all at once, everybody was asking, "What is The Salvation Army?" "Who is General Booth?" and "What is this Social Scheme?"

This change was largely brought about by the publication of "In Darkest England and the Way Out," together with the notices of the Scheme in the Press which it brought about.

Judged by the effect produced, the book was certainly a remarkable one. In the first place it had a title which, in a striking manner described its character. Everybody wanted to see it, and, as a result, it was sold, lent, read, thought about, and talked about in every direction. Nearly a quarter of a million copies were sold. The profits from the publication and sale amounted to about £20,000, of which sum I had the privilege of handing over £5,380—which might have been considered rightfully to accrue to me personally as the Author—to the fund devoted to the promotion of the object for which the book was published.

In its pages I propounded those Schemes which I thought would prove most successful in alleviating the terrible misery I had described, and in rescuing some, at least, of the sufferers from the conduct that produced it.

In order to set the Scheme in motion, I asked the public to give me £100,000, and a further £30,000 per annum to maintain it. I can never forget the morning that directly followed the appearance of the volume. I was, of course, in ignorance of what the nation would think or say about it. I had made plans for the book to be delivered to the newspapers at one and the same time, and, regarding the Press as being to some extent the voice of the people, I was anxious to hear what that voice would say.

I was not kept long in suspense. As I ascended the stairs at Headquarters that morning, a gentleman with a countenance beaming with kindness and anxiety met me. I do not think he had ever seen me before, and I was certainly in complete ignorance of him.

"General Booth, I believe?" he said.

"Yes, sir," I answered.

"I have been reading the critique in The Times of your Darkest

England Scheme," he said, "and, believing your plan to be right and good, I want to be the first to express my sympathy and practical assistance in carrying it out, and I wish to give you the first £1,000 towards the sum asked for."

This gentleman proved himself a firm friend of the Scheme, actively co−operating with us so far as he had opportunity. A short time afterwards our friend was present at the opening of our first London Ex−Prisoners' Home. When I had finished speaking he expressed a wish to say a few words. I invited him forward for that purpose. He came, hurried and excited, began to speak, staggered, reeled, fell into my arms and immediately expired. It may be truly said that he died calling down blessings on the Darkest England Scheme.

After meeting this gentleman on the stairs, I had scarcely sat down at my desk, with his cheque in my hand, before a telegram was handed me, from one of the most influential newspaper proprietors in the city, expressing a similar hope, and promising a similar amount for its realisation.

But along with these cheering expressions of approbation there came the invariable murmuring objections. One of these strove to minimise the value of the effort, by arguing that it was only an attempt to extend The Army's religious influence. People said they would be willing to help if all religious and propagandist motives were eliminated from the Scheme.

One night a gentleman was announced as wishing to see me. He declined to give his name, and the only description of him I could gain was that he was a prominent member of the Stock Exchange. "I want to ask you one question—only one," he said, upon entering my office, "about this Social Scheme of yours." "All right," I replied, "as many as you like."

"Well," he continued, "I want to know whether you are going to give religion alongside your other benefits to these people whom you seek to help? I am not a religious man myself. I am not saved, and never shall be— I am a lost soul; but there is no reason why these poor wretches should not have religion; and if you will give them religion, I will help you."

"Yes," I answered, "we will give them religion. While we won't refuse to help them because they are irreligious—but, on the contrary, will take in the vilest and the worst—we will give them all as much religion as we can."

"I will help you," he answered, as he handed me Bank of England notes for £500.

He came to see us again and again, proving for the time being a generous friend. Then he disappeared. In a very short time, and in the readiest and most kindly manner, £104,000 were subscribed. But, alas! only a very small proportion of the £30,000 that was asked for annually was forthcoming.

In this, as in many other similar cases, I have found that whilst the public will be ready—nay, eager—to embrace a new thing, they soon get tired of it, run after some other novelty, and leave you largely to struggle for its continuance, as best you can.

5. It is enough here to state that the results at the onset were remarkable. Amongst others four, which might have been expected, were immediately realised:—

(a) The first was the bringing into public view the ocean of tears, misery, and evil which was rolling around us in every direction.

(b) Another result was that people everywhere were awakened from their selfish lethargy, to look upon these waters of tribulation, and were amazed to find the depth, the darkness, and the despair with which they rolled forward, as well as the damnation to which they invariably led.

(c) A further effect was that a large number of people were won over to care for the class whom it was proposed to benefit, and to believe in the possibility of the Scheme being realised. Many of these proved permanent friends of our Social Operations.

(d) Yet another effect was that the fountains of compassion broke out in the hearts of large numbers of individuals, and led them to make similar efforts. Everywhere the call was sounded to labour for these poor lost people, and instances were adduced which showed that their humble toil was productive of very striking results.

But until now nothing, or next to nothing, had been done to stop this rolling river, or deliver those perishing in its waters, because everybody had felt helpless in the presence of the enormous evil.

But here, now, were results of sufficient magnitude to convince those who became interested in the matter that, by the employment of the methods set

forth in "In Darkest England and the Way Out," something permanently effective might be accomplished.

On the other hand, others, as might have been expected, who had never manifested any particular interest before, either for or against, now came out openly as our enemies, and a stiff fight followed, out of which the Social Operations, although in their infancy, may be said to have emerged victorious.

One of the results of this conflict of opinion was the "Darkest England" Inquiry.

The preparation of "In Darkest England" will for ever remain remarkable in my own memory, as it was mostly written and corrected in the adjoining chamber to that in which my dear wife was suffering those awful agonies associated with the disease which finally carried her away.

The spirit which originated and controlled the Social Work had been, pre−eminently, the spirit of her religion. She certainly was the most practical exponent of the Christianity of which I have been speaking that it was ever my lot to meet. It was her religion; she preached it with natural eloquence and remarkable skill; and, in life and death, she exemplified it.

From that day to this the history of the Social Work has been one of steady progress and of surpassing interest, and I have sometimes wondered whether any movement, based so solidly upon principles of permanence, and so calculated to bless the classes for whose benefit it was, by the Providence of God, called into being, has ever existed within the memory of men.

Now what has come out of this beginning?

1. Here is a list of the various Social enterprises we have in hand. I do not vouch for its completeness; but, anyway, we have here a goodly number of schemes for the benefit of the poor and friendless already in active and useful operation:—

(a) For the Starving, we have—

      i. Children's Free and Farthing Breakfasts.

      ii. Midnight Soup and Bread Brigades for the Homeless.

      iii. Cheap Food Depots.

      iv. Special Relief Funds for cases of Special Destitution.

      v. Old Clothes' Depots for Slum Families.

      vi. Poor Men's Hotels,

vii. Cheap Grain Stores.

viii. Famine Loan Fund for Destitute Indians.

(b) For the Drunkards, we have—

i. Drunkards' Brigades.

ii. Midnight Drunkards' Brigades (of use also in any sudden emergency—Fire, Flood, etc.).

iii. Drunkards' Advice Bureaux.

iv. Homes for Inebriates—Men and Women.

(c) For the Paupers, we have—

i. Workhouse Brigades.

ii. Salvation Guardians of the Poor.

iii. Pauper Colonies.

iv. Pauper Transportation.

v. Labour Bureaux,

vi. Homes for the Aged.

(d) For the Unemployed, we have—

i. Labour Bureaux—Men and Women,

ii. Industrial Homes.

iii. Labour Wood Yards.

iv. City Salvage Brigades.

v. Workshops.

(e) For the Homeless, we have—

i. Midnight Scouts.

ii. Shelters for Men and Women.

iii. Metropoles.

(f) For the Criminals, we have—

i. Prison Visitation.

ii. Police−court Work.

iii. Prison−Gate Work.

iv. Probationary Police.

v. Correspondence Bureaux.

vi. Ex−Criminals' Homes.

vii. Criminal Settlements

(g) For the Daughters of Shame, we have—

i. Visitation of Streets, Brothels, Yoshiwaras, Clubs, etc.

ii. Midnight Meetings.

iii. Receiving Homes.

iv. Rescue Homes.

v. Factories, Laundries, etc.

vi. "Out of Love" Funds.

vii. Service Girls' Brigades.

viii. Shepherding Brigades.

ix. Maternity Homes.

x. Investigation and Detective Department.

(h) Slum Work. We have—

i. Visitation.

ii. First−Aid Brigades.

iii. District Nursing.

iv. "Poorest of the Poor" Aid.

(i) For the Sick, we have—

i. Visitation.

ii. Hospitals.

iii. Dispensaries.

iv. Village Dispensing,

v. Leper Hospitals,

vi. Maternity Nursing.

(j) For the Lost, we have—

i. Inquiry and Correspondence Bureaux.

ii. Legal Assistance.

(k) Prevention and Protective Work for Young Girls. We have—

i. Servants' Homes.

ii. City Institutes.

iii. Theatrical Girls' Home.

iv. Registries.

v. Students' Homes.

(l) Anti−Suicide Bureaux. We have—

i. Advice Department.

ii. Loan Department.

(m) The Home League.

(n) Land Schemes. We have—

i. Emigration.

ii. Home Colonisation.

iii. Colonisation over the Sea.

iv. Lands and Farm Colonies.

v. Small Holdings.

(o) Deep Sea Brigades. We have—

i. Mission Boats.

ii. Life−boat.

(p) Training Colleges.

(q) Students' Homes.

(r) Working−Men's Association.

(s) Village Banks.

The total number of our Social Institutions is now 954.

The value of properties, etc., held for the use of our Social Operations is:—

At Home (U.K.)   £228,000

In other Countries   £747,000

Total   £975,000

2. In the history of the Social Work, nevertheless, there have been, as you will know, any numbers of shortcomings. We have not realised all our expectations, nor fulfilled all our dreams. It was not to be expected that we should. This is an imperfect world; the Movement has been imperfect, and the people who have carried it on have been imperfect also. Consequently, it is only natural that we have had imperfect results.

(a) Many things have been calculated to cause these shortcomings.

For example:—

i. There has been a great lack of direct aim at the true goal of our Social Work on the part of some Officers who have been engaged in its direction. Some of our comrades have been content with a "soup−and−blanket" regime. That is to say, they have too often been satisfied with the alleviation of the miseries of the hour, and have stopped short of the removal of the evils that have caused the poverty, vice, and agony from which the sufferings sprang.

Consequently, the work, being superficial, has in some cases only had superficial and temporary results. You get out of a thing as much as you put in—and no more, and that, not only in quantity, but in quality. If you go in for root−and−branch efforts, you will get root−and−branch results. ii. Another cause of our shortcomings has been the lamentable fact that some of our Officers have been deficient in personal religion.

Our Social Work is essentially a religious business.

It can neither be contemplated, commenced, nor carried on, with any great success, without a heart full of pity, and love, and endued with the power of the Holy Ghost.

iii. Another of our difficulties has been the scarcity of suitable people for carrying the work on. This was also to be expected. If we had been content with hirelings, and had sought them out from among the philanthropies and Churches, we should have found plenty in number, but it is equally certain

we should have had considerably more doleful failures than those we have experienced.

We are not only making but are now training the Social Officers, and we shall doubtless improve in this respect, whilst the work they turn out will be bound to improve proportionately.

iv. Then again a further reason for our shortcomings has been our shortness of money.

This need unfortunately is not passing away, as you will all well know. But I suppose some of you have come from distant lands with bags of francs and dollars to present The General with an ample supply of this requirement. He thanks you beforehand.

(b) Nevertheless, and notwithstanding all our shortcomings, the position now occupied by our Social Operations, and the influence exercised by them on the great and small of the earth, is in evidence in every Continent and on every hand.

There is no doubt that the world, as a whole, feels much of the admiration and gratitude which the Press lavished upon me on my recent Birthday—admiration which was assuredly intended not only for myself, but for The Army as a whole, and not only for The Army as a whole, but for its Social Workers in particular.

1. And now, in conclusion, let me summarise a few of the advantages which have flowed out of the Social Work, and which will continue to flow out of it as long as time rolls on.

(a) The first benefit I will mention is The Salvation of thousands of souls.

(b) The world has been further benefited by the knowledge of Salvation spread throughout every part of the habitable globe.

(c) The world has been further benefited by the Conviction that has been brought to governmental, philanthropic, and religious agencies, as to the duty they owe to the classes we seek to benefit.

(d) The world has been further benefited by the sympathy created in the hearts of royal personages, scientists, literary people, and the Press generally; indeed, in every class and grade of mankind.

(e) The world has been further benefited by the removal of misery on such an extensive scale as had never even been dreamed of as possible.

Think of the multitudes who, by our operations, are daily saved from starvation, vice, crime, disease, death, and a hundred other nameless woes.

In some of the principal cities in Italy, Holland, Germany, and elsewhere, visited during my recent Continental Campaign, I have been looked upon with unspeakable satisfaction and enthusiasm as The General of the Poor, and The Salvation Army has been regarded as their friend.

(f) The world has been further benefited by the help which our Social Operations have afforded to the Field and other Departments of The Army all over the world.

(g) The world has been further benefited by the confidence the Social Work has created in the hearts and minds of our own people—both Officers and Soldiers—as to the truth and righteousness of the principles and practices of The Salvation Army.

(h) The world has been further benefited by the answer which the Social Work constitutes to the infidel's sneers at Christianity and the assertion of its effeteness.

Truly, our future chroniclers will have to record the fact that our Social Operations added a celestial lustre and imparted a Divine dignity to the struggles of the early years of The Salvation Army's history.

To our own eyes in The Army, however, that which has been done in connexion with the Institutions is only a very insignificant part of the whole effect produced. Until the present movement all over the world in favour of the betterment of the social condition of the masses of the people has had time to accomplish definite results, our Institutions may yet have a good work to do.

But the great work The General did in this connexion was the restoration to men's minds of the Saviour's own view that we owed to every man every care that a truly brotherly heart must needs bestow. That principle, as The General pointed out, had always been acted upon, as best it could be, from the beginning, and is daily acted upon to−day, wherever The Army exists.

Source: RAILTON, G. S. 1912. The Authoritative Life of General William Booth. London: George H Doran company. Pages 116-125 (direct copy)