

**The impact of certain contextual
variables on the perceived
effectiveness of a hospital's
management control system**

Peter Colin Vaughan

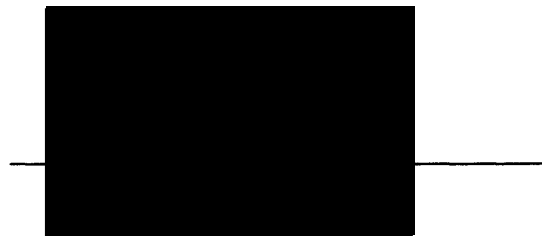
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Declaration

I hereby declare that, except where references to the work of others is made in this dissertation, this dissertation is entirely my own work and that none of it has been submitted for any degree to any university.



Peter Colin Vaughan

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ABSTRACT

The contingency and institutional theories of management accounting suggest that certain contextual factors can lead to a change in the perceived effectiveness of an organisation's management control system. This paper seeks to extend these theories by examining the influence of certain contextual factors in a non-profit organisation. Recent changes in the organisational structure of Australian public hospitals have raised the question of the influence of certain variables on the perceived effectiveness of a public hospital's management control system. Four factors were thought to influence this perception. These were the funding method, the hospital's service diversity and the management and professional orientation of the hospital's chief executive officer. Support was found for the influence of two of these factors. The analysis found support for a relationship between the management orientation of the chief executive officer and the perceived effectiveness of a public hospital's management control system. The analysis also found support for a relationship between the type of funding method and the perceived effectiveness of a public hospital's management control system.

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