

Proposal of Ciriec Working Group on

Governance and accountability (Governability) of multiple values of municipal corporations

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Municipal corporations (MCs) have been adopted in different parts of the world to provide local public services (such as infrastructure, utilities, education, health care, cultural and social services) under the influence of New Public Management (NPM) doctrines and related neoliberal ideologies (Thynne, 1994; Grossi and Reichard, 2008). MCs can be considered hybrid organisations as they are organisational arrangements that use resources, governance structures and accountability mechanisms derived from public and private sectors with divergent aims and actors (Bruton et al., 2015; Thomasson, 2009).

The choice of delivering public services at arm's length from local government through MCs, is an increasing trend (Argento et al., 2010; Grossi and Reichard, 2008; Voorn et al., 2017). While we are understanding more about reasons (Andrews et al. 2019) and effects (Voorn, Van Genugten, and Van Thiel 2020) of this trend, we know little about the hybridity of MCs and their ability to generate multiple values (Thomasson, 2009; Grossi and Thomasson, 2015). In this respect, value pluralism in society may be facilitated by hybrid forms of governance and organisations (Vakkuri and Johanson 2018; Thornton et al. 2012). Indeed, MCs involve many different political and professional actors who may have divergent and sometimes mutually inconsistent goals, interests and values (Thomasson, 2009). MCs should be able to accommodate multiple values of public organisations (societal, human and public values) and profit organisations (such as financial, commercial viability, efficiency, performance, innovation and growth) (Grossi and Thomasson, 2015). In our view, MCs are likely to remain an important instrument in (local) government's toolbox for societal and public value creation (Voorn, 2022).

Government has a unique role to play as a guarantor of public values, but citizens, as well as businesses, hybrid and non-profit organisations, are also crucial as active public problem solvers (Bryson et al. 2014). Especially, considering how current challenges related to wicked issues as climate change and migration require that actors from different sectors come together and through innovation find new ways to not only meet current challenges but also to create public value (Thomasson and Wigren-Kristofersson, 2020; Grossi et al., 2021). Public values are determined by broad and inclusive dialogue and deliberation informed by evidence and democratic values (Moore 1995).

In the case of MCs hybridity exists not only in the range of values espoused and practised by organisations, but also in term of missions, identities, processes, actions, activities, practices, and roles of different actors such as politicians, managers, street-level bureaucrats, board members, professionals, controllers, auditors, and accountants who may be enveloped in various hybrid settings, contexts of government and multi-faceted interfaces between public and

private sector (Denis et al., 2015). Previous research in hybrid organisations states that the development of governance and accountability practices is complicated because actors may have divergent values and thus interpret the organisational mission differently making hybrid organisations complicated venues for understanding, valuing and disclosing results (Greiling and Spraul, 2010; Grossi and Thomasson, 2015; Thomasson et al., 2021).

The multiplicity of values is also seen as an opportunity for the development of governance and accountability practices in these hybrid settings. However, also underline that when many actors with different values have the possibility of collaborating to define performance measurement, they are able to provide a broad picture of their performance, rather than the point of view of a limited number of actors. The existence of multiple actors and values are, therefore, not only a source of contrast but also may create opportunities for governance and accountability. In our view, values created by MCs responsible for public programs and services should not be purely evaluated based on short-term economic results (profit and loss account), but more widely on how they contribute to public value creation, taking an integrated, and holistic view of their long-term societal impact (Argento et al, 2017; Voorn et al., 2020; De Waele et al., 2021; Grossi et al., 2021).

Scant attention has been paid by previous scholars to how different actors and their individual values affect goals in MCs as hybrid organisations and their role in the development of governance and accountability practices (Grossi et al., 2017). Nevertheless, there is still limited research explicitly focusing on the role of the different actors in the design and implementation of governance and accountability practices in hybrid organisations (Skelcher and Smith 2015). Therefore, future research would likely benefit from studies inside MOCs as hybrid organisations (Pache & Santos, 2013; Seibel, 2015), seeking more in-depth insights into internal governance and accountability practices rather than investigations based 'from the outside' or on interpretations based on what is written in different formal documents (Grossi et al., 2017).

With this Ciriec Working Group, we aim to improve the theoretical and practical understanding of the drivers, obstacles, and tensions for value creation and the accounting implications in MOCs. The aim of this Working Group is to explore the role of governance and accountability practices to disclose multiple values created by MCs, with a particular focus on the societal and public values. We encourage theoretical, conceptual and empirical submissions from different institutional contexts and by scholars across disciplines. Interesting topics for the papers include but are not limited to the following issues:

- How can we conceptualise, evaluate, and measure the multiples values, and performance of MCs?
- How do multiple values shape governance and accountability practices, and reversely, in MCs?
- How do governance and accountability practices aim to cope with the multiplicity of values in MCs? How can governments ensure that societal and public values and value creation are protected?
- How do corporate actors (i.e. board members, auditors, controllers, CSR managers, etc.) work to create governance and accountability practices in MCs? How is it possible to protect the public value in a context with multiple values and actors?
- How can citizens and other stakeholders be involved to create dialogic and compromising governance and accountability practices in MCs?
- What are the effects of hybridity of MCs on value creation and the forms of accounting and accountability practices?

We are also open to more critical reflection, conceptual, historical and empirical pieces, which fit the underlying general theme of this Working Group.

Provisional timetable:

- 30, April, 2022: expression of intention to participate in the working group
- summer/early September: online workshop to discuss the call in more detail and for discussing first ideas of the participants based on 2-page abstracts
- 2023: The panel chairs will organise a panel at an international Public Sector Management Conference in 2023 and launch of a call for papers for a Special Issue in a high impact journal to be published in 2024.

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