

A CASE OF AN ACCOUNTANCY STUDY PROGRAMME IN SRI LANKA TO IMPROVE RELEVANCE AND QUALITY OF UNDERGRADUATE EDUCATION: A NEW DIMENSION ON INSTITUTIONAL VIEW

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ABSTRACT

The quality enhancement of undergraduate education is presently, a much discussed area in Sri Lanka, with the implementation of the World Bank funded Improving the Relevance and Quality of Undergraduate Education (IRQUE) Project. In this context, this study explores the case of IRQUE Project of Department of Accounting (DA), University of Sri Jayewardenepura (USJ) in relation to the institutionalization of good practices resulted through its interventions. The study examines the institutionalization of these practices in DA by drawing inferences from New Institutional Sociology (NIS) (Scapens, 2006) with specific reference to the works of DiMaggio and Powell in relation to institutional isomorphism. The study finds that DA has developed and adopted many good practices through the interventions made through the IRQUE Project to improve the quality and relevance of B.Sc. Accounting (Special) Degree Programme. Further, the study suggests that institutionalization of these good practices in DA, reflects all three forms of isomorphism viz. coercive, mimetic and normative as proposed by DiMaggio and Powell (1983).

Key terms: Good Practices, Institutionalization, Quality, Relevance, Undergraduate Education

1. INTRODUCTION

Various strides have been taken in many facets around the world to improve the relevance and quality of undergraduate education. In this regard the World Bank (WB) funded Improving the Relevance and Quality of Undergraduate Education (IRQUE) Project plays a cardinal role in many developing countries such as Sri Lanka. IRQUE is a competitive funding system which aims at the following: (1) enhancing the quality and relevance of study programmes; (2) improving employability of graduates; and (3) contributing to social and inter-cultural harmony (Guidelines for Initial Proposal Submission - QEF, 2004). This Project is in implementation in Sri Lanka from the year 2005 to May, 2010 and over 30 undergraduate degree programmes have received grants under the Project (www.irque.lk, 2010). Since the Project has entered into its final phase now, the time is opportune to assess how these different study programmes of Sri Lankan universities have benefited through it.

In this context, this paper examines the case of IRQUE Project of Department of Accounting (DA), Faculty of Management Studies and Commerce (FMSC) of University of Sri Jayewardenepura (USJ). Under this Project, DA received a grant of Rs.79.5 million under a competitive bidding process for a period of four years from June 2006 to May 2010. The IRQUE Project of DA focuses on improving relevance and quality of B.Sc. Accounting (Special) Degree Programme which was introduced in 1992 to meet the aspirations of students who seek a career in the functional discipline of accounting. This Degree Programme had been the first of its kind to be introduced in the Sri Lankan university system and was a novel experience to the university system of country at a time the accounting education was carried out entirely by the professional accounting bodies and technical colleges. The Degree Programme was introduced with the guiding philosophy of producing resourceful employable quality graduates who would satisfy the requirements of the employment market. In order to realise its ultimate objective, DA has taken a number of important steps, which include (a) incorporation of a two-year internship (practical training) component as part of the Degree curricula; (b) inclusion of Information Technology relevant to Computer Accounting; (c) introduction of course manuals/text books for all course units; and (d) conduct of the programme in the English medium with emphasis on developing business communication skills of students. In addition, continuous revision of syllabi and introduction of latest computer packages to suit the new developments in accounting have been continued. These salient features have contributed to achieve 100% employability for the graduates of B.Sc. Accounting (Special) Degree Programme (www.dac.lk, 2009).

Although graduates of the Degree Programme are gainfully employed both in the local and international employment markets, DA found that it cannot be complacent with the prevailing status in a backdrop of increasing threats emerging in the external environment owing to the sweeping changes that take place in the technological, socio-economic and political spheres both locally and globally. Thus, it became imperative for DA to turn these threats that loom large into opportunities and also to search for fresh opportunities to improve the relevance and quality of its Degree Programme. This required DA to identify the factors that inhibit its progress and thereby develop strategies for the further

improvement of its relevance and quality to be competitive in the employment market. Hence, the winning of IRQUE Project in Year 2006, which is geared towards improving relevance and quality of undergraduate education, gave a fresh impetus to DA to work towards this end. Under the IRQUE Project, interventions were made to improve the relevance and quality of B.Sc. Accounting (Special) Degree Programme *and* thereby strengthen its position in both local and international employment markets. These interventions were made through the eight main activities carried out under the Project (Refer Table 1).

Senaratne and Gunarathne (2009) find that these main activities of IRQUE Project of DA have been successfully carried out *and* it has developed and adopted many good practices in DA through these interventions. This study examines the notable achievements of the Project and how the resulting good practices have been institutionalized in DA in the implementation process of the Project. In this respect, the study draws inferences from New Institutional Sociology (NIS) (Scapens, 2005), which is concerned with the institutions in the organizational environment that shape organizational structures and systems, with specific reference to the work of DiMaggio and Powell, who argue that the world of organizations is heavily influenced by 'institutional isomorphism,' which refers to the efforts to achieve rationality with uncertainty and constraint lead to homogeneity of structure. The study uses the works of DiMaggio and Powell to explicate how these good practices are institutionalized in DA through IRQUE Project.

The revelations of this study would provide useful insights to assess the implementation success of the IRQUE Project in the Sri Lankan university system. Further, this study would be a learning experience for DA in carrying out projects of this nature in the future. These insights and experiences could also be shared by the other study programmes of Sri Lankan universities in their similar endeavours in the future. Although this study focuses on IRQUE Project of DA, it resembles the implementation of the same Project in other study programmes.

The remainder of this paper is organized as follows: The Section Two provides an overview of the IRQUE Project of DA. The Section Three presents the theoretical basis and the conceptual framework of the study. The Section Four presents the discussion and analysis of the study. Section Five provides the conclusion of the study.

2. AN OVERVIEW OF DA IRQUE PROJECT

This section addresses the salient features of IRQUE Project of DA and how it was implemented in the Department. The outcomes of the Project should be looked from a broad perspective encompassing the process followed from the time entry into the competitive bidding scheme to the implementation of its activities. DA's journey towards winning IRQUE Project comprised of developing two project proposals: Initial and Comprehensive *and* a defending the Comprehensive Proposal at an extensive site visit conducted by a panel of both local and international reviewers. The Initial Proposal comprised of an extensive self-evaluation of the Degree Programme to identify the problems associated with it and develop strategies to overcome them. These strategies were converted into eight main activities in the Comprehensive Proposal. It provided a

detailed account of these activities *and* the implementation plan and the financial budget for the Project. These activities aim at developing a world-class Degree Programme in accounting that will produce knowledgeable and skilful graduates who could work gainfully in modern organizations both in the local as well as foreign employment markets. It is also envisaged that these graduates will contribute positively towards economic development and elimination of poverty in the country via participation in the process of managing the financial resource and also serve the society with caring and humility, which woos for social harmony at its very best.

This shows that IRQUE Project of DA revolves around eight main activities which have been developed to smother and/or mitigate the adverse consequences that are entwined with the roots of problems associated with the Degree Programme identified through the extensive self-evaluation carried out on it. These roots of problems are (i) social, economic and cultural differences of students; (ii) inflexible bureaucratic structure, inadequate resource allocation and non-conducive work culture of the University; (iii) limited relationships of the Degree Programme, with the business environment, namely, educational institutions and professional accounting bodies both at national and international levels; (iv) inadequate incentives and training and development opportunities for the academic staff; (v) insufficient hard and soft skills development opportunities for students in the Degree Programme; (vi) new developments in accounting and related fields are not adequately used in the Degree Programme in relation to the curriculum, teaching, learning and assessment process; and (vii) less emphasis on relational, personality and character building activities in the Degree Programme (DA IRQUE Project, Initial Proposal, 2005).

These eight main activities have been identified (Refer Table 1) in relation to four strategic issues (the areas of focus) of IRQUE Project. These activities aimed to arrest the adverse consequences of the problems associated with the Degree Programme and thereby to produce resourceful and employable graduates who are expected to cut out a path to higher echelons of managerial positions in both in Sri Lanka and overseas *and* serve wherever they work with zeal and valour. The main activities are indicated in Table 1 under the strategic issues most relevant to them. However, a particular activity may directly or indirectly contribute to other strategic issues in addition to its most relevant strategic issue. These activities are described below in terms of rational behind their introduction, *and* their objectives and the strategy.

Table 1: Strategic Issues and Main Activities of the Project

Strategic issue	Activity code	Main activities
Improving National Benefit and Relevance	A	Benchmark the Degree curricula and the education process to the globally accepted standards
	B	Improve student centred teaching-learning and skills development process
	C	Acclimatize students to industry and organizational settings
Improving Social and Intercultural Harmony	D	Develop relationships among students to foster harmony in the university community
	E	Enhance educational and welfare services provided by the Department to the society
Improving Efficiency and Effectiveness	F	Enhance IT based learning environment and library facilities
	G	Enhance competencies of the academic staff to enrich the quality of the study programme
Improving Sustainability	H	Introduce methods to sustain activities and practices adopted under the Project

Source: DA IRQUE Project, Comprehensive Proposal, 2005

Activity A - Benchmark the Degree curricula and the education process to the globally accepted standards: Owing to the increasing deregulation, liberalization and privatization moves of trade associated with globalization, *and* the competitive forces that accompany and affect business firms, the discipline of accounting has undergone considerable changes. Hence, excellent accounting and business schools and professional accounting institutions in the world are constantly reviewing *and* modifying their curriculum and the education process, resulting in a globally accepted set of standards (benchmarks) being developed. In order to make the graduates of DA to be competitive in securing jobs, it is imperative that the curricula of the Degree Programme to be benchmarked with these globally accepted standards. Hence, the objective of Activity A was to review and modify the curriculum and the educational process of the Degree Programme with a view to keep pace with changes taking place in accounting and related fields of studies *and* thereby enable graduates of DA to make use of increasing job opportunities in the domestic and foreign markets. In this respect, an integrated curriculum approach has been adopted where adequate time will be devoted for internship training, skills development in Information Technology and Business Communication, *and* activities to promote social harmony.

Activity B - Improve student centred teaching-learning and skills development process: As the teaching learning process adopted in DA was mostly the straight lecture method with minimum opportunity for interactive and self-learning, the set-up was not very conducive to neither a student centered teaching-learning experience nor to promote skill development activities of students which seem to be imperative particularly in the backdrop described in Activity A. In this context, Activity B aimed at introducing the following: (i) Student centered teaching-learning approach with a view to enhancing the learning effectiveness of students and (ii) Skill development activities mainly in three areas namely, (a) English proficiency and Business Communication skills; (b) accounting related IT skills, *and* (c) Analytical and problem solving skills with a view to train them to fit into their future work-lives and increasing learning effectiveness in the Degree Programme. These outcomes were expected to achieve through creating an academic

environment that promotes student centered teaching-learning process and establishing a Skill Development Centre (SDC) consisting of a Language and Management laboratory that facilitates self-learning in a modern computerized environment.

Activity C - Acclimatize students to industry and organizational settings: From the inception, DA recognized the importance of providing industry exposure to its students. Accordingly, Internship in accounting and finance was introduced into its curricula, initially as non-graded course units and thereafter, they became graded course units as a result of gradual evolution. Nevertheless, the internship programme even at its advanced state was facing a few operational difficulties and limitations. Thus, this programme being a core component of the Degree Programme and which attributes immensely towards its competitive advantage, it has to be regularly reviewed and monitored with care. Further, solutions have to be devised to ensure smooth functioning of the programme and also to enhance its quality. Thus, Activity C focused on eliminating the main operational difficulties and limitations of the internship programme with a view to enhance the value addition of the Degree Programme through industry exposure. These activities revolved around the establishment of the Centre for Accounting Internship and Skills Development (CAISD), the centre for internship monitoring and evaluation.

Activity D - Develop relationships among students to foster harmony in the university community: Though, within DA there are no adverse conflicts or splits among students there is still room for improvement of cohesiveness, relationships and goodwill within a batch of students and also among different batches of students. This became a dire need at the University level as there was much unhealthy rivalry, distrust and antagonism. In this context, Activity D aimed at contributing towards easing off the presently observed tension and making the university community a more tolerable segment in the society, which will in turn have significant ramifications on the society at large. Various activities such as organizing talent shows, sports events and workshops on personality development were carried out in this respect by both DA and AFMA (Accountancy and Financial Management Association), the students' body of DA.

Activity E - Enhance educational and welfare services provided by the department to the society : The lecturers of DA have been engaged in activities with a number of national level educational institutes such as National Institute of Education (NIE), Department of Examinations, Education Publication Department etc., in policy making, advisory and functional capacities. These educational services result in a myriad of benefits that flow down to the student community in schools and their teachers as well as to the society at large. Although these activities have been in operation for a considerable period of time, they have been executed in a non-formalized and unstructured manner *and* mainly on personal contacts whose benefits would have been larger had they been systematized. Hence, Activity E intended to formalize the relationships that already exist between DA and national level educational institutions *and* develop new relationships.

Activity F - Enhance IT based learning environment and library facilities: Having introduced a substantial proportion of IT based subjects in the curricula at the very inception of the Degree Programme, DA has been a pioneer in introducing IT in

accounting/ management based study programmes in Sri Lanka. This was a cutting edge of the Degree Programme, which contributed vastly to improve the employability of its graduates. However, DA has to continuously adopt new technologies in order maintain its competitive position in the market. In this context, the Activity F aimed at introducing new technologies in the student centred teaching-learning process and thereby enhancing the teaching skills of lecturers as well as the learning skills of students in the IT, Business Communication *and* Managerial Problem Solving and Decision Making areas. This was expected to be achieved by: Refurbishing, and upgrading the Accounting Resource Centre (ARC), the computer laboratory of DA; Incorporation of web-based learning to course units of the Degree Programme; Setting up of the Skills Development Centre (SDC) referred in Activity B; Upgrading the Departmental library through new purchases and introduction of electronic library access facilities *and* Setting up of Research and Information Centre (RIC) to facilitate research activities of both staff and students.

Activity G - Enhance competencies of the academic staff to enrich the quality of the study programme: As the quality of the graduates of a degree programme is highly dependent on the quality of the lecturers, this activity aimed at enhancing the competences of the lecturers of DA in the areas of (a) field of specialization; (b) teaching methodology; (c) methods of evaluation *and* (d) research methodology and conduct of research. This was expected to achieve through the provision of following opportunities to the lecturers: Continuous industry and current knowledge exposure through participation in workshops, seminars etc; Continuous exposure to new training methodologies and evaluation methods; Funding for research studies leading to the doctoral qualification (Ph.D.) in foreign universities *and* Funding to present research papers at national and international seminars/conferences.

Activity H - Introduce methods to sustain activities and practices adopted under the Project: The implementation of a project of this nature is expected to bring in considerable resource, structural, and cultural changes in DA. Hence, in order to reap the benefits envisaged from the Project it is of utmost importance to sustain the changes that have come about subsequent to its implementation. This was the objective of Activity H. The measures taken in this respect can be broadly categorized into two, monetary sustainability measures and non-monetary sustainability measures. The monetary sustainability measures include fund generating activities such as conduct of fee levying study courses and other similar activities. On the other hand, non-monetary sustainability measures include the preparation of hand-books on policy guidelines, training of trainers, monitoring of processes using critical performance indicators, continuous upgrading of data-bases, appraisal of lecturers, implementing preventive measures to safeguard assets, *and* continuous upgrading of systems and physical resources.

The IRQUE Project of DA was implemented under the Local Technical Secretariat (LTS) of USJ. The LTS is responsible for the implementation of the projects under the institutional block grants (IBG) as well as quality enhancement grants (QEF). The IRQUE Project of DA falls under the second category. The Coordinator of IRQUE Project of DA was responsible for its overall implementation. Under the Coordinator, a Deputy Coordinator and an Assistant Coordinator were functioned. In addition, a Person-

in-Charge (PIC) was appointed for each of eight main activities of the Project. They are responsible for the implementation of the activities assigned to them. To assist them, Deputy PICs (DPICs) were also appointed. A notable feature is that almost all academic staff members of DA were involved in this process at some point of time. Further, the representatives of DA students too participated in the Project Taskforce.

There is a well-guided procedure laid down by the World Bank to assess the progress made by the Project. Core and auxiliary performance indicators (PIs) were identified and used to assess the progress of the Project. These PIs set the overall targets for the Project and its main activities. These PIs were measured at the end of each quarter and annually. Further, the physical and financial progress of the Project was measured to assess the success of the utilization of the funds in terms of eligible cost components. While the physical progress captures the implementation progress of the Project based on the stage of completion of activities, the financial progress measures its implementation success in terms of actual expenditure disbursed in relation to the budgeted amount. The progress of the Project had been reported monthly, quarterly and annually to Policy and Planning Development Unit (PPDU), a separate unit functioned under Ministry of Higher Education. It is the link between the World Bank and the projects implemented in universities and other institutions.

As found in the previous study of Senaratne and Gunarathne (2009) the main activities of the Project have been successfully implemented in line with the Project Implementation Plan (PIP). This has led to the realization of the intended outcomes of each activity and thereby to contribute towards the achievement of the main objective of the Project. The notable achievements of these activities and the success of the Project in entirety are explicated in study under ‘Analysis and Discussion.’

3. THEORETICAL BASIS AND THE CONCEPTUAL FRAMEWORK OF THE STUDY

As this study examines how certain good practices have been institutionalized in DA in the implementation process of the IRQUE Project using the institutional theory, this section devotes to explain this theory. Institutional theory studies how organizations can increase their ability to grow and survive in a competitive environment by satisfying their stakeholders (Jones, 2001). Organizations are required to gain acceptability and legitimacy in the eyes of their stakeholders to increase their survival chances as they grow. Further, this theory argues that many organizations adopt new rules and codes of conduct found in the institutional environment surrounding them, which represents the set of values and norms in an environment that governs the behavior of a population of organizations. According to Scott (2008), the major contributors to the institutional thought from the late 19th to the mid 20th centuries are economics, political science, and sociology. This led to the development of several variants of institutional theory.

Scapens (2006) argues that various institutional theories can be broadly categorized into three viz. new institutional economics (NIE), which is concerned with structures used to govern economic transactions; new institutional sociology (NIS), which is concerned with the institutions in the organizational environment that shape organizational

structures and systems; and old institutional economics (OIE) which is concerned with institutions that shape the actions and thoughts of individual human agents.

The authors will use NIS in this study to explain why organizations in particular fields appear to be similar. DiMaggio and Powell stand prominent among the several authors who have presented views in this regard. In explaining this homogenization, DiMaggio and Powell (1983) argue that the causes of bureaucratization and rationalization have changed. Organizations are still becoming more homogeneous, and bureaucracy remains the common organizational form. Today, however, structural change in organizations seems less and less driven by competition or by the need for efficiency. Instead, they are of the view that bureaucratization and other forms of organizational change occur as the result of processes that make organizations more similar without necessarily making them more efficient. The concept that best captures the process of homogenization is isomorphism. In Hawley's (1968) description, isomorphism is a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions (as cited in DiMaggio and Powell, 1983).

Following Meyer (1979) and Fennell (1980), DiMaggio and Powell (1983) suggest that there are two types of isomorphism: competitive and institutional. Competitive isomorphism, assuming system rationality, emphasizes market competition, niche change, and fitness measures. In the heart of competition organizations adopt efficient structures and practices (Orri et al, 1991). In criticizing this view of Meyer (1979) and Fennell (1980), DiMaggio and Powell (1983) argue that competitive isomorphism is most relevant for those fields in which free and open competition exists. However, it does not present a fully adequate picture of the modern world of organizations. As Aldrich (1979) cited in DiMaggio and Powell (1983) has argued, "the major factors that organizations must take into account are other organizations." Organizations compete not just for resources and customers, but for political power and institutional legitimacy, for social as well as economic fitness. In this regard, the concept of institutional isomorphism is a useful tool for understanding the politics and ceremony that pervade much modern organizational life.

Further explaining the institutional isomorphism, DiMaggio and Powell (1983) identify three mechanisms through which institutional isomorphic change occurs, each with its own antecedents: 1) coercive isomorphism that stems from political influence and the problem of legitimacy; 2) mimetic isomorphism resulting from standard responses to uncertainty; and 3) normative isomorphism, associated with professionalization. This typology is an analytic one: the types are not always empirically distinct. Yet, while the three types intermingle in empirical setting, they tend to derive from different conditions and may lead to different outcomes (DiMaggio and Powell, *ibid*).

Coercive isomorphism results from both formal and informal pressures exerted on organizations by other organizations upon which they are dependent and by cultural expectations in the society within which organizations function. Such pressures may be felt as force, as persuasion, or as invitations to join in collusion. In addition, direct

imposition of standard operating procedures *and* legitimated rules and structures also occurs outside the governmental arena.

Mimetic isomorphism can be induced by uncertainty which is a powerful force that encourages imitation. When organizational technologies are poorly understood (March and Olsen, 1976 as cited in DiMaggio and Powell, 1983), when goals are ambiguous, or when the environment creates symbolic uncertainty, organizations may model themselves on other organizations. Modeling is a response to uncertainty. The modeled organization may be unaware of the modeling or may have no desire to be copied; it merely serves as a convenient source of practices that the borrowing organization may use. Models may be diffused unintentionally, indirectly through employee transfer or turnover, or explicitly by organizations such as consulting firms or industry trade associations. Organizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful (DiMaggio and Powell, 1983).

Normative isomorphism stems primarily from professionalization. Following Larson (1977) and Collins (1979), DiMaggio and Powell (1983) interpret professionalization as the collective struggle of members of an occupation to define the conditions and methods of their work, to control "the production of producers" (Larson, 1977 as cited in DiMaggio and Powell, 1983), and to establish a cognitive base and legitimation for their occupational autonomy. Two aspects of professionalization are important sources of isomorphism. One is the resting of formal education and of legitimation in a cognitive base produced by university specialists; the second is the growth and elaboration of professional networks that span organizations and across which new models diffuse rapidly. In this regard, universities and professional training institutions are important centers for the development of organizational norms among professional managers and their staff.

It is important to note that each of the institutional isomorphic processes can be expected to proceed in the absence of evidence that they increase internal organizational efficiency. Organizations are rewarded for being similar to other organizations in their fields. By organizational field, DiMaggio and Powell (1983) mean those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products.

Nonetheless the works of DiMaggio and Powell are to explain why highly structured organizational fields provide a context which often leads to homogeneity of different institutions, the study uses their work to illuminate how the practices are institutionalized in DA through IRQUE Project. This process of institutionalization of practices resulted through the successful implementation of Project activities is depicted in the conceptual framework of the study, explained below.

The DA is uniquely characterized by its unremitting endeavor to produce skillful graduates who satisfy the requirements of local and international employment markets. This had been the guiding philosophy of the B.Sc. Accounting (Special) Degree

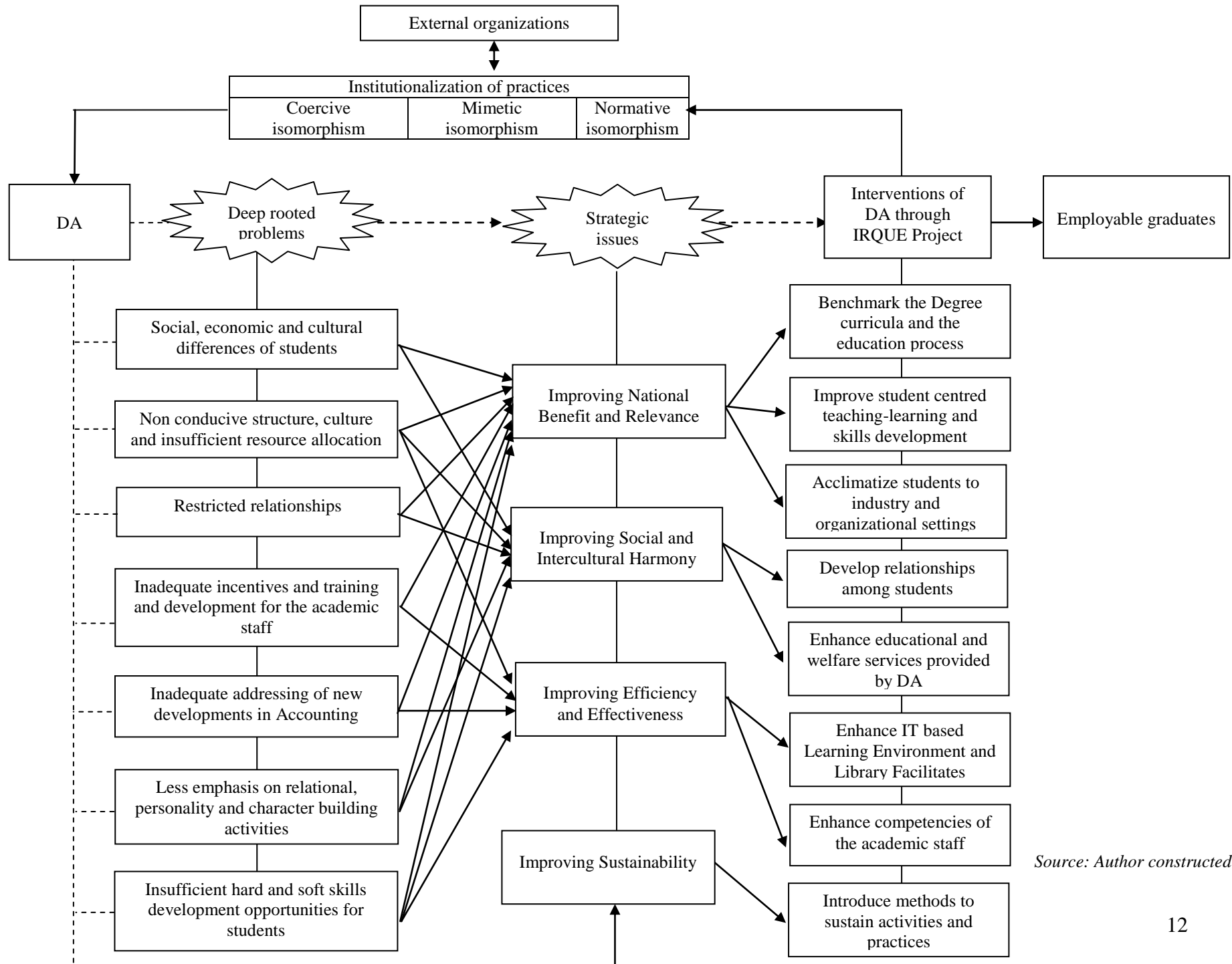
Programme from its introduction in 1992. These graduates are portrayed by an in-depth understanding and appreciation of issues in accounting and related fields from theoretical and practical perspectives, adequate knowledge in other functional areas of management and associated root disciplines, skills in modern IT based accounting and financial management *and* professional and communication skills, interpersonal and leadership skills and entrepreneurial skills. The extensive self-evaluation carried out through SWOT analysis of DA for the Initial and Comprehensive Project Proposals reveals that some problems arise as impediments in achieving the above objective. Then these deep rooted problems were cross referred for four strategic issues. DA identifies its interventions of IRQUE Project through eight main activities to address these strategic issues linked to the deep rooted problems. A detailed description of deep rooted problems and activities is given in the Section 2.

Institutionalization of practices in DA *and* the networked relationships of the problems, issues and the interventions made through IRQUE are identified in the conceptual framework given in Figure 1 with the objective of providing a rationale for the study. As exhibited in the Figure 1, the primary objective of DA is to produce resourceful employable graduates for the national and international employment markets. The extensive self-evaluation of DA reveals that the strategic issues linked to the deep rooted problems hamper the linear relationship of DA achieving its ultimate objective. Thus, the achievement of the objective of DA is not linear and smooth which is represented by a dashed line in the Figure 1.

These deep rooted problems lead to the four strategic issues. These strategic issues are associated with multiple deep rooted problems as exhibited in Figure 1. The eight main activities of the Project are expected to smother and/or mitigate the adverse consequences that are entangled with the deep rooted problems reestablishing the hampered relationship of DA to produce resourceful graduates who are capable of being employed nationally and internationally. After the interventions of the IRQUE Project the restoration of the relationship expected is represented by a smooth line.

The interventions of IRQUE Project required the involvement of various external stakeholder organizations ranging from school level to professional accounting bodies to private and public corporations/firms. In the implementation phase of the IRQUE Project some practices of DA and external organizations were institutionalized reciprocally exhibiting a two way relationship in the Figure 1. This institutionalization of practices takes the form of coercive, mimetic and normative isomorphism as suggested by DiMaggio and Powell (1983). The analysis and discussion of the institutionalization of practices in DA is carried out based these three forms of isomorphism in Section 4.

Figure 1: Institutionalization of practices at DA and the networked relationships of the problems, issues and the interventions made through IRQUE



Source: Author constructed

4. ANALYSIS AND DISCUSSION

This section first presents the notable achievements of the Project *and* then analyses and discusses how the resulting good practices have institutionalised in DA using institutional theory. The previous study Senaratne and Gunarathne (2009) on IRQUE Project of DA reveals that notable achievements of the Project are witnessed in the areas of curriculum development, introduction of the student-centred teaching and learning approach, skills development of students, staff development, improving social and inter-cultural harmony *and* provision of educational services to the society. Further, several sustainability measures have been initiated during the Project period in order to sustain the good practices. The notable achievements relate to the interventions (main activities) made through the Project to eliminate or mitigate the roots of problems that act as inhibitors to the progress of the Degree Programme. Thus, these achievements indicate the implementation success of the Project and thereby its contribution to the improvement of relevance and quality of B.Sc. Accounting (Special) Degree Programme. These notable achievements are summarised and presented in Table 2 along the related activity or activities. Owing to these notable achievements, encouraging values have been recorded for PIs referred in Section 2. Further, 100% financial progress has been recorded for the Project. However, the physical progress is only 99% owing to the fact that most staff members who started PhD studies under the Project are expected to complete their studies towards the end of year 2010 and during year 2011 (DA IRQUE Project, Annual Report, 2009).

Table 2: Notable Achievements of the Project

Achievement	Activity
Development of a new curriculum for B.Sc. Accounting (Special) Degree Programme to suit the globally accepted standards in accounting degree programmes with a special focus on introduction of student-centred learning, web-based learning, and skills development of students.	Activity A
Establishment of Skill Development Centre (SDC), the language laboratory of DA, to improve English Language skills of students through English language packages installed in it.	Activity B
Streamlining the monitoring and evaluation of the internship programme of the Degree Programme through the establishment of Centre for Accounting Internship and Skill Development (CAISD).	Activity C
Improvement of teaching and learning of IT based accounting course units of the Degree Programme at the Accounting Resource Centre (ARC), the computer laboratory of DA, which was renovated and refurbished under the Project.	Activity F
Provision of access to the latest text books in accounting to both students and academic staff through the expansion of DA library, a specialised accounting library.	Activity F
Improvement of inclination towards research of both academic staff and students through the establishment of Research and Information Centre (RIC), provision of research grants <i>and</i> conduct of training programmes on research.	Activities B and F
Introduction of web-based learning <i>and</i> enhancement of coordination and monitoring internship programme of the Degree Programme through the launching of a separate website for DA.	Activities C and F
Provision of transport facilities to students undergoing internship through the motor coach purchased with the aim of improving the learning environment of DA.	Activities C and D
Broadening the horizons of both university and advanced level students through the publication of Guide to Academic Writing, Accounting Panorama, an educational magazine, and several other publications aimed at G.C.E (A/L) Accounting subject.	Activities B, C and D
Contribution to improve social harmony within the University through the activities	Activity D

organised under Music and Sports Centre established under the Project. These activities include cultural and talent shows <i>and</i> sports events.	
Streamlining the contribution of academic staff to national education institutions via participation in national level paper setting, curriculum development and paper marking.	Activity E
Enhancement of the dissemination of knowledge to Advanced Level Accounting teachers and students through the conduct of workshops, seminars and distribution of teaching material.	Activity E
Improvement of knowledge and skills of the academic staff by exposing them to new knowledge and practicalities of theoretical issues.	Activity G
Enhancing relationships with the professional accounting associations and large audit firms by entering into MOUs with them to collaborate on curriculum development, research and training.	Activities A and C
Introduction of measures for financial sustainability of the Project and to sustain the good practices introduced under the Project.	Activity H

Source: Author constructed based on Senaratne and Gunarathne, 2009, A study on 'Improving Relevance and Quality of Undergraduate Education: the Case of an Accountancy Study Programme in Sri Lanka.'

Several good practices have been adapted in DA as a consequence of these achievements and the progress made through the IRQUE Project. These good practices which have been institutionalized in DA in relation to the educational process of the Degree Programme, have led it to adopt some internationally accepted standards in accounting education practised by foreign universities and some professional accounting bodies. These good practices include the introduction of a student-centered teaching and learning process, enhancement of skill development, personality and character building activities of students, introduction of processes to provide continuous exposure to students on new developments in accounting and IT, development of internship programme, involvement of students in the management of resource centres, enhancement of the relationship with professional accounting bodies, training providers and employers, streamlining the services provided to national educational institutes, improvement of staff development activities *and* improvement in social and cultural harmony.

This process of institutionalization of good practices in DA can be described using NIS, a branch of institutional theory, with specific reference to the work of DiMaggio and Powell. In this respect, DiMaggio and Powell (1983) set out three isomorphic processes (whereby institutional practices adapt and change): coercive, mimetic and normative as described in Section 3 of this paper. The process of institutionalization of good practices in DA is described below in terms of the aforesaid three isomorphic processes.

DiMaggio and Powell (ibid.) are of the view that coercive isomorphism results from both formal and informal pressures exerted on organizations by other organizations and the society upon which they are dependent on. Such pressures may be felt as force, as persuasion, as invitations to join in collusion *or* direct imposition of standard operating procedures and rules.

From the inception to the end of the Project, the practices were adopted according to the guidelines given by the PPDU based on the World Bank recommendations. These would range from arrangement of the Project under the activities, appointment of Coordinators and PICs, setting up of performance indicators to measure the progress, reporting of progress through the annual reports, which is followed by a comprehensive site visit of

reviewers, etc (refer Section 2). These can be considered as direct operating procedures which guide the way in which the Project is implemented as suggested by DiMaggio and Powell (1983) bringing about formal coercive isomorphism.

Further, the lure of funding is arguably a potent influence as organizations will tend to adopt those structures or elements that are required for receipt of funds (Crank and Langworthy, 1996; DiMaggio and Powell, 1983; Hinings and Greenwood, 1988 and Scott, 1991 as cited in Giblin, 2006). The term “coercive” might be overstated, particularly because only a small part of the overall budget of most organizations is contingent upon grant funding. “Inducement” or “seduction” might be more appropriate, suggesting that an organization may not be forced to adopt a particular structure but, rather, has a strong incentive to do so (Crank and Langworthy, 1996 as cited in Giblin 2006). The context of DA however, is in contrary to what Crank and Langworthy (1996) as cited in Giblin (2006) argue. Since in the Sri Lankan context, the funds are not directly given to an academic department or a faculty of a university through the consolidated fund of the government, the grant received from the World Bank for the Project represents a significantly important source of funding to DA. The funds of the World Bank/IDA were directed to the Higher Education Ministry of Sri Lanka who established a Quality Enhancement Fund (QEF) to disburse block grants on a competitive basis (Guidelines for Comprehensive Proposal Submission – QEF, 2005). Under the QEF, DA received a grant of Rs.79.5 million after a competitive bidding process for a period of four years from June 2006 to May 2010. It is important to reiterate that while the decision to apply for funding is voluntary and not inherently coercive, the lure of funding acts as a strong inducement to respond to the demands of institutional actors (Giblin, 2006).

In addition to the formal pressures explained earlier, informal pressures such as the students, schools, employers, training providers and professional accounting bodies exert pressure on DA to adopt some practices under the Project. The way in which these pressures influence DA will be described in the subsequent paragraphs.

One of the main expectations of the students following the B.Sc. Accounting (Special) Degree Programme is employability as identified in the conceptual framework of the study. The entire Project was driven to improve the relevance and quality of the Degree Programme thereby to enhance the employment opportunities of its graduates. Thus, the overarching objective and the main activities of the Project were greatly shaped by the student expectations. In this respect, Activity C - Acclimatizing students to industry and organizational settings, revolves around providing a better industry exposure to its students which will in turn enhance the employability of the graduates. From the inception, internship in accounting and finance had been introduced into its curricula, initially as non-graded course units and thereafter, as graded course units with the primary objective of improving the employment opportunities for its students (Senaratne and Gunarathne, 2009). The establishment of the Centre for Accounting Internship and Skills Development (CAISD), provision of motor coach for the students undergoing training, MOUs with training providers and annual training programmes are few, yet important practices that directly aim at meeting the student expectations of improving the employability. In addition to these, myriad of other activities of the Project too, directly

or indirectly influence the same. Hence, it is proposed that these practices have been institutionalized in DA due to the coercive pressures.

Activity E which aims to enhance educational and welfare services provided by DA to the society, is another practice that has been institutionalized in DA to meet the expectations of Advanced Level Commerce stream students, who become the influx of the Degree Programme and teachers, who shape this influx. Thus, Advanced Level student seminars and teacher training programmes have become regular practices of DA. These practices further signify how the practices of DA under the IRQUE project have been influenced by the coercive pressures.

The DA has entered into MOUs with one of the largest audit firms in Sri Lanka. Several negotiations are underway to improve the relationships and explore the possibility of entering into MOUs with several other leading employers in the country. The aforesaid audit firm conducts its in-house training programme to the students of DA from which they absorb audit trainers to the firm. Provision of the facilities and the supervision of the training programme has become a practice that has been institutionalized in DA. This in turn has influenced the agenda of the audit firm also. Conducting the programme, absorbing the students into the firm, granting study leave when the university examinations are held, are a few examples to elaborate how these practices have been institutionalized at the external organizations as well.

The DA has also entered into several MOUs with professional accounting bodies. Provision of lecturers for student seminars as resource personnel, invitations to promote the professional accounting bodies among undergraduates, setting up of the university examination time tables to avoid clashes with professional examinations, mutual discussions and collaboration *and* participation in special events have become routine practices in DA due to indirect coercive pressures stemming from the professional accounting bodies. The same have been entered into the agendas of these professional accounting bodies representing reciprocal institutionalization.

Further, the revision of the curriculum of the Degree Programme under the Activity A, is a response to the expectations and needs of many stakeholder groups, which include students, employers, training providers, professional accounting bodies and the funding agency. These expectations exerted pressures to benchmark the Degree curricular to internationally accepted standards which include introduction of more student-centred teaching and learning methods, skill (both hard and soft) development students *and* introduction of new technologies and web-based learning.

In addition to the coercive pressures, DiMaggio and Powell (1983) are of the view that mimetic pressures suggest that organizations are, to a large extent, influenced by other similar organizations. Organizations that communicate with other organizations tend to practice “peer emulation”. In terms of institutional theory, emulation or mimicry enables an organization to establish legitimacy by copying other successful (or at least those perceived to be successful) structures, initiatives, or activities. The practices adopted by DA reflect the influence of the mimetic pressures as well. The Activity A -

Benchmarking the Degree curricula and the education process to the globally accepted standards, is a result of this pressure. In this regard, DA developed an integrated curriculum approach which incorporates internship training, skills development in Information Technology and Business Communication, *and* activities to promote social harmony with the assistance of an international consultant who had a considerable exposure to the overseas Degree curricula. Thus, the revised curriculum of the Degree Programme launched from 2009, has been greatly influenced by the features of the foreign accounting degrees programmes and business schools of international repute representing mimetic isomorphism.

Under the IRQUE Project many academic members were funded to participate in workshops which aimed to provide training on web-based learning. These members are now gradually incorporating e-learning practices such as regular updating of online teaching material, online mock examinations etc. Refurbishment and upgrading of the Accounting Resource Centre (ARC), setting up of the Skills Development Centre (SDC) and Research and Information Centre (RIC); upgrading the Departmental library *and* introduction of electronic library access facilities are some of the other initiatives to enhance e-learning facilities of the Degree Programme. These facilities are regularly utilized by the students and the staff of DA. These practices represent the adaptations of the best practices of the international degree programmes thus, representing the influence of mimetic isomorphism.

Mimicry becomes a way to appear innovative as per Roy and Seguin (2000) as cited in Giblin (2006). This phenomenon can be seen in the internship programme of DA. The internship training had been elevated to a graded course unit status even before the IRQUE Project was launched in DA which appeared to be an innovative step in the field of graduate accounting education in Sri Lanka, at that time. However, Activity C which aims to acclimatize students to industry and organizational settings systematized the internship programme under the Project and various practices were adopted to facilitate internship training. The main professional accounting body of the country requires internship training for its students to progress towards membership. DA recognizes the same internship training for the graded course units in its Degree Programme. Thus, DA had imitated this practice from the main professional accounting body of the country. DiMaggio and Powell (1983), define this as modeling which arises due to the uncertainty in the external environment. They further argue that organizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful. As there were few examples where accounting internship is regarded as a graded course unit in a Degree Programme in Sri Lanka, the main local professional accounting body and international professional accounting bodies merely served as a convenient source of practices that DA used. This again represents how the practices of DA have been influenced by the mimetic form of isomorphism.

It can also be suggested that the practices adapted by DA in the IRQUE Project have been influenced by the normative isomorphism as well. Normative pressures in the accounting profession have shaped the activities of the Project. In this regard, Gunarathne (2007) highlights the importance of development of generic life skills and process skills for

accountants. He is of the view that these skills include time management for better performance, leadership, team work, public speaking and conflict management. In this regard, much emphasis was placed for these soft skills development of the students of DA in the Project, most of who will enter the accounting profession upon the completion of the Degree or while following internship training. In this context, the Activity D which aims to develop relationships among students to foster harmony in the university community, thereby directly targeted the development of the soft skills among its undergraduates. This can be viewed as a normative pressure stemming from the professional accounting environment which demands development of soft skills, in addition to the subject specific hard skills.

In explaining the normative isomorphism, DiMaggio and Powell (1983) are of the view that the normative isomorphic pressures stem primarily from professionalization. They define professionalization as the collective struggle of members of an occupation to define the conditions and methods of their work to establish a cognitive base and legitimation for their occupational autonomy. In this regard, Framework for International Education Standards for Professional Accountants (IFAC, 2009) can be viewed as a cognitive base and legitimation for the worldwide accounting education. According to IFAC (2009), the overall objective of accounting education is to develop competent professional accountants who possess the necessary (a) professional knowledge, (b) professional skills, and (c) professional values, ethics, and attitudes. The revised Degree curricula of DA which was introduced under Activity A of the Project in 2009, embraces aforesaid requirements to be a competent accountant. Revision of the syllabuses, introduction of web-based learning methodologies, provision of research facilities, etc contributed to the enhancement of the professional knowledge of the undergraduates of DA. Further, the facility centres such as RIC, SDC, CAISD, ARC and AFMA through various activities enhanced the professional skills, values, ethics, and attitudes of the undergraduates of DA. Hence, it is suggested that all activities of the Project are in line with the Framework for International Education Standards for Professional Accountants (IFAC, 2009) illustrating the normative pressure arising from professionalization.

Normative pressures can also stem from standards created by professional bodies such as accreditation organizations, which act as potentially powerful influences on organizational structures due to the legitimacy that accreditation bestows on an organization (Maguire and Mastrofski, 2000; Meyer and Rowan, 1977 as cited in Giblin, 2006). In order to win the IRQUE Project, DA had to obtain a quality assurance certification from Quality Assurance and Accreditation Council of the University Grants Commission, Sri Lanka in 2005 (www.qaacouncil.lk, 2010). Through the IRQUE Project, DA addressed the limitations of the Degree Programme revealed from the quality assurance report, such as over-emphasis on knowledge and subject-specific skills, traditional tutor-led teaching and limited innovation in assessment and lack of formal employer input into the design of the curricula (Subject Review Report-DA, 2004). DA is now planning to obtain another certification based on the strong foundation laid by the IRQUE Project which will be an epitome of the quality of the its Degree Programme. These suggest how the normative pressures of accreditation bodies have influenced the practices of DA under the IRQUE Project.

The discussion presented above reflects how each of the three isomorphic processes described by DiMaggio and Powell (1983), have institutionalized the practices in DA mainly and other external organizations through the IRQUE Project.

5. CONCLUSION

This study analyzed the how the good practices introduced through the implementation of the IRQUE Project have been institutionalized in DA with some reference to its various external stakeholders using the institutional theory. In this regard, NIS, a variant of institutional theory provided the cognitive base for the study. In this study, the authors primarily focused on the works of DiMaggio and Powell who explain why organizations in an organizational field become isomorphic. However, this study used their works to explicate how the practices are institutionalized in DA through IRQUE Project. In this regard, the study finds that the three types of isomorphism viz. coercive, mimetic and normative as suggested by DiMaggio and Powell (1983), have shaped the practices adopted by DA through the IRQUE Project. Hence, the study attempts to explore a new dimension of the institutional theory in the branch of NIS with specific reference to the works of DiMaggio and Powell.

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