

Abstract

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Accounts in Corporate Governance

A Study of Content, Context and Use of Information to Boards of Directors

In the past decade or so, the structures and operations of boards of directors have received increased interest from both academics and practitioners. Following corporate scandals in many OECD countries, corporate governance has been used as a popular concept for describing problems of corporate control at the highest level of organizations. However, given the increased responsibilities placed on boards of directors, surprisingly little attention has been given to the content and use of information to boards of directors. As a response to this lack of research, this book develops the concept of 'board accounts', defined as the information supplied to boards of directors before and at the board meetings.

On the basis of a model of the board accounts developed from two literature reviews, a case study is conducted. The longitudinal and dynamic case study spans over a period of eleven years and its main empirical foundation consists of archived board records complemented with interviews of board members.

The findings from the case study indicate that accounting regulation and practice have a strong impact on when board meetings are held. Another important finding is that use changes markedly over time as a response to changes in ownership structure, company performance and CEO. However, content does not change to the same extent. This raises a number of questions about the relationship between content and use. It is theorized that content and use are loosely coupled and evolve bi-directionally over time. Thus, content impacts on use, but intended use also impacts on future content.

On the basis of the findings from the case study, a new case-based model of the board accounts is developed. This model visualizes important constructs and relationships for future research.

Key words: Board Accounts, Corporate Governance, Boards of Directors, Board Meetings, Information Content, Information Use, Agency Theory, Financial Accounts, Management Accounts, Board Functions, Board Orientation, Archival Research

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Akademisk avhandling

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