

Global management accounting principles and the worldwide proliferation of IFRS

David R. Borker
Manhattanville College, USA

Keywords

Global Management Accounting Principles, IFRS

Abstract

The worldwide implementation of International Financial Reporting Standards (IFRS) brings with it the need to upgrade and further train in-house private accountants to comply with these requirements for the preparation of external financial statements. Similarly, there is a growing interest in establishing of a set of international standards or principles for the internal activities of management accountants. These include cost and profitability analysis and reporting, decision support analysis, and a variety of activities relating to the planning and budgeting process at the strategic, tactical and operational level. In 2014 a joint venture of the American Institute of Public Accounts (AICPA) and the Chartered Institute of Management Accountants (CIMA) produced a draft publication that introduced Global Management Accounting Principles (GMAP). It comes closest to offering a preliminary set of international standards for management accountants. The purpose of this paper is to examine GMAP and their potential to evolve into a successful set of international standards throughout the world, much the way IFRS have for financial accounting. Toward this end, GMAP are compared with IFRS, as well as, with traditional views of management accounting. A variety of factors are considered, including country-specific and region-specific cultural and accounting values which have been applied to international accounting systems and IFRS in the existing literature.

1.0 Introduction

Major Management Accounting organizations support a progressive broad interdisciplinary view of management accounting and the management accountant, seeing the management accountant as a valued professional, responsible for creating value for the firm and its stakeholders by applying a variety of state of the art skills from accounting, finance and other disciplines to identifying strategic solutions for the firm. The Chartered Institute of Management Accountants (CIMA) defines management accounting as the sourcing, analysis, communication, and use of decision-relevant financial and non-financial information to generate and preserve value for organizations. Further, it cites finance skills as an essential part of the management accountant's skill set. (AICPA and CIMA, 2014) The Institute of Management Accountants (IMA) refers to itself as an association of accountants and financial professionals, indicating the merging of accounting and corporate finance under management accounting. (IMA, 2015) Both IMA and CIMA evolved from organizations established in 1919. IMA has a membership of approximately 70,000 accountants in 100 different countries. CIMA is considerably larger, having 229,000 members in 170 countries.

In 2014, the American Institute of Certified Public Accountants (AICPA) and CIMA established a joint venture which has produced a draft entitled *Global Management Accounting Principles* (AICPA and CIMA, 2014). This publication represents the most significant step to date toward establishing an integrated set of international accounting standards regarding the objectives of management accounting professionals. The standards are closely tied to CIMA's professional certification program for the Chartered Global Management Accountant. It should be noted that, with regard to methodology, there is considerable overlap between the professional tools cited in this document and the best practices cited by the IMA its professional handbooks and teaching materials for the certification Certified Management Accountant. What distinguishes the CIMA/AICPA document is that it develops a set of key concepts and principles or Global

Management Accounting Principles (GMAP) in much the way the IASB established concepts and standards for external financial reporting.

The International Management Accounting Standards movement can be seen as a predecessor of GMAP. This is true as far as both share a similar interest in promoting a comprehensive set of tools integrating best practices from accounting and other disciplines. The two are very different, however, when it comes to the issue of appropriate data and databases. IMAS tends to stress only data that is in line with IFRS. That is, it believes that businesses should use the same costing standards for inventory and income statement components as are used in IFRS, since this would make internal strategies the same as external reporting rules. (Daum, 2007) Such a requirement would severely limit the effectiveness of management accounting to perform its strategic decision making functions for the firm and is contrary to GMAP, which require selection of the right data for the right purpose. From GMAP point of view, the claim that what is good for financial reporting is best for internal strategy would be considered unreasonable and arbitrary. Beke, another proponent of IMAS, goes as far as using IMAS and international accounting standards interchangeably, and seems to suggest that management accounting standards should be the same as IFRS or, at least, run in accordance with IFRS. (Beke, 2010a) (Beke, 2010b)

An interesting and intelligently written critique of the GMAP draft publication (AICPA and CIMA, 2014) is provided by the Polish scholar Marek Masztalerz. (Masztalerz, 2014) Masztalerz observes that GMAP's definition of management accounting at the beginning of the document that GMAP contains a shift from the commonly recognised supporting role of management accounting (measurement and reporting) to the active participation in the value creation process. Noting that GMAP emphasizes the finance function of management accounting and equates management accountants with finance professionals directed by a CFO, Masztalerz questions whether there is any difference between management accounting and corporate finance. Masztalerz expresses some skepticism about the style of the document. He cites the high frequency use of terms like 'value,' 'performance,' and 'strategy/strategic,' which greatly exceed the use of such traditional management accounting terms as 'profit' and 'cost/costing.' This, however, is no real surprise to him, given GMAP's definition of management accounting. Masztalerz criticizes the extensive use of adjectives and adverbs which can reduce the readability and intelligibility of the document and lead to various interpretations of the principles by their users. It is also clear, that Masztalerz sees the recurrence of positive and optimistic words like 'innovative' and 'relevant' as reflecting a promotional style in contrast with the neutral style that he would expect to see in pronouncements of principles. In spite of all of these criticisms, Masztalerz does acknowledge that GMAP guidelines would be highly appreciated by management accounting practitioners, especially those who work in a global environment of international corporations.

Despite his many objections, Masztalerz's short critique does more to support the strengths, purpose and professional orientation of Global Management Accounting Principles than some of the European literature promoting international management accounting standards. GMAP does reflect a merging of management accounting and corporate finance functions. This is already tacitly acknowledged in by CIMA's rival IMA, which calls itself the Association of Accountants and Financial Professionals in Business.

Four Global Management Accounting Principles

The four principles, which are noted to be continuous rather than sequential in nature, are cited below along with their connected subheadings. (AICPA and CIMA, 2014)

Communication provides insight that is influential

- strategy development and execution is a conversation
- communication is tailored
- communication facilitates better decisions

Information is relevant

- information is the best available
- information is reliable and accessible
- information is contextual

Impact on value is analysed

- simulations provide insight into options
- actions are prioritised by their impact on outcomes

Stewardship builds trust

- accountability and credibility
- sustainability
- integrity and ethics

These broad principles, as articulated in the document, characterize the management accountant as a capable and reliable key analyst, diagnostician and communicator within the organization who is influential in the creation of value for the organization and its many stakeholders.

Fourteen Practice Areas are identified for application of GMAP. (AICPA and CIMA, 2014)

1. Cost transformation and management
2. External reporting
3. Financial strategy
4. Internal control
5. Investment appraisal
6. Management and budgetary control
7. Price, discount and product decisions
8. Project management
9. Regulatory adherence and compliance
10. Resource management
11. Risk management
12. Strategic tax
13. Treasury and cash management
14. Internal audit

Consistent with the broad objectives of the four principles listed previously, the practice areas cover a broad range of key strategic, tactical and operational functions of management. In the descriptions of the practice areas, reference is frequently made to value creation, sustainability and accountability to the many shareholders of the organization. In order to carry out the objectives of the management accounting principles in these various practice areas, reference is made to substantial list of tools and techniques that is intended to be continuously updated and refined. These comprise a wide range of skills associated with accountants and other financial professionals from the areas of governance and risk management, strategic planning and execution, performance management and measurement, planning and forecasting, product and service delivery, and value recognition. (AICPA and CIMA, 2013)

Governance and risk management

- The CIMA Strategic Scorecard®
- Enterprise Risk Management (ERM)
- Risk Heat Maps
- CGMA Ethical Management Reflection Checklist

Strategic Planning and Execution

- Strategic Planning Tools – including mission and vision statements, goals and objectives, SWOT and PEST
- The Balanced Scorecard – including operational dashboards
- Strategy Mapping

- Porter's Five Forces of Competitive Position Analysis 50

Performance management and measurement

- KPIs – financial and non-financial
- Benchmarking
- The Performance Prism

Planning and forecasting

- Rolling Plans and Forecasts
- Activity-Based Budgeting (ABB)
- Scenario and Contingency Planning
- Cash Flow Modelling

Product and service delivery

- Activity-Based Costing (ABC)
- Lean
- Quality Management Tools – including TQM
- Six Sigma, Cost of Quality and EFQM

Value recognition

- Value Chain Analysis
- Customer Relationship Management (CRM)

2.0 Statement of Purpose

This paper examines the potential of GMAP to become a successful set of principles based on a comparison of the objectives and characteristics of GMAP and IFRS. In conducting this analysis, the focus is primarily on national cultural and accounting values which have been applied to international accounting systems and IFRS in the existing literature along with related sociocultural characteristics of individual nations. (Gray, 1988) (Borker, 2013a) (Borker, 2013c) It is suggested that similar cultural analysis can be meaningfully applied to the new global principles for management accounting proposed in GMAP. (AICPA and CIMA, 2014)

3.0 Relevant Literature

In 1980, Geert Hofstede published his first work on cultural value dimensions worldwide. He reported index scores for individual countries for four cultural dimensions: Power Distance (PDI), Individualism (IDV), Masculinity (MAS) and Uncertainty Avoidance (UAI). (Hofstede, 1980) Subsequently, Hofstede developed two additional cultural dimensions Long-Term Orientation (LTO) and Indulgence vs. Restraint (IVR). (Hofstede, 2001) (Hofstede, et al., 2010) These dimensions are fully described in Hofstede's website. (Hofstede, 2013)

Subsequently, Gray published an article in which he posits a relationship between Hofstede individual country cultural value dimensions and a set of accounting value dimensions. He identified four accounting dimensions, Conservatism (opposite of Optimism), Uniformity (opposite of Flexibility), Professionalism (opposite of Statutory Control) and Secrecy (opposite of Transparency). (Gray, 1988) He related these accounting dimensions to Hofstede cultural dimension in four hypotheses which appear in Table 2.

H1	The higher a country ranks in terms of individualism and the lower it ranks in terms of uncertainty avoidance and power distance then the more likely it is to rank highly in terms of professionalism.
H2	The higher a country ranks in terms of uncertainty avoidance and power distance and the lower it ranks in terms of individualism then the more likely it is to rank highly in terms of uniformity.
H3	The higher a country ranks in terms of uncertainty avoidance and the lower it ranks in terms of individualism and masculinity then the more likely it is to rank highly in terms of conservatism.
H4	The higher a country ranks in terms of uncertainty avoidance and power distance and the lower it ranks in terms of individualism and masculinity then the more likely it is to rank highly in

terms of secrecy.

Table 2: Gray’s Four Hypotheses

Gray qualifies his hypotheses with observations regarding the relative importance of various Hofstede dimensions in relation to his accounting dimensions. For example, in discussing Professionalism, Gray noted that Hofstede’s IDV and UAI are strongly linked to the accounting dimension Professionalism, while PDI is linked, but not as strongly, to that accounting dimension.

Braun and Rodriguez have quantified each of the Gray four accounting dimensions for individual countries by taking a simple average of scores for the corresponding Hofstede dimensions. (Braun & Rodriguez, 2008) In the case of scores for dimensions that have a negative or inverse relationship to a Gray accounting dimension, the Hofstede score is adjusted in the following manner. The mean score for that dimension for the total countries analyzed is subtracted from the specific country’s score. Next, this value is multiplied by -1, and then added to the mean score. By using this conversion of negatively correlating Hofstede scores, they create opposite positive scores for each Hofstede dimensional component of a Gray accounting dimension. Using a simple average in their computation, they assume that all Hofstede dimensions that relate to a given Gray dimension have an equal weight. Unfortunately, this does not take into consideration Gray’s observations regarding his hypotheses that certain Hofstede dimensions have a greater or lesser importance than others in determining the Gray dimensions. (Gray, 1988)

Borker (Borker, 2013a) developed a revised mapping of the relationship between Gray accounting value dimensions and Hofstede cultural value dimensions that provides relative weightings based on Gray’s indications in his original article. The model is also expanded to include two Hofstede dimensions identified after Gray’s research was published, specifically Long-term orientation (LTO) and Indulgence versus Restraint (IVR). Table 3 summarizes the positive and negative relationships between Gray and Hofstede dimensions, using ‘+’ to represent a lower weight positive correlation, ‘+ +’ to represent a higher weight positive correlation, and ‘-’ and ‘- -’ to represent lower versus higher weighted negative correlation relationships, respectively. Finally ‘?’ is used to represent no relationship, or an uncertain relationship, between the Gray and Hofstede dimension. The use of these symbols for the first four Hofstede dimensions (see shaded area in table) were intended to reflect the Gray comments on the greater or lesser importance of certain Hofstede dimensions. The use of these symbols with Hofstede’s two later developed dimensions, LTO and IVR, indicates an assumed relationship between these two dimensions, and the Gray four accounting dimensions based on an examination of the Hofstede value dimensions for seven Anglo-American countries.

	Power Distance : PDI	Individualism : IDV	Masculinity : MAS	Uncertainty Avoidance: UAI	Long-Term Orientation : LTO	Indulgence vs. Restraint: IVR
Conservatism	+	-	-	++	+	-
Uniformity	+	--	?	++	+	-
Professionalism	-	++	?	--	-	+
Secrecy	++	--	-	++	+	-

Table 3: Expansion of Hofstede-Gray Relationships (Borker, 2013a)

Further, Borker also proposed an IFRS favorable accounting value profile based on Gray accounting dimensions. This profile assumed that the ideal IFRS accounting value profile for a country is one characterized by a low degree of the dimensions Conservatism, Uniformity and Secrecy, and a high degree of the dimension Professionalism. (Borker, 2013a) This translates into a profile of Optimism, Flexibility, Professionalism and Transparency. The concept of individual country dimensional profiles and an IFRS favorable profile has been applied in several studies.

These include a study of the BRIC countries, emerging economies in Central and Eastern Europe and the 3G emerging economies. (Borker, 2012a) (Borker, 2012b) (Borker, 2013b)

In another study, a methodology is developed for measuring the level of country's cultural IFRS orientation through two new indices: the Composite IFRS Orientation Index and the Expanded IFRS Orientation Index. (Borker, 2014)

The Composite IFRS Orientation Index is derived as follows:

1. Quantitative scores for each of the Gray accounting value dimensions are developed by averaging Hofstede cultural dimension values having an identified positive or negative relationship to the Gray dimension. In the case of negatively correlated Hofstede dimensions, these are first converted into to opposite positively correlated scores in the manner suggested by Braun and Rodriguez. (Braun & Rodriguez, 2008) Three alternative versions of the Gray Accounting dimension scores are determined by alternatively computing each of the following:
 - A. Simple average of adjusted Hofstede scores for the original four dimensions as Braun and Rodriguez had done
 - B. Weighted average of the adjusted Hofstede dimension scores using weights suggested by Hofstede textual comments about his hypotheses, (Borker, 2014)
 - C. Weighted average of all six of Hofstede's dimension scores based on an expansion of Gray's model to include LTO and IVR dimensions (Borker, 2014)
2. For each of these three sets of Gray Accounting dimension scores determined, a Composite IFRS Orientation Index is developed by computing a simple average of the adjusted scores for the four accounting dimensions based on the assumption that the Gray dimensions Conservatism, Uniformity and Secrecy have a negative relationship to IFRS orientation, and that the dimension Professionalism has a positive relationship to IFRS orientation. In the case of negatively correlated Gray dimensions, these are first converted into to opposite positively correlated scores as described above.
3. The result of the computation is a country's Composite IFRS Orientation Index. Since there are three different versions of the underlying Gray Accounting dimension scores, the analysis produces an A, B, and C weighted versions of the Composite IFRS Orientation Index.

Ultimately, tests of the three weighting versions led to the conclusion that version B was the best version of the Composite IFRS Orientation Index to apply when doing comparative studies.

The Expanded IFRS Orientation Index is derived from the Composite IFRS Orientation Index. It is determined by taking a weighted average of the Composite IFRS Orientation Index, weighted at 80% plus scores for four sociocultural indices each weighted a 5%. These is indices are.

- The Corruption Perception Index (CPI) provided by Transparency International, (Transparency International, 2013)
- An adaptation of AON's political risk ratings by which the higher a country's political risk, the lower the score it receives (AON, 2013)
- The United Nation's Education Index adjusted for inequalities, (Malik, 2013) and
- The World Bank's Ease of Doing Business Index. (World Bank, 2013)

The purpose of the Expanded IFRS Orientation Index was to introduce a fifth accounting dimension beyond the Gray initial accounting dimensions of Conservatism, Uniformity, Professionalism and Secrecy. Borker identifies this fifth dimension to be the degree to which a national accounting culture embodies the value of Stewardship. Stewardship is defined as the responsibility for taking good care of entrusted resources to provide relevant and reliable financial information on the resources that are owned by others, i.e., the shareholders. A country with a high level of Stewardship is assumed to be more likely to protect the interests of individual equity and

credit investors. The four sociocultural indices listed above are used as proxies for Stewardship under the assumption that Stewardship is more likely in countries where there is low corruption, low political risk/instability, a high level of fairly distributed educational opportunity, and a commercially progressive regulatory environment. (Borker, 2014)

4.0 Comparison of the Objectives and Characteristics of IFRS and GMAP

Differences between IFRS and GMAP

Elements of external financial reporting must follow IFRS, but data for GMAP includes, but is not limited to, such constraints except in the discipline area of external financial statements preparation. Hence, use of variable income statements and alternative costing methods are not accepted for IFRS reporting, but are viewed as desirable for meeting many internal decision support, operations management and planning goals. Furthermore, management account as defined by GMAP is much more interdisciplinary in its broad strategic and operational focus. It can be assumed that the only practice area where IFRS dominates is in External Reporting as it relates to the preparation of an entity's public financial statements. In all of the other thirteen practice identified in GMAP, content and practice are not limited to or, in many cases, even pertain to IFRS principles.

The above is not surprising, given the difference in content and wide range of non-financial reporting activities that comprise management accounting per GMAP. This is particularly the case for those activities that relate to corporate finance and other disciplines. However, when we compare IFRS and GMAP from a cultural/accounting value perspective, several significant points of similarity can be found.

Similarities between IFRS and GMAP

Before returning to our comparison, let us review the accounting and cultural values associated with IFRS in the previously cited literature. This can be done in terms of Gray's accounting cultural value dimensions of Professionalism, Uniformity, Conservatism and Secrecy. The ideal IFRS favorable value profile consists of:

- **Professionalism** as opposed to its opposite Statutory Control
- **Flexibility** as opposed to its opposite Uniformity
- **Optimism** as opposed to its opposite Conservatism
- **Transparency** as opposed to its opposite Secrecy

This value profile characterizes the financial accountant, whether supporting and preparing financial statements from within the entity or auditing them from the outside, as accounting professionals using a high degree of professional judgment in making accounting decisions. This is in contrast to bookkeepers or clerks following a strict set of statutory rules prescribing in detail the form and content of financial reporting. Professional independence goes hand in hand with flexibility, having the confidence make creative and interpretive decisions how to record transactions that fit unique or new circumstances or business conditions rather than being limited to the uniformity associated with statutory control. Optimism similarly reflects the professional accountant's confidence with respect to judging when to recognize gains and losses in an unbiased manner and not to charge off prematurely to make next year look better. Finally, transparency reflects a professional and ethical commitment to disclose, within the framework of probability and materiality, all information that should be provided to the external users of public financial statements.

Beyond Gray's four accounting value dimensions, an additional value of stewardship is identified as an important IFRS value and represented as the average of four indices reflecting corruption (low), political risk (low), education, and business friendly regulatory environment. (Borker, 2014)

Now we turn to GMAP's four broad principles of management accounting.

- Communication provides insight that is influential.

- Information is relevant.
- Impact on value is analyzed.
- Stewardship builds trust.

From the above principles and their elaboration in the GMAP draft, we see that the management accountant is a true professional expected to communicate important insights with the organization, to select and seek out relevant information needed for a variety of strategic and operational decisions, responsible for discovering ways to the value of the organization and play a major role as a steward of organizational resources providing accountability and credibility to all stakeholders.

Given the above, it is difficult not to see a direct relation with IFRS in terms of the cultural accounting values discussed above.

- It is clear that both IFRS and GMAP share a high value for **Professionalism** and see the accountant as a highly trained independent figure capable of making judgements within the professional areas of each.
- Both IFRS and GMAP value **Flexibility** over Uniformity, in that much creativity is needed for each to adjust to the variety of problems and solutions they must find.
- Both IFRS and GMAP value **Optimism** over Conservatism. The management account strives to find innovative solution to add value to the organization and its stakeholders. This requires confidence and positive view about problem solving and organizational improvement.
- Both IFRS and GMAP each value **Transparency** over Secrecy. Accountability and credibility are major goals and the management account must be able to communicate with transparency and openness the information appropriate to management and to all other stakeholder relationships.
- Finally, both IFRS and GMAP put a priority of the value of **Stewardship**, which involves protecting the resources of the organization and safeguarding the interests of all stakeholders. All of this involves maintaining a high level of ethics and integrity.

6.0 Discussion

Based on the above comparison, it seems reasonable to assume that the accounting values discussed above could be applied in a similar manner to the studies previously discussed for IFRS, to identify those national accounting cultures that would more or less likely to accept and implement Global Management Accounting Principles. It will, however, be necessary to development a new methodology that reflects the specific balance of values that best reflect GMAP. One value that is not reflected in the same way for IFRS is Hofstede's cultural value of long-term orientation (LTO). This value is reflective of GMAP's emphasis on developing successful and sustainable long term strategies and the importance of project planning, capital planning (capital budgeting) and making strategic investments for the long term. Countries with very high scores for IFRS orientation such as the United States and the British Commonwealth countries tend to have a more bottom line oriented short-term orientation, while other countries like Japan, China, and Germany have high LTO scores. A new methodology used to reflect GMAP orientation should, therefore, incorporate high LTO as a favorable factor.

GMAP explicitly places a heavy emphasis on the importance of stewardship, focusing on the themes of accountability and credibility, sustainability, and integrity and ethics. The elements that are combined to form the Stewardship dimension included in the Expanded IFRS Orientation Index computation (Borker, 2013c) should also be incorporated into any measurement of GMAP orientation as a favorable factor. Independently, factors of educational level and broad distribution

of stock ownership should probably be included, since both would be indicative of cultures in which GMAP principles would be valued.

7.0 Conclusion

A comparison of IFRS and GMAP in terms of the national cultural and accounting values that are most favorably oriented to each indicates that there is a large degree of overlap. Specifically, the accounting values of Professionalism, Flexibility, Optimism, Transparency, and Stewardship are all characteristic of each. These shared values combined with the additional socio-cultural factors of long-term orientation, high educational level and broad distribution of individual stock ownership with a country constitute the information necessary to develop a methodology for measuring the likely receptivity by companies in various national cultures of Global Management Accounting Principles (GMAP).

The work still to be done is clear. An actual methodology needs to be developed along the lines indicated above that will produce some sort of quantitative index of GMAP orientation. This index can then be applied to the data of various national cultures to determine the likely degree of acceptability of GMAP in each.

GMAP reflects a general trend broader more value creation oriented vision of management accounting in which the management accountant plays a key strategic role within the organization with a skills inventory that combines traditional management accounting with finance and other business disciplines. Whether GMAP, as currently proposed, prevails is replaced by some subsequent formulation, it is useful to anticipate how such principles may be received by companies throughout the world.

References

- AICPA and CIMA, 2013. *Essential Tools for Management Accountants: The Tools and Techniques to Support Sustainable Business Success*, s.l.: s.n.
- AICPA and CIMA, 2014. *Global Management Accounting Principles*. [Online].
- AON, 2013. *AON Political Risk Map 2012*. [Online]
Available at: <http://www.oxan.com/About/Media/News/AonPoliticalRiskMap2012.aspx>
- Beke, J., 2010a. Accounting Management by International Standards. *International Journal of Business and Management*, 5(5), pp. 36-43.
- Beke, J., 2010b. International Management Accounting Standards Promote Business Growth. *Review of International Comparative Management*, 11(3), pp. 482-490.
- Borker, D. R., 2012a. Accounting, Culture and Emerging Economies: IFRS in The BRIC Countries. *Journal of Business and Economics Research*, 10(5), pp. 313-324.
- Borker, D. R., 2012b. Accounting, Culture and Emerging Economies: IFRS in Central and Eastern Europe. *International Business & Economics Research Journal*, 11(9), pp. 1003-1017.
- Borker, D. R., 2013a. Is There a Favorable Cultural Profile for IFRS?: An Examination and Extension of Gray's Accounting Value Hypotheses. *International Business & Economics Research Journal*, 12(2), pp. 167-177.
- Borker, D. R., 2013b. Accounting and Cultural Values: IFRS in the 3G Economies. *International Business & Economics Research Journal*, 12(6), pp. 671-685.
- Borker, D. R., 2013c. The IFRS Orientation Index: Quantification and Expansion of the IFRS Favorable Profile. *Manuscript*.
- Borker, D. R., 2014. The IFRS Orientation Index: Quantification and Expansion of the IFRS Favorable Profile. *Global Review of Business and Economic Research*, 10(1), pp. 43-57.
- Braun, G. P. & Rodriguez, R. P., 2008. Earnings Management and Accounting Values: A Test of Gray (1988). *Journal of International Accounting*, 7(2), pp. 1-23.
- Daum, J., 2007. The Missing Link. *FDE - Finance Director*, Issue 1, pp. 64-66.

-
- Gray, S. J., 1988. Towards a Theory of Cultural Influence on the Development of Accounting Systems Internationally. *Abacus*, 24(1), pp. 9-11, 12.
- Gray, S. J., 1988. Towards a Theory of Cultural Influence on the Development of Accounting Systems Internationally. *Abacus*, 24(1), pp. 1-15.
- Hofstede, G., 1980. *Cultures Consequences: International Differences in Work Related Values*. Newbury Park, NJ: Sage.
- Hofstede, G., 2001. *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations across Nations*. 2 ed. Thousand Oaks, London, New Delhi: Sage Publications.
- Hofstede, G., 2013. *Dimensions of National Cultures*. [Online]
Available at: <http://www.geerthofstede.com/dimensions-of-national-cultures>
- Hofstede, G., Hofstede, G. J. & Minkov, M., 2010. *Cultures and Organizations: Software of the Mind: Intercultural Cooperation and its Importance for Survival*. New York: McGrawHill.
- Malik, K., 2013. *Summary Human Development Report 2013*, s.l.: .
- Masztalerz, M., 2014. Global Management Accounting Principles - Emperor's New Clothes?. *Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu*, Issue 345, pp. 57-65.
- Transparency International, 2013. *Corruption Perceptions Index 2012*. [Online]
Available at: <http://www.transparency.org/cpi2012/results>
- World Bank, 2013. *Ease of doing business index*. [Online]
Available at: <http://data.worldbank.org/indicator/IC.BUS.EASE.XQ>
-