

# 'Transparency' in Accounting and Corporate Governance: Making Sense of Multiple Meanings

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## **Abstract:**

Calls for greater transparency of accounting information were consistent in media discourse after the accounting crisis early this century. Our analysis of the media suggests different emergent meanings were associated with these calls of transparency and an underlying 'taken for grantedness'. We examine how this 'taken for grantedness' contributed to preserving the status quo rather than greater accountability. We posit that for many observers a loss of meaning of accounting information led to attempts to make sense of what actions are necessary to construct a meaning of accounting information. We find that academic accounting research's response had a narrow focus relating to representation and accessibility of information to permit decision making, the ocular metaphor of transparency. In contrast, the social science research literature highlights the 'invisible' in transparency or the construction of meaning through sensemaking. By extending sensemaking to the macro level we show how stakeholders construct meanings of transparency to rationalize events around the crisis. We find that senior management engaged in high levels of sensegiving via dominant media accounts of vague pledges and actions to increase transparency that provide a plausible story of events and the belief that the necessary actions have been taken, but effectively maintains the status quo. Accountants and regulators provided low and fragmented levels of sensegiving, offering little direction over the discourse of transparency. Our analysis suggests that accountants and regulators need to provide higher forms of sensegiving to create richer accounts and more coherent actions that could provide alternatives to senior management's accounts.