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**Agential conflicts and accounting reforms in ‘Less Developed Countries’:
The Case of the Nepalese Central Government**

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ABSTRACT

This paper aims at unveiling how external isomorphic factors promote reforms to the government accounting system in Nepal, a unique ‘less developed county’ (LDC) without fundamental measures of public administration and governance from the Western colonial power in the history (remained independent throughout the history), and how internal factors, such as the structures and human agencies at the organizational field and organizational levels interact and respond. The paper draws on the framework of Dillard et al., (2004), which combines neo-institutional theory with the dynamics of structuration theory. The findings of the paper suggest that the Nepalese government accounting reforms, promoted by coercive, mimetic, and normative pressures at the socio-economic and political level, struggle to create a positive impact because of the historically established manipulation/fabrication and non-compliance culture, as well as the dualist control structure at the organizational field and organizational levels. Thus the unintended consequences, such as agential conflicts within the context of the “dialectic of power” at these levels, indicate that any chance of a successful institutionalization of the government accounting reforms in Nepal requires the empowerment and active participation of influential agencies (such as, government accountants).

Keywords: Government accounting, International organizations, Neo-institutionalism, Nepal, Structuration theory.