ORGANISATIONAL IDENTITY, IDENTIFICATION AND ACCOUNTING: AN EMPIRICAL STUDY IN A MUSEUM RAILWAY

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ABSTRACT

The long term continuity of organisations in particular forms and directions creates specific employee behaviours, organizational identities and employee identifications. The changes to those forms and directions in turn, create negative employee reactions, identity crises and employee identification problems. Accounting as business technology often interferes and engineers these organisational changes and are involved with creating new form of organisational identities and employee identification strategies. In this study, the relations between accounting, organizational identity and identification were investigated among the volunteers and employees of a Museum railway in UK. It shows how management accounting systems engendered a dilemma between the preservation identity and voluntary labour identification and the business-like practices. The study's findings reflect that organisational identity and employee identification in the volunteer-led heritage railways were largely shaped by central, enduring and distinguishing features, such as '*serious leisure'*, *communitas and liminality.*

1. INTRODUCTION

Intuitively, identity refers to the common set of values and ideals that bind together a group of individuals. Organizational identity would, to a large extent, be dependent on the values and ideals of these individuals especially when the organization is seen to be a democratic one and not subject to an external agency that measures and coordinates multiple (and possibly diverging) interests (Panozzo, 1996). Organizations in the public and private are subject to these external influences and expectations but there are many third sector organizations which operate along democratic principles (e.g. trade unions, co-operatives) and which rely significantly on unpaid labour (volunteer organisations). Compared to the many studies that have examined the influence of accounting in companies and public sector organisations, there has been little reflection in the third sector on the implications it may have on organisational (and members') identity. In this paper, we firstly review the concept of organizational identity and the few studies which sought to examine how accounting 'impacts' on charitable identity and secondly bring to the fore additional empirical insights from a volunteer-led charitable organisation.

Unsurprisingly, there are different ways one can conceptualise organisational identity. According to Abrahamsson et al. (2011, p. 348), at least two perspectives can be identified from the literature, namely a social actor perspective and a social constructivist perspective (refer also to Ravasi and Van Rekom, 2003; Ravasi and Schultz, 2006). The former generally draws from institutional theory and sees identity as a coherent and stable guide for how organisational members should behave and understand their organisation. The latter approach sees identity as a collective set of shared beliefs about the organisation which are subject to periodic questioning and reviewing by members. In light of the democratic nature of many charities and the (changing) influence members and volunteers might have on an organisational, the social constructivist perspective appears to the more appropriate lens in considering the tenets of organisational identity and the role that accounting might play in shaping and changing the people's perceptions of what is the organisation about.

Whilst there still appears to be much discussion on what would be the discrete elements constituting organisational identity (Ravasi and Van Rekom, 2003; Whetten, 2006), it is argued that Albert and Whetten's (1985) definition remains topical (Abrahamsson et al. 2011). In this respect, organisational identity is seen to be the members' collective understanding of the features presumed to be central, relatively enduring and distinguishing (CED). This shared notion of identity guides members in making decisions about the nature of their responsibilities, the acceptability of their actions/decisions and how to they are supposed to act vis-a-vis external parties (Corley et al., 2006). However, the constructivist perspective to identity inherently assumes that this shared understanding of "what the organisation is all about" tends to be rather fluid (Abrahamsson et al. 2011) and can also include inconsistent elements. In addition, one assumption of the CED is that there is an alignment (no discrepancy) between identity (as perceived by internal members) and external image i.e. internal members believe important stakeholders perceive the organisation's identity in the same way as they do. Hence, although the CED features are a useful starting point, it does not imply that organisational identity is a rigid, stable, consistent and construct that is perceived to be the same from different viewpoints.

Notwithstanding the above conceptual discussions relating to identity, there is very little empirical evidence on the specific role of accounting in shaping organisational identity and identification, except for notable studies by Westerdahl (2001), Panozzo (1996) and Abrahamsson et al. (2011). Furthermore the conceptual work by Llewellyn (1994) on accounting and the maintaining of organisational boundaries are relevant in understanding the influence of accounting on organisational identity. This paper therefore contributes to the accounting literature by providing empirical insights on accounting, identity and identification, with an emphasis on charitable non-profit organisations. The findings will also be of relevance to the existing interpretive-led strand of research on the role of accounting in non-profit organisations (e.g. Goddard and Assad, 2006; Irvine, 2005; Jayasinghe et al., 2011). The remainder of the paper is structured as follows. The theories of identity and identification are first evaluated and secondly a review of the studies linking accounting and identity are reviewed. The methodology and background of the case organisation are presented followed by the case findings, analysis and concluding implications.

2. THEORIES OF ORGANISATIONAL IDENTITY AND IDENTIFICATION

The theories of organisational identity and identification are mostly informed by the social identity literature, which relies on the premise that people classify themselves and others on the basis of social or demographic categories e.g. gender, race, religion, occupation, income bands (e.g. Tajfel, 1978). Such categorisations enable individuals develop a 'sense of belonging' to a specific group and according to authors such as Ashforth and Mael (1989) and Dutton et al. (1994), organisational identification is essentially a form of social identification. At this stage, it is important to distinguish between 'organisational identity' and 'organisational identification'; two concepts which according to Albert et al. (2000, as cited in Oliver and Roos, 2004, p. 5) *"…provide a way of accounting for the agency of human action within an organisational framework, are infused with motivation and feeling, and help bring questions of meaning back into the organisation's life"*.

Albert and Whetten (1985) conceptualise organisational identity as the internal (i.e. employees' or volunteers') view of the organisation, i.e. *"how do we see ourselves"*, shaped around three sub-concepts perceived by the employees/volunteers:

(a) What are the central attributes of the organisation?
(b) What are the enduring or continuing features of the organisation, irrespective of changes that may be occurring in its internal or external environment?
(c) What makes it distinctive and unique compared to other organisations? (Albert and Whetten, 1985, cited in Witting, 2006, p. 1)

The CED (central, enduring and distinctive) features have permeated other theories and definitions of organisational identity which for instance refer to core values and organisational culture (Elsbach and Kramer, 1996) or a collectively shared understanding of an organisation's distinctive values and characteristics (Hatch and Shulz, 1997). In essence, if actors perceive the CED features of organisations to be highly central, enduring and distinctive, then this suggests that the organisation has a strong identity.

In turn, organisational identification is a cognitive, affective and evaluative process whereby the employee/volunteer identifies himself/herself with the organisation. The individual hence attaches value and significance to his/her membership of the social grouping i.e. *"Who am I in relation to the organisation?"* (Pratt, 1998, cited in Witting, 2006). According to Patchen (1970), organisational identification is made up of three elements, namely (i) feelings of solidarity with the organisation, (ii) attitudinal and behavioural support for the organisation, and (iii) perception of shared characteristics with other organisational members. In a similar vein, Dutton et al. (1994) argue that organisational identification is *"the degree to which a member defines himself or herself by the same attributes that he or she believes define the organisation"* (1994, p. 39). In light of the above, organisational members can have a common view of what the organisation is all about (identity) but it is not necessarily the case that they 'buy in' this identity to define or re-define who they are (identification).

In adopting the above concepts, many authors take a functionalist perspective to contend that a strong identity can improve organisational effectiveness/performance and act as a framing mechanism for decision-making (Oliver and Roos, 2004). Also, organisational identity can depoliticise organisational issues (Gioia and Thomas, 1996) and help define issues as threats or potential opportunities (Dutton et al., 1994). Similarly, using mainly quantitative-based analysis, greater levels of identification have been positively associated to work and organisational outcomes such as commitment, employee interaction and satisfaction (Ashforth and Mael, 1989). Furthermore, Foreman and Whetten (2002) highlight a number of studies where the connections between identity and identification have been relied upon to explain a variety of organisational processes and behaviours such as cooperation, loyalty and control practices. For instance, Barker and Tompkins (1994) found that the workers' levels of identification were greater towards the team than towards the larger organisation and as a result, team-based controls appeared to be more appropriate than individual controls imposed by the organisation. In spite of the pervasive effects of identification on the organisation, Foreman and Whetten (2002) argue that there has been little attempt to understand how identification is generated, enhanced or reduced. In this regard, Foreman and Whetten (2002) suggest that an organisational member engages in a process of comparison whereby he/she compares what is his/her current perception of the organisation's identity (identity perception) to what he/she thinks the identity should be (identity expectations).

Whilst the notions of identity and identification initially set out by Albert and Whetten (1985) remain relevant in current analyses of organisations, there has however been a realisation that these notions inherently impart a sense of 'permanence' and 'uni-dimensionality' to how people perceive, or interact with, an organisation's identity. For instance, Gioia et al. (2000) question the 'enduring' sub-concept of identity particularly when organisational identity might be seen as a more dynamic phenomenon 'shaped' by different organisational members and leaders. Furthermore, Albert and Whetten (1985) acknowledged that organisations and people have multiple (and competing) identities which could complicate the process of organisational identification. It is possible that these multiple identities are not in conflict with each other (nested identities) and this will not impact negatively on organisational identification. On the other hand, there may be a conflict between these multiple identities which will result in a trade-off situation where organisational identification could be negatively affected by for example a 'higher-order' allegiance to professional identity.

Albert and Whetten (1985, p. 270) consider how this predicament could apply to an organisational set up (as opposed to an individual). They coin the term 'hybrid-identity organisation' to define an organisation whose identity is composed of two or more types that would not normally be expected to go together. Foreman and Whetten (2002, p. 621) rely on this definition to assert that their selected hybrid-identity organisation (a rural cooperative) is one which encompasses two seemingly incompatible value systems, namely a normative system and a utilitarian system. In the former case, the system privileges values which are usually associated to traditions, rituals, ideology and altruism - akin to conventions and principles governing church and family. In the latter case, economic rationality, self-interest and maximisation of profits are the main dominating values which regulate the operation and activities of business organisations. Other than empirically confirming that identity congruence (and by extension, an identify gap) has a significant effect on the members' relationships with an organisation, Foreman and Whetten (2002) find that differences in expectations and conflicting identifications exist within individual constituents of the hybrid organisation. They conclude that *"…it appears that many members of a hybrid organisation identify with both aspects of its dual identity and thus find themselves embracing competing goals and concerns associated with distinctly different identity elements"* (2002, pp. 631-632). This suggests that the consequences of multiple organisational identities and identification are more complex than initially expected. Although the empirical findings might be limited to the context of rural co-operatives, it remains that many other charitable organisations display similar features of multiple and competing identities.

For example, an earlier qualitative study by Golden-Biddle and Rao (1997) examined how board governance operated in a not-for-profit organisation, whose identity was perceived to be on one hand a volunteer-driven organisation and on the other hand a 'family of friends'. When confronted with a need to control the budget and excessive spending by managers, directors experienced difficulties (termed 'conflicts of commitment') in deciding how to act (exercise authority as representatives of volunteers or safeguard friendship by avoiding conflicts with managers). Informed by the case findings, Golden-Biddle and Rao (1997, p. 608) generally contend that when actions occur that breach expected role performance, latent contradictions in organizational identity emerge, and members are faced with the conflict of upholding one dimension of identity while undermining the other. Whilst this study was focused on board governance and how a hybrid organisational identity can influence directors' actions, we would argue that organisational changes (e.g. new accounting practices and management accounting systems) can equally 'disturb' the existing features of an organisation's identity and the current level of organisational identification and reveal (if any) the latent contradictions between the multiple identities. Alternatively, for organisations perceived to have a single or dominant identity, these changes could plausibly lead to the emergence of a competing identity or identities, which in turn could generate issues such as conflicts of commitments and gaps in organisational identification. However, not many accounting studies appear to have explicitly relied on the concepts from the identity and identification literature.

3. ACCOUNTING AND IDENTITY: A REVIEW

According to Abrahamsson et al. (2011), a dynamic analysis of the interaction between accounting and identity does not assume a uni-directional relationship i.e. organisational identity can also influence how accounting operates in the organisation. Based on a study of a large manufacturing company, Abrahamsson et al. (2011, p. 370) observe that organisational identity can work for a considerable period of time as a highly influential and largely unquestioned imperative which ensures that only appropriate organisational action is taken. In specific circumstances, accounting practices may however lead to a construction of an identity discrepancy i.e. a situation where there is gap between identity and image. For example, accounting practices can reveal identity-inconsistent information e.g. company sees itself as being highly customer responsive but accounting measures provide quantitative 'evidence' of this not being achieved. Faced with this image discrepancy, organisational members explore ways to close such perceived gaps such as re-constructing accounting measures that would reveal that they are actually performing in accordance with their identity or engage in a reconstruction of their desired future and self. Hence, Abrahamsson et al. (2011) emphasise both the implications of identity discrepancy (rather than identity) on accounting and that of accounting on causing an identity discrepancy.

Westerdahl (2001) is often recognised as one of the early and few interpretive studies of NGO accounting (Goddard and Assad, 2006) and organisational identity. He examines whether (and if so how) accounting contributes to the self-image of a small, volunteer-based, co-operative organisation. The organisation's economic situation was precarious and there was a little reliance on accounting systems, such as budgets and internal controls. Whilst outside accounting 'experts' (external accountants) emphasised the need for proper accounting procedures and controls as a result of the informational outputs of the accounting system, board members were more concerned with the consequences of engaging more with the accounting information and assumptions (e.g. depreciation, valuation of assets). For example, the outcome of using 'proper' accounting policies would result into a deficit, which would discourage members whilst a set of accounts which reflected a break-even result would keep them satisfied and calm (2001, p. 67). Furthermore, evidence from the board's deliberations revealed that there was a tension between understanding / empathising with the qualitative needs and circumstances of the people in the community and the quantitative and business implications of a decision that might upset this understanding and empathy. As a community co-op, its identity ('togetherness') was closely affiliated to the economic needs of its membership (dealing with electricity costs and rental tenancies) but yet decision-makers did not rely on the formal outputs of the accounting system to make 'economic' decisions. Westerdhal (2001) concludes that the financial vulnerability of the co-op led to the increased presence and visibility of accounting reports and an emphasis on business logic. As a result, he argues that the co-op's identity is being re-shaped as the accounting outputs themselves reveal "*the contradictions forming the basis of the co-op*" (2001, p. 70). But he also acknowledges that the members' resistance to the adoption of particular accounting policies suggests that the attempts to protect one's identity can also re-shape the accounting practice within the organisation. One interesting aspect of this study is that the organisation's identity and that of its members embrace economic ideals with a view to maintain rural communities but yet this identity is 'antagonistic' towards the business logic that is revealed by the accounting information. However, the study does not rely on clear definition of identity and thus what constitutes the 'identity' of a co-operative organisation and of its members is not clearly articulated.

Panozzo (1996) explores how accounting operates in an Italian trade union confederation and questions whether accounting practices and the accountability relationships they generate may be linked to issues other than those of inspection, formal control and efficiency. He argues that in a democratic organisation (such as a trade union), identities can be autonomously created by organisational participants and accountability is seen as dependent on notions of organizational identity constructed on political or ideological grounds (1996, p. 183). The research narrates how the trade union's increase in size and complexity led to a proliferation of accounting and administrative practices in each organisation unit of the union - deemed to be all autonomous and in control of their own budget. In the absence of any legal requirement for trade unions to keep proper accounting records and to follow generally accepted accounting principles, each organisational unit prepared accounts based on its own assumptions and cost classification, giving rise to local interpretations and manipulations. This enabled the unit to become an organisation that is visible to members and other units in the confederation thereby justifying its existence. In the words of Panozzo (1996), *"Accounting operates accordingly, with the provision of an ever changing set of meanings that allows for the enactment of the myth of independence and subunit autonomy."* (1996, p. 188)

The organisation's identity incorporates a strong political bias which seeks to ensure that reality as conveyed in the accounts must be politically adequate. For example, accounts are fabricated to ensure a zero profit and reserves and contingency costs are set aside to ensure that the subunit's contribution to the confederation can be minimised. Panozzo (1996, p. 189) argues that the political ideology of the organisation has radically changed the actual meaning of the economic account and accounting is inextricably related to the subjective interpretations of the participants. The implication of this organisational identity is that accounting issues become the subject of lengthy debates and confrontations even if these accounting issues (now labelled as a political problem) could be easily resolved in a rational way. In this regard, accounting, instead of being a neutral information system, becomes involved in attempts to protect the uniqueness and legitimacy of the sub-unit in relation to demands by the upper echelons of the organisation. Panozzo (1996) thus concludes on following key point: *"A view of accounting as an interpretative mechanism can thus result in a process of identity construction. This opens the possibility for the establishing of a tautological relationship between accountability and identity. Accountability can be more than a technique to inspect others' behaviour when it becomes crucial for organisational actors to possess a distinct identity"* (1996, p. 192)

Yet, he warns of the potential destructive consequences of a hierarchical accountability (relying on traditional accounting controls and practices) on the identities of a membership which has been constructed as a *"community of interests"* (1996, p. 193). In such cases, Panozzo (1996) argues that accounting for control does not provide an effective organisational 'glue'. Rather it is the social solidarity and the members' sense of belonging to an identifiable community which acts as a 'lightning rod' for organisational action and ensures that the organisation will meet the substantive expectations of the members and that members will abide by their obligations to the organisation and community. How are accounting practices (and changes thereof) implicated in ensuring these expectations are fulfilled and these obligations are met within such organisations remains an open question.

Finally, it has to be acknowledged that concepts related to more specific elements of organisational identity and their implications for accounting have been explored, albeit to a limited extent, in the literature. In particular, Llewellyn (1994) highlights the role of an organisation's boundary in shaping organisational identity and states:

> *"….boundary management theory describes organisational boundaries as achieved by individuals (or collective agencies) as they filter and process information to maintain an organisational identity in both physical and conceptual terms […].Organisational boundaries constitute those areas where the process of organising occurs. Such processes involve inclusion and exclusion as an organisational identity is maintained and the organisation enacts its environment."* (1994, p. 10)

Llewellyn (1994) contended that accounting is implicated in boundary management in that it is a device which helps manage uncertainty between organisation and society and internal uncertainties. In the first instance, financial accounting addresses the external uncertainty and financial statements in effect become a 'threshold' device which sets out the physical/spatial/financial limits of the organisation through the quantification of assets and liabilities (1994, p. 11). In the second instance, boundaries act as binding structures and help to produce and reproduce the internal unity of the organisation (1994, p. 14). In this respect, the *"…attention-directing, performance monitoring and information coding functions of management accounting.."* contributes to the reduction, absorption or denial of uncertainty within the organisation. According to Llewellyn (1994), accounting addresses this uncertainty through the provision of information that is available 'at a glance' and in an impersonal form. Hence, practices such as budgets and management accounts do participate in the binding 'dynamic' of boundary management and can potentially contribute to the maintaining of existing organisational identity. However, as argued by Llewellyn (1994, p.17) processes of organisational change, often involving the emergence of new gatekeepers (e.g. new profit-oriented managers vs. engineering-oriented one), can also challenge internal boundaries and lead to changes in power structures and systems of meaning within the organisation. In turn, these changes may disrupt the level of internal uncertainties amongst organisational actors thereby influencing notions of identity and identification.

As detailed in this section, there are a few and rather competing accounts of the links between accounting and organisational identity. In addition, the evidence provided in Panozzo (1996) and Westerdhal (2001) does not focus explicitly on the experiences and perceptions of volunteers and members.

4. METHODOLOGY

Our investigation of a heritage railway organization run as a preservation society - henceforth titled Little Train (LT) - involves an ethnographic approach (Clifford & Marcus, 1986; Geertz, 1988) that epistemologically produces a story of the particular socio-economic and emotional perspectives germane to LT's activities as an organization and of its volunteer workers/members (described as 'pilgrims' by Worthington, 2005). Our interviews, spanning 4 months of spring/summer activity at LT, were structured in the form of guided conversations, each lasting for about an hour, with both volunteers and the paid staff employed by the railway company. The interviews were (in almost all cases) carried out at the railway site in the administrative and engineering departments or in volunteer ‘offices’. Prior to and throughout the interview stage, we accessed a number of historical and contemporary documents which informed the focus of our subsequent interviews. More interestingly however, it was during our numerous site visits and observations (including those as paying visitors) that we became gradually aware of the ‘alternative reality’ in which the emotional imperatives of volunteers were primordial and in which a ‘community’ of railway enthusiasts was allowed to thrive and ‘express’ itself. These insights were gathered in the midst of an organizational change process introduced and engineered by a small but rather determined breed of new ‘business-facing’ volunteers, who brought about relatively radical and rapid changes to this reality through a more comprehensive use of accounting and business technologies and representations. By adopting a qualitative multi-method approach, we studied the narratives and behaviour of organizational actors in a naturally occurring setting or field in order to capture their social meanings in reality (Brewer, 2000). Our findings and analysis of the influence of accounting in challenging organisational identity are interpreted and presented in terms of the concepts employed in Abrahamsson et al. (2011) and the insights by Llewellyn (1994).

The documentary evidence collected consisted of a number of published, and more internal, material such as minutes of meetings (e.g. boards, committees and AGMs), financial accounts, as well as a number of *ad hoc* individual reports. Regular issues of LT’s quarterly magazine provided an invaluable source of archival and contextual reference material, containing contemporary news items, comments and letters from members. Several interesting aspects of the documentary evidence were particularly notable. First, in relation to our past experiences with similar case study research, there was evidence of greater openness and transparency at LT as reflected in the minutes of Society meetings, which appeared to detail at length discussions, questions and debates (including the names of all speakers), as compared with the usual (and widespread practice) of ‘sanitizing’ the records of meetings. Also, while many of the letters and contributions published in the LT magazine were critical of the current ‘regime’, LT’s situation and/or its practices, they were printed in a public document with a fairly wide circulation beyond its membership. Finally, LT’s website provided an open access to the Society’s recent council/company minutes and decisions and to a very active discussion board/forum where members regularly posted comments and criticisms.

Our in-depth interviews involved a variety of organizational participants, enabling us to achieve deeper insights and better understanding of a range of issues. Although the interviewees were mainly drawn from the elected ‘branches’ of the Society, the majority of them were first and foremost ‘gricers’ (nickname for a railway volunteer and enthusiast); some of whom had been involved with LT for 30 to 40 years and continued to undertake ‘manual duties’ of running a railway (e.g. driver, train guard, station staff, ticket inspector, track maintenance, engineer). Unsurprisingly, many had previously worked for the ‘real’ railways, although there were also a substantial proportion of non-railway professionals (e.g. teachers, doctors, administrators and business people) amongst the volunteers. While most of the respondents (and volunteers) are men who have reached (or are reaching) retirement age, we also interviewed women and younger volunteers.

The interviews began with the interviewer presenting the context of the study and its objectives, and explaining the form and nature of the interview session. They proceeded in a relaxed and informal manner, according to ethical guidelines, taking the form of guided conversations based on a core set of basic and general questions regarding predetermined topics, designed to obtain information on key issues without constraining the conversation. The common list of interview questions covered: motivation for one's involvement and one's view of LT's purpose; views regarding organizational structure and decision-making and recent organizational changes; personal satisfaction with one's role within the organization, and future prospects. Depending on the interviewee's role and responsibilities within the organization, more specific and detailed questions were asked regarding: the operation of management and accounting systems; the extent and manner of communication and dissemination of management information; the means of taking strategic decisions, and the key committees/structures consulted for such types of decisions; the definition, and understanding, of accountability and governance within the organization. In all cases supplementary questions relating to individual topics emerged during the interview session in response to interviewee contributions.

A total of 21 persons were interviewed over the study period, with all interviews tape-recorded and subsequently transcribed on to hard copy, which was offered to the interviewees for reference if they so wished. These narratives were then analysed, in order to understand their meanings and respondent perceptions with particular regard to the recent organizational change activities undertaken within LT. This involved a three stage process. First, as is characteristic of an interpretive methodology, an attempt was made to allow broad patterns or themes to emerge from participant responses within the research site. By employing basic principles of grounded theory (Strauss & Corbin, 1990), the themes identified from the empirical data were further examined by subsequent collection of multi-faceted evidence. In the second stage, data were analysed from the bounded emotionality perspective, employing insights on motivations/emotions as gathered from the heritage railway literature. Finally, observations of volunteer and employee behaviour, interviews and site-related train journeys were used as a supplementary method for the data interpretation and validation process.

In the next three sections, we explain (i) the context of the organisation, (ii) the linkages observed between accounting, identity and identification in the period prior to the accounting change, and (iii) the same linkages in the period after the accounting change.

5. CASE STUDY BACKGROUND: LITTLE TRAIN (LT)

Originally established as a narrow gauge railway line designed to carry quarried material, plus local freight and passenger traffic, LT was acquired and run as a Preservation Society from the mid-1950s with the railway assets and operations officially owned by a company whose profits are committed to advancing the preservation cause. The aim of the Society is to keep operating the steam haulage railway and to maintain the original and historic character of the railway for heritage purposes. This is to be achieved by the Society's financial assistance and sponsorship appeals as well as, crucially, voluntary labour provided by many Society members to supplement passenger traffic and other income generated directly by the railway company as a visitor attraction. As described in an early Society plan published in the mid-1980s, volunteer participation enables individual members to pursue a hobby, relaxation, a challenge, opportunities to venture into different fields of activity which may well otherwise be closed, friendships and a social life; motivations that are not significantly different from the ones highlighted in the studies reviewed in the preceding section. Active volunteer members (about 200) represent a minority of the Society's membership (approximately 3,500) and the former thus take on a disproportionate amount of responsibilities, supported by a relatively small number (about 20) of core paid staff by the company (virtually all of whom are paid up members/volunteers as well). A constant, but growing concern relates to the question regarding how this ‘alternative reality’ is to be preserved whilst coping with traffic and safety, and environmental, financial, marketing, and visitor demands.

One of the major concerns over the last 30 years has been the decline of LT’s popularity amongst visitors from a peak of approximately 200,000 passenger journeys annually to an average of about 50,000 in recent years. Over time, this has translated into significant financial pressures on members and volunteers towards the subsidising of LT’s operating costs. Although ancillary activities (shop, catering and contracting outside engineering work) have become more structured and thereby should be contributing more to the core operation, company accounts still report notable operating deficits. However this is not a surprising state of affairs in view of the nature of the costs involved and seasonality of visitor demand involved in such an organization (as previously described by Worthington, 2005).

The Society has numerous ‘committee’ structures within which elected volunteers and other representative members participate in the governance, accountability, technical and management decisions affecting LT. The annual general meeting elects the 23 members who will form part of the apex decision making body (council), from which emanates 7 council sub-committees that examine and make recommendations on specific railway functions / tasks e.g. engineering, stations and lineside, traffic, membership, finance, marketing, shop and catering. In addition, the council co-opts additional members and paid staff (employed by the company) to the relevant sub-committees and nominates from its ranks the directors of the railway company itself, who are mandated to act on behalf of the Society. In turn the company directors provide instructions to the current full-time paid general manager (replacing the previous post of unpaid managing director), who delegates activities to the functional managers (engineering, shop, catering, booking/sales) and paid employees. Traditionally, the accountant and secretary of the company are also the treasurer and secretary of the Society respectively but there are many other instances of elected volunteers having double or even triple ‘hats’ within the other ‘structures’ of the railway company/Society.

More recently, LT has developed a Business Strategy Plan (BSP) for 2006-2010 with the intention of establishing a set of ‘business-like practices’ and creating an efficient and effective management practice whilst retaining LTs’ traditionally ‘friendly’ nature. As the first step, LT’s board has created a post of permanent and full-time paid General Manager, together with the appointment of a new accountant (and treasurer) to replace the retiring, and long standing, predecessor, and the appearance (in some cases at least) of a new ‘breed’ of Society and board members. At the same time, the Council’s Strategic Planning Group (SPG) (chaired by the new accountant/treasurer who was also a major contributor to the BSP) was asked to review the rest of the management structure, alongside a move to determine ways in which to achieve more openness and communication. After a series of discussions, the planning group announced the setting up of a new computerized management accounting system intended to “*…enhance the available financial information with consequent improvements in control and budgeting*” (BSP). Due to the known difficulties relating to the accessing of information, this development was not particularly opposed by members although some did voice the fear of the “*…creation of a mountain of paperwork*” (Society AGM Minutes).

There are also various working party groups which have been assigned specific tasks by the sub-committees and the Society’s membership is also structured geographically in area groups. The decision-making process at LT is aptly described by two of the elected volunteers: *"If you have an idea, you can put it to the sub-committee, which may mull it over. If they like the idea they might then put it in their minutes because they report to Council. It is done normally by Committee minutes going to them and then Council will mull it over. But there are so many different views - they say 'Oh it won't work here', and so on. So it can be deadening…it can certainly take time. Given that Council meets 5 times a year, the sub-committees meet between twice and four times a year. Even if would be done urgently, it can take a year or two for things to get anywhere."*[Former Council Member] In another interview, a Council Member said: *"A lot of the formal responsibilities of the board of directors of the company are left to the council. Of course the society appointed directors are there so it is unlikely that one part of the organization is going to take a decision which another part of the organization will dislike. There is an understanding that certain decisions are made by one body on the recommendation of the others or but provisionally approved subject to concurrence with the others. So really, this how the decision making process works"*.

Whilst the above quotes may highlight difficulties and challenges for effective decision making within the LT organization, other volunteers identify the positive features of the committee structures in promoting inclusiveness, debate, openness and a general democratic atmosphere within the railway. Volunteers do generally acknowledge that most of the committee structures and meetings amount to mere 'talking shops' and that decision making is slow to progress through the hierarchy of committees. However, they do not necessarily view such talking shops as a negative aspect to be eliminated from LT and do not seem to expect a fast turnaround of decisions at the railway. It appears that their strong affiliation to the railway sub-culture (and hence the existence of *liminality* for LT) has an impact on the volunteers' expectations and rationalisations regarding the need for an efficient and effective management, which could be at odds with their own expectations of efficiency and effectiveness in a different context. As suggested by Wallace (2006, p. 230), the idea of *liminality* thus allows an explanation of why volunteers perform and behave in a way that they would refuse to do in their everyday life. This may in part explain the acceptance by the organization and its members of an accounting system that has prevailed for more than 40 years, despite some of its obvious shortcomings and until it was challenged by the new regime.

6. THE CED FEATURES OF LITTLE TRAIN'S IDENTITY, VOLUNTARY IDENTIFICATION AND ITS TRADITIONAL ACCOUNTING SYSTEM

The central, enduring and distinguishing features of LT's identity first emerge from the insights and evidence gathered in two recent qualitative studies of volunteer heritage railways and these are supported by the insights gathered from the interviews and visits at LT . Whilst historical preservation might be the visible 'core' of the organisation's identity and objective, there are equally important CED features pertaining to heritage railways, namely *serious leisure, liminality and communitas*. Worthington (2005) applies Stebbins' (2001) concept of 'serious leisure' in the context of railway preservation and asserts that railway participants appear to structure their lives around a leisure lifestyle that often takes priority over everything else (2005, p. 228). He documents the lives and motivations of the 'career volunteer' as he/she joins a subculture (a 'gricer' in a 'train gang') which can only function within a community of interest whilst highlighting the paradox that the operation of heritage railways is an essentially uneconomic activity whose revenues cannot hope to cover the specialized operating costs and whose survival is only ensured by volunteers donating their labour time. Also, Worthington (2005) emphasises the notion that the volunteers individually and collectively create an arena in which the performance of functions is necessary for the continuation of the sub-culture (i.e. organized around the preserving and running of trains) and is expressed in the values, language (slang), and traditional attitudes and feelings of the railwaymen *(sic)* community. In addition, most of the volunteers' activities and routines do not demonstrate to visitors 'how things were done' since many of these are carried out of the gaze of the tourists and visitors. Volunteer actions are not primarily visitor-driven as volunteers identify strongly and primarily with their chosen pursuit of interest (such as driving, guard, station staff, ticket inspector) and social interactions with 'like-minded' individuals. Worthington (2005, p. 233) thus sees this as additional evidence of an alternative form of reality, embodied in a different identity, which is rooted in the past and with the preserved railway forming its own little world. From the above, a continued and strong feeling of community bounded by 'serious work' is a common bedrock of volunteer-led heritage railways as is reflected in the comment by one LT's council member.

"It is a complete community, it's something we have said friends made on the [LT] railway are friends made for life. Whether you see each other regularly or not. And I am sure the [LT[community is what keeps bringing people back. It is amazing and it fascinates me that no matter what age you are you will fit into that community you never feel out of. We have a fantastic young member groups and they are also inclusive of everybody. Quite often if you get young people they don't want to have olds around do they? But here everybody works together, enjoys working together and I think because there is a common purpose everybody comes here for a reason that focuses everybody. We work hard during the day on whatever it is that we are doing and most people are multi-talented too, not only do we operate the railway that's running the trains for the passengers we actually do a lot of work in maintaining it as well." [Council Member]

The implications of this 'serious work' are also apparent from the procedures involving the 'grade card' (essentially as assessment of a volunteer guard's right to work on the railway) and how this is policed by this volunteer inspector:

"What happens is each grade card is valid for three years, so when somebody is due to be looked at I arrange to go out. [..] We have a sheet of questions and things that we go through and I would go first thing in the morning and during the course of the day would go through this assessment sheet and as long as all the questions have an excellent or a good that person will then have their grade card re established.[..] If they haven't got to that stage we are looking at how we can improve them but if they have got to that stage we are not going to withdraw a card unless there is a real serious incident and then all sort of other things come in to play." [Council Member]

This emphasis on 'serious' work was reflected to some extent in the book-keeping and recording system, which had remained a largely manual one until the arrival of the new accountant/treasurer. The accounting system at LT was primarily an extension of the book-keeping system originally set up at the time of the creation of the heritage railway company's preservation society half a century ago. This consisted of a cash-book and a general ledger which was manually updated on a periodic basis by the treasurer/accountant (a volunteer position) for both the railway company and the preservation society. From discussions with him, it appears that the focus of the accounting system was confined to the maintaining of the records and the eventual preparation of the annual report for the company board and for the Society's council, and eventually approved at the Annual General Meeting (AGM). He stated: *"I used to keep the cash book which is the foundation of the accounting system as it was, on the receipts side, mostly working from the records of the booking office and other sources of income. For most of the payments as I had made myself, I had the cheque books to work from and I could get the similar information for payments made by others. And then I summarise all that and write the ledger just at the end of the year to produce the annual report and the accounts"* [Previous Accountant/Treasurer]

The main book-keeping activities (e.g. daily record of traffic revenues, banking of proceeds, receipts from members and donors, filing of invoices, payroll records, capital expenditure invoices/payments) were regularly updated and this was carried out by a diverse group of 'non-accounting' volunteers and staff (e.g. traffic manager, booking clerk, membership secretary, shop manager, catering manager, engineering manager) since the accountant/treasurer was an unpaid volunteer who could not devote his full attention to the organization's finances. In the absence of regular management accounts, the decision makers at board and council level focused on the traffic and revenue statistics that were obtained directly from the source records on a fairly regular basis. Below is a typical excerpt from council minutes which illustrates the (limited) nature of accounting information (amended to maintain confidentiality of the organization): *"Results for the […] season are now available, and paying passengers at 46313 (8.7% up last year) were the highest for the last six years. The new cafe has been a great success with takings 82% up on last year […] Shop takings were up 18.8%. The new season has got of to a good start with bookings for the half-term service being 22% up and revenue 30% up"*. (LT Council Minutes]

However, a shortage of management information was experienced within the organisation and with the railway facing year-on-year declines in visitor numbers, the problems associated with the lack of detailed accounting data were gradually being noticed at different levels of decision-making. For instance: *"Oh the [recording] system worked incredibly well but it just didn't produce the information. We didn't get any routine feedback as to whether expenses were rising or falling until you got the year end accounts, which we never got till July of the year after, by which time it was a bit too late to do anything for the year in hand"* [Previous Managing Director]. A Former Council Member said: *"…I mean our accounts have always been done with a quill pen and ledgers. On the other hand you haven't got the sort of advantage you get with the computer of having management figures and management accounts. You know, what does this cost? What have we paid out and all this sort of thing"*. Interestingly, the previous Accountant/Treasurer was generally less concerned about the lack of regular management information, arguing that there would be a cost implication to producing the information and that the informational needs of the organisation were not extensive and could, in any case, be met on an *ad hoc* basis:

"There are always people who felt we ought to have more but one has.. […]. well in any organisation and more particularly so one like this, to consider the cost of what's going to be produced. If we had chosen to employ somebody to keep those kind of records a lot more information could have been produced, but at a cost which, in my view at least, wouldn't have been acceptable….[…] *Yes, there was from time to time a desire for more information. I would get a fair number of what you might call factual queries, which I would always try and answer to the best of my ability by looking up records of what we had paid or whatever it might be and I was always on the end of the telephone .."* [Previous Accountant/Treasurer]

The Accountant/Treasurer's views reflected the notion that 'serious work' in the LT's was limited to the record keeping and financial statement preparation and traditionally did not include a need for detailed and formal management accounting system. He favoured a pragmatic and 'ball park' approach to accounting information needs in that it would easier to resort to approximations or extrapolations from existing records:

"I used to do a cash forecast which was roughly from October to August, the idea being that I was concerned not with the accounts but with the period of the cash, starting with plenty of cash, going to maybe not having any and then back up to having a fair amount again, and I didn't want to do it before about September once I had seen what that summer had come out like to give a starting point, Well what I used to do, there are some things which are fairly predictable like I could say with some certainty, what coal costs were likely to be because a pattern had developed and I would know we'd want a wagon load in April, one perhaps in June, about three in July ready for this busy period now and maybe another one later. Alright I might get a month out but you could get a reasonable pattern on something like that. The same applied with a number of other bigger things, the annual payment for timetables, which is not in engineering of course, was pretty predictable like that. But I used to take an awful lot of the headings and amalgamate them as general and say that lot will go through in dribs and drabs through the year, and will go through roughly if you take the annual figure and divide it by twelve you won't be very far out. And that worked reasonably well…" [Previous Accountant/Treasurer].

A council member and company director commented on the Accountant/Treasurer's reliance on the limited information from the cash accounting records:

"But [previous Accountant/Treasurer], because he was the one who did so much of it, he really knew what was going on, he would provide the Council and the Board with what was called the 'Mid Month Bank Balances' and they were against a background of the previous years and you knew what your projected expenditure was likely to be and they were .. they were a broad brush indicator not much more than that. And then you relied on [his] experience and his know how of where we were and then he'd say 'Yes currently the mid month balance is down and depressed but that's just because I've just paid everybody's pension money contributions and this time last year I had not paid it'. So he was able to give up a pen picture around the actual figures" [Council Member]

Faced with this limited accounting system, resorting to approximations and *ad hoc* calculations became a common practice within the organisation amongst the non-accounting staff members (engineering manager and shop manager). In certain cases, this involved the use of budgeting techniques and tools and the (self-) setting of financial targets. For example:

"I used to keep a spread sheet on our computer with everything.. a breakdown of what we spent, different analysis columns and as I said to keep an eye on how far I was above or below budget at any time" [Engineering Manager].

*"I was given a lot of ledgers. I promptly then managed to acquire a computer, the laptop is a recent thing which an absolute godsend, and I spent ages keying all the figures I and I put all the previous years and the years before that in so that I could then start to get some idea of how things were going***."** [Shop Manager]

The outputs of these systems were not integrated with the traditional system. The accountant/treasurer, although aware of these parallel accounting practices, never sought to rely on them for completeness, internal control or accounts preparation purposes.

A second aspect is identified by Wallace's (2006) findings in his qualitative research of volunteer motivations in UK heritage railways. He argues that the concept of 'serious work' or 'leisure' does not sufficiently address the complexities of issues involved in explaining such motivations. He instead focuses on the volunteers' attraction to the preservation of 'heritage' artifacts that produce feelings of nostalgia (amongst older generations) and novelty (amongst younger generations) about an 'idealized' bygone age when everyone was happy and nothing was wrong (2006, p. 220). In this context, Wallace (2006) introduces the concept of *liminality* which refers to a set of experiences which are outside and significantly different from, those experienced in one's everyday milieu. Volunteers are thus viewed as pilgrims who leave behind their previous identities and experiences in the real (and uncertain) world to enter the railway world to seek out forms of peace, contentment and certainty, almost akin to a religious retreat. The following comment by relatively younger volunteer at LT illustrates this concept of *liminality*:

"I'm really interested in doing the role that I do here and its quite an interesting role and it really is a beautiful railway and quite an important heritage and that's quite prominent here, unlike certain other places. I think it really has something special, there's a special little spark I think it's the mix of the way it's still doing it the way we have always done it, with the modern red tape coming in but more of a sort of, it's still harks back to the past and I quite enjoy it […] We are still aiming to run coal fired steam trains in a traditional way using traditional skills, obviously driving and coal firing, we are using coal as these locomotives have always been as opposed to converting to oil which may be a cheaper or slightly less skilled way of operating. We still have station staff, car park attendants, train guards, which are starting to disappear off the modern railway" [Volunteer]

In presenting his own experiences as a railway volunteer, Wallace (2006) highlights many examples towards one's view of volunteer-led heritage railways as organizations operating in a different time and space. For instance, the author (and our interviewees) document the challenges faced by volunteers as they come to terms with new modern practices and regulations (e.g. health and safety, training, visitor management, engineering standards) which contradict the preservation ethos and their own sense of liminality.

In terms of how *liminality* is reflected in the traditional accounting system at LT, almost all of the interviewed volunteers were familiar with the 'peak and trough' accounting metaphor, namely that LT's business was seasonal and needed cash flow funding during the autumn / winter periods when visitor demand was at it lowest but, at the same time, essential maintenance / repair work and investment in equipment was required. Hence, cash in the form of interest-free loans and grants would flow from volunteers (through the Society) to the company to cover the latter costs. Thereafter, and during the peak period, the money would flow back to the Society without the need for any form of commercial debt. It was also observed, however, that there appeared to be strong opposition to the use of debt to finance railway operations, which were frowned upon by most of the elected volunteers. Instead, the council's time and focus was firmly placed on identifying how much available cash funds could be re-invested in a 'shopping list' of capital expenditure items (trains, equipment, rail and related engineering facilities) and matched to the available volunteer labour supply with relatively little interest and enthusiasm shown for the commercial-led functions of the railway (marketing, shop, café) . For instance: *"It started off by listing out what we actually did last year against what we forecast we would do for last year, so you could see whether you were right or wrong. You then looked at what we thought we would do this year. There's the* *income (fares), and the commercial profit from the café/shop. So, how much money do we have left over? So you did that and then again you looked at the current year, and this would be done in December, so the current year was the one that was running out at that point. So if we were doing it last December we would have the forecast of actual for 2005 and we had the forecast for 2006 but of course I didn't have any [interim] accounts to know whether my forecast for 2006 was still correct. In the end, I now had a cash figure that I shall have available to spend over and above the routine expenditure of running the business"* [Previous Managing Director]

Furthermore, the following comments illustrate how the elected volunteers felt they were 'coping' satisfactorily with the cash accounting-based information and recognising the fact that the non-availability of more detailed/timely data was understandable: *"Every council meeting received a report of traffic figures for the season to date. Every council meeting and every meeting of the finance and general purpose committee used to receive a monthly report of cash balances which was relatively straightforward to produce and it gave us a feel for how the trends were going. If you looked at it, people were always tempted to look at it, sort of comparing this month with last month and the month before. I always tried to say, look don't bother about the small trends, look at the trend over the last two to three years, how are we going? Is out cash balance this month over the last few years rising, falling or whatever? So that gave us in a fairly simple and straightforward manner, bearing in mind that our treasurer was a volunteer as we all were, it gave us a feel for how the finances were going."* [Council Member]. A review of several AGM minutes also displayed little evidence of concern by members over the key outputs of the annual accounts (e.g. surpluses, deficits, assets) with discussions focusing on relatively minor points and items of expenses.

The accounting outputs assisted mostly in decisions regarding investments in the track and rolling stock and unlike other departments and aspects (shop, catering, costing) the level of interest peaked (and accelerated) significantly once it came to discussions involving the engineering or technical implications of running the railway. The Engineering manager commented on the speed at which his requests for capital expenditure are approved bypassing the usually cumbersome scrutiny of various committees:

"I have a budget, but it's fairly flexible. There are other railways I know where you get say £10,000 to repair locomotive No 2 this winter, and when you've spent that 10,000 you stop work. We're not like that, we have to finish the engine. So if I've got £10,000 that's more of an estimate when I come to that limit I would then get on to the board and say you know, We haven't finished and the Society have always raised money for engines. […] One of our advantages it may be somewhat of a clumsy structure but if I heard tomorrow that there were say two miles of railway going for a bargain price and I needed £20,000 I could very quickly get a decision on that and it has happened in the past. ....I would ring the managing director and say This is what's happened and he would say - Do you think it is a good thing ? Yes. And then he would get round the senior members of council and obviously the accountant and people like that and make sure he had enough people happy with the idea. So the structure from the outside, as you are suggesting, could appear clumsy or complicated, but as far as you're concerned it works very effectively and can be drawn upon very quickly" [Engineering manager]

Hence, the traditional accounting system was very much inward-facing in terms of focusing on the financial requirements of the engineering and railway aspects at the expense of other departments and functions of the organization. *Liminality* therefore implied that there was little interest for accounting techniques or management information that might emphasise outward-facing information. Both Worthington (2005) and Wallace (2006) explore the changing identities of volunteers as they ‘enter’ the railway world and leave the ‘real’ world. Wallace (2006) asserts that a volunteer’s baggage of external identity becomes invisible within the railway, and that the concept of *liminality* implies that volunteers would not act, talk and/or behave in a similar way outside the railway context. This suggests that the volunteers seek to associate themselves with a past that gives them a sense of identity and certainty in a rapidly changing world (Worthington, 2005, p. 234). Wallace (2006) also highlights the fact that volunteers appear to distance themselves from the ‘real’ (and modern) world and their own ‘piece’ of identity which they feel to be incompatible with their inner, nostalgic and/or idealistic feelings about work and the perceived lack of opportunity for social interactions as commonly experienced in modern work environments. In many ways therefore, the traditional accounting system reinforced this break from the reality.

Finally, the volunteers’ dedication is observed by their willingness to share skills and experiences with others and the willingness of the volunteers themselves to get involved and help in areas or activities they had not initially ‘signed on’ for, often after they had finished their official shift. This universal willingness appears to be greatly encouraged by the fact that class, status or outside occupations are not indicative of status on the railway with most like-minded volunteers ‘badged’ by the same uniform i.e. wearing overalls (Wallace, 2006, p. 225). This displays a sense of egalitarianism which then promotes cohesion, common work behaviour, good communication and effective relationships. Thus, the state of *liminality* is reinforced and made permanent by the development of *communitas*, which is generally understood as a *“…more or less undifferentiated community of equals in which individuals commune with each other in a relatively unstructured and egalitarian way”* (Wallace, 2006, p. 220). Yet, at the same time, the preservation focus at LT ‘requires’ the continuation of the ‘historic’ hierarchical structure of a railway organisation:

“When they come to work on the railway, in whatever department they choose, if you are guard, or a blockman, or a fireman, or a cleaner you do your job you become a volunteer, you do your job you are assessed for it and you get given a grey card. And that’s one of my other jobs being a guard’s inspector, it’s my responsibility when people have come and done guarding it is my job to go out and assess them - because like [in] the big railway we have exactly the same process of starting out as a trainee and then becoming and assistant and then what we call a passed assistant guard and then a guard.” [Former Council Member]

The element of *communitas* is also visible from the complex set of committee structures (within the company and the Society) whose roles are to ensure that a consensus can be reached amongst all parties before a decision is taken:

“A lot of the formal responsibilities of the board of directors of the company are left to the Council. Of course the society appointed directors are there so its unlikely that one part of the organisation is going to take a decision which another part of the organisation will dislike. There is an understanding that certain decisions are made by one body on the recommendation of the others or provisionally approved subject to concurrence with the others. So really the decision making process works. I mean as far as the day to day running of the railway is concerned that’s a matter for the managers, it’s a matter for the general manager and the departmental managers. And I suppose like any organisation you get the odd bit of friction now and again but in my experience basically the understandings that have evolved work reasonably well” [Former Council Member].

It is important to note that the annual financial statements were in fact very detailed and complex in providing cost/profit data for each of the various sub-units of the railway company (railway operation, shop, catering, engineering) and for volunteer subsidies (paid by the Society to the railway for the supply of free meals to volunteers). In preparing such detailed annual accounts, the accountant/treasurer has kept to the legal 'form' of the relationships and 'cash flows' that exist between members/volunteers, elected officials, Society and company; relationships which are otherwise in 'substance' and in all respects taken as being informal, friendly for the purpose of 'keeping the railway going'. Interestingly as well, the accounts provided a holistic picture of the Society's and the company's financial situation, reflective of the symbiotic nature of the relationship between volunteer resources and railway operation. In particular, they showed the railway's inherent dependence on the Society's volunteer labour, capital and cash flow in preserving LT in its 'past form and shape'. Both the volunteers' and Society's focus is on maintaining the 'community space' in which the rolling stock would be 'kept going' ostensibly for preservation and heritage purposes. Equally (if not more importantly) however, the volunteers' motivations in pursuing their interests, social relationships and enjoyment appeared to have influenced a traditional use of accounting 'calculations' , which consequently had adapted (relatively well) over time to a chronic absence of detailed and timely accounting information. In effect, the traditional accounting system served its purpose of clearly delimiting the boundaries of the organisation(s) in relation to an outside (and more uncertain) environment (Llewellyn, 1994) and that arguably, a more detailed management accounting system would have highlighted more explicitly the challenges of the external environment (competition, dwindling visitor numbers, rising costs of operations and regulation) thereby creating more uncertainty within LT.

From our interviews with volunteers, we observed a consistent and shared understanding of the preservation ethos subsumed in LT's organizational identity and an common acceptance and appreciation of what the organisation is all about. This is reinforced by the fact that organization's identity is not centered on some abstract concept (e.g. poverty-reduction) but on a defined set of physical structures (LT's engines, sheds, buildings, tracks), historical artifacts (uniforms, documents, museum items) and traditional railway practices. In conclusion, this section has presented a picture of LT's accounting system as operated for over half a century and until recently and how it is reflected the CED features of LT, in terms of the elements of *serious work, liminality and communitas*. Its features can be summarized as follows. First, it was essentially a manual cash recording system primarily focused on preparing a detailed annual report but of little functional use due to the time taken for its preparation. Council and company officials adapted to this system by using cash accounting data which met their needs for planning expenditure on rolling stock and tracks. While this data appeared unhelpful for the more commercial 'departments' of the railway operation, the management and running of café and shop activities were not perceived to be interesting, enjoyable or necessarily related to fostering social relationships from the perspective of railway volunteers i.e. not part of 'serious leisure'. Second, while parallel accounting and budgeting systems were developed independently to meet the demands and expectations of particular managers there was little oversight and control by the council and company officials e.g. variance analysis. Hence, this alternative 'reality' and sub-culture, from which volunteers (at council and company level) relied on in maintaining the *liminality* and *communitas* at LT, influenced the development (or lack thereof) of the accounting system. The more commercial activities were at the margin (or even outside) of this 'milieu', and therefore this general disinterest in such activities over many decades appeared to have contributed to the relatively poor financial situation and performance of the railway. In fact, it seems that the continuous losses on the catering side of the business eventually disrupted the 'comfort zone' atmosphere within which the volunteers had operated, leading to a number of swift and radical strategic/business changes piloted through the language and artefacts of modern accounting.

7. BUSINESS-LIKE ORGANISATIONAL IDENTITY, IDENTIFICATION AND ACCOUNTING

The new 'management' elite at LT - consisting of some of the recently appointed members on the Society's council and on the company board along with the new accountant/treasurer - display much familiarity and expertise with (and strong belief in) the business accounting technology. The language used in the BSP makes extensive and explicit use of, and/or reference to, rational accounting procedures and management accounting 'speak' which is rooted in the pursuit of revenue growth, cost efficiency, effectiveness and which is akin to a *financialization* process recently highlighted in Ezzamel *et al.* (2008). A number of detailed financial targets for the five year planning period were aimed at bringing structure and control with a view to rationalising the intended organizational change amongst LT members and volunteers, and to demonstrate the 'seriousness' of the challenges ahead. For example, in the BSP summary document, the following key organizational targets are outlined and specified in a way which had never been previously seen or heard at LT:

- *In improving the financial viability of the railway and attaining a break-even position, the following have been identified in the short term as critical success targets in reaching this goal:*
- *Fare-paying passenger bookings to be increased incrementally by 1,000 to 50,000 p.a. by 2010 (1.7%)*"
- *Every person coming to the Railway continues to make the same 'average' spend in real terms on tickets, shop and catering as has been experienced in recent years*". [BSP Critical Success Targets]
- *"We must ensure that all commercial activities provide a positive financial contribution…."* [BSP Summary]

Although organizational targets had been previously present at LT, these had usually been set in a rather 'loose' fashion (focusing on visitor numbers and passenger journeys), and rarely adhered to with no one really made accountable for missing targets. Several elected members on the council mentioned that there was little point in worrying about these numbers since they felt that LT did not have any control over the major changes in tourist/visitor patterns and over the (perceived) disadvantageous location of the railway. Thus, the design of financial targets at 'divisional' level was a new phenomenon at LT and was aimed at bringing 'responsibility accounting' to the lower levels of the railway organization system. For instance, the BSP Specific Unit Actions and targets are set as follows:

- *"Gross profit on the shop will be at least 35% of net sales, and costs of operations (including staff costs) will be no more than 20% of sales revenue"*
- *"Gross profit on the catering will be at least 60% of sales, and costs of operations (including staff costs will be no more than 55% of sales revenue"*
- *"The aim will be to make the catering operation break-even and thereafter to make a positive financial contribution to the railway's operation".* [BSP Specific Business Unit Actions/ Targets]

In the mind of the new management regime, the regular monitoring of the BSP's objectives and targets would be mainly dependent on the design and setting up of an integrated accounting system, which can be viewed as the primary 'operational mechanism' of the change and which was piloted by the new accountant/treasurer, the general manager and a few recently appointed company directors. In addition, a computerized accounting software was selected to be implemented on the grounds that data could be fed in at a distance and information accessed remotely and regularly. The accountant/treasurer states: *"I am very keen that we record a very high level of detail so that we can extract information out of it and my intention ultimately would be producing a regular management information pack which would in some way be beyond management accounts because you need to look at all the other drivers, such as passenger numbers, average spend per visitor and all those sort of key drivers which I think are important here as well. And to be able to segment that between the various elements of the profit centres within the business"* [Current Accountant/Treasurer].

The above demonstrates a clear agenda from the point of view of a well versed and experienced professional in terms of the use of accounting outputs but at the same time this can be seen as an attempt to re-draw the boundaries of the organisation using the business concepts of financial contribution, break-even, average spend and profit centres. In this respect, Llewellyn (1994) argued that accounting helps to reproduce the internal unity of the organisation and bind the boundaries of the organisation and its identity. However, in the case, the change process initiated by the new accountant/treasurer can be viewed as one which disrupts the existing boundaries in the following ways. First, the BSP explicitly emphasised the critical importance of the external environment and its potential for the organisation (annual rise in passenger numbers, gross profit targets). However, it also allows external uncertainty to come 'within' the organisation and in effect this changes the boundaries and challenges the CED feature of *liminality*, in that the volunteers were made to re-consider their traditional internal-led focus. Therefore, whilst the accountant/treasurer may technically perceive an improvement in the level of uncertainty given the quicker access to information displayed in an impersonal form (e.g. cost centres, drivers), other actors in the organisation perceive greater uncertainty with the implementation of the BSP and the new accounting system. For example, one Council member provided a very sceptic assessment of the plan and its accounting outputs:

"I'm not opposed the business plan as produced. Not to the concept of having one as I think we should. I personally still feel that the plan is unrealistic. It is based on an unrealistic assumption that there is enough market out there in this area to get a significantly increase in number year on year. This rail has been trying to market itself for 140 years….It's right and proper to try and improve our marketing. We always should. You need to freshen things up. But I don't think we are going to produce many more people because I don't think they're there in the area. You're in a static market at best here…." [Council Member]

Secondly, this change in the boundaries is reflected in the uncertainty as to how the information from the new accounting system will be disseminated.to the other decision-makers within the company and Society. As the new accountant states: *"I would want to give information to the board but it would probably be more summarised and then there's council. The members of council - without being disparaging to them - would find it more difficult to digest the information. The board should have more detailed information and more analysis because that's for making certain key decisions. Council less so but they need to have something, so I would see it more summarised"* [Current Accountant/Treasurer]. One company director states: *"I don't know who's going to see the management accounts. My view is that we've always been open, there's no reason why the management cannot get the information. If you were the Catering Manager…I expect the whole thing to change, I would expect, to be really controversial, let's say that we have an Executive Committee that meets once a month, that looks at the performance that actually manages the performance quite closely then we would want to understand say we spent so much on food in the café and yet the staff costs are so much higher than we would have expected from what we did in the Summer where the same or in the shop why we went out and spent £1000 on extra stock at a time when sales are falling off. You can only get to that sort of information and control once we have management accounts."* [Company Director]

The accounting computerisation process was seen to have taken longer than expected. Delays were experienced in the processing of transactions relating to traffic revenue, salaries and payments, with a key administrative person viewed by some as being unable to adapt to the new expectations of a prompt and efficient processing of accounting data. One of the newly appointed company directors reportedly agreed to help input the data until a new employee was eventually recruited. Hence, centralised accounting routines and processes have begun to take more 'space' and 'priority' organizationally within LT. In a similar vein, some of the departmental managers who used to rely on their own independent accounting systems to monitor their activities were now asked to discontinue most of these routines and instead concentrate on providing regular data via the new computerised accounting software. Due to the fact that there was no real discussion on how the information from the new system would be transmitted to decision-makers, this led to departmental managers now having little understanding of the costs and revenues for their respective units, resulting in internal uncertainties. The following comments by the engineering department manager also illustrate the new primacy of the integrated accounting system and the focus on the new management's needs rather than on the needs of all decision-makers at LT: *"Yes it's the first year we have run it. This new management account system has left me out in the cold at the moment and there are some silly things. Maintenance of tools is a good example. I can't find a category to put that under. If I have to pay to have a drill repaired, I can't find a category to put it under so I am charging everything to works tools at the moment, but I feel myself there should be a maintenance category, because to me works tools is Purchase, which is not entirely Capital Items because they are not that sort of item. But to me it should be different. So now we just analyse the account, the invoices here and just pass them down to the administration so I can get the information from their computer system, and eventually I'll be able to access it directly here. But like everything on the railway, it takes a while to organise"* [Engineering Manager]

After almost two years of the new system's implementation the accountant/treasurer reported at a recent Society AGM that the accounts were now fully computerized, thus enabling him *"…to concentrate on things that added value"* (AGM Minutes). Despite this claim, the first set of management accounts had yet to be communicated to other elected members and managers. In sharp contrast to the democratic and open tradition of LT's management, where much information is provided in publications, meetings and online, there may appear to be a general reluctance amongst the new regime to share this new information and this may reflect a typically 'business-oriented' unease in communicating what could be sensitive data. Interestingly, and although the accountant/treasurer recently proposed a review of LT's management structure, there was still no indication as to how the information from the integrated system would be passed on within this new management structure (AGM minutes). Indeed, key elected council members and company directors are very keen to access this information. For instance, *"That will all go into the system because once we've got the accounts we can then revamp the budgeting system and we will have a different basis for starting on. So I am hopeful that when we come to do it at the end of this year we shall have last year's accounts and we shall have this year's performance, the accountant promises me, to be able to look at it and say, this is what we've done. So the budgeting process I think can be more accurate and because we will have the expense figures we can look at budgeting for the expense side of the equation which is something we've we never had in the past, understanding the routine expenditure, the running expenditure."* [Previous Managing Director]

In summary, LT's accounting system has undergone radical changes, which have been driven to a great extent by the prominence of accounting-based objectives and targets contained within the BSP. The new accounting system championed by the new managerial elite is seen as a primary instrument of change and the operational changes thereof communicate this new 'message' of a business rationality. From being at the margin of LT's activities, accounting appears to have created a space for itself at the centre. For instance, and as a result of the recruitment of experienced accounting personnel by the organization, source documents and evidence are now directly fed via spreadsheets or inputted into the computerized accounting software for the primary benefit of the accountant/treasurer. Existing *ad hoc* systems operated by certain managers have been abandoned or modified to ensure the 'right' information is being fed into the new computerized software. Although the dissemination of the accounting outputs has yet to be initiated in a regular and structured way, it may be contended that 'change' has already happened to the extent that the BSP process and implementation - underpinned by the accounting technology - has affected the boundaries of the organisation, thereby creating uncertainties in the minds of the LT staff and volunteers. Arguably, the notion of *communitas* has been affected since the implementation of the plan and development of the accounting system. For example, one council member stated: *"I don't feel there was proper consultation on the plan. I may be alone with this but I think that to own a plan there should have been much more attempt to involve the views not just the Councilmen's like myself, I hardly had a chance to contribute."* He also added that there was resistance to the contemporary management methods being adopted in the organisation: *"A lot of people pooh-poohed this sort of thing. They're not keen on any sort of modern management methods. My own feeling is that some of the jargon that puts people off. They don't always see or want to see the common sense that lies behind it. And there is a lot of common sense."* This can be interpreted as an issue of identification in that many volunteers perceived the new developments (including the use of the new streamlined management structure) as being not performed in line with the traditional organisational identity of *liminality* and *communitas*.

8. CONCLUDING DISCUSSIONS

This study examined the impact of accounting on organisational identity and identification. It specifically considered the role of accounting under two different identity 'regimes' in a UK heritage railway organisation: one revolving around the traditional CED features of *serious work, liminality and communitas*. In this regime, accounting was subservient to the organisation's identity and its role was modified/limited to the demands of the organisational actors. Influenced by the CED feature of liminality, boundary management ensured that the organisational identity remained centred on the volunteers and their aspirations to preserve heritage whilst engaging communally in an idealised notion of serious work. In the subsequent regime, and following the emergence of new gatekeepers (Llewellyn, 1994), accounting became a prominent language and logic by which the traditional boundaries were challenged in terms of a recognition of the importance of the external environment on organisational survival. In our view, contemporary accounting concepts, practices and information systems were deployed to aid change and at the same time to reduce uncertainty from the point of view of the main agents of change. Paradoxically, we would argue that for other volunteers and actors, this emphasis on new business planning and accounting systems enhanced the uncertainty about the boundaries, thereby challenging the actors' perception of identity, particularly *liminality* and *communitas.* The findings also resonate with Panozzo's (1996) insights as the BSP and the accounting system allowed the development of a hierarchical form of accountability (using formal controls such as budget controls, profit centre calculations) that was not compatible with the community of interests germane to LT. In effect, as in the case of Panozzo (1996), accounting is unable to act as the organisational 'glue' that would bind the volunteers to the organisation.

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