

UNIVERSITI TEKNOLOGI MARA

**THE DISCLOSURE OF
ACCOUNTABILITY PRACTICES ON
THE MALAYSIAN LOCAL
GOVERNMENT'S WEBSITE: THE
INSTITUTIONAL PERSPECTIVE**

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AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

The lack of accountability is resulting in poor administration of public sector organisations which need to be addressed by governments worldwide to improve the overall public sector system. The needs for more transparent and accountable local government in disseminating information over the website motivates the local government to search for a more comprehensive mechanism of evaluating its accountability practices. Hence, this study aimed to achieve the four objectives. First, to examine the extent of the disclosure of accountability practices (DACP) on Malaysian local government's website. Second, to determine the institutional factors influencing the DACP on the Malaysian local government's website. Third, to examine the moderating effect of education level of head of local government on the relationship between the institutional factors and DACP on the Malaysian local government's website. Fourth, to explain the reasons for disclosure or non-disclosure of accountability practices. Using the institutional theory as a theoretical basis, a mixed-method research design was adopted and divided into two phases i.e., Phase 1 – quantitative and Phase 2 – qualitative. Phase 1 was carried to achieve the first three objective, while Phase 2 is intended to achieve the fourth objective. In Phase 1, the websites of the entire 149 local governments in Malaysia were examined and measured using the Modified Accountability Disclosure Index (MoADi). The extent of DACP on the Malaysian local government's website was reported as 'satisfactory' level at 42.2% and varies significantly from 7% to 78%. From the hierarchical regression analysis, three institutional factors, namely, the innovation, political competition, and press visibility were significantly influenced the DACP on the Malaysian local government's website. These results indicate the strong existence and impact of coercive isomorphism through the pressures exerted on the local governments by higher authorities and local media. The size of local governments is significant as a control variable. The education level of head of local government significantly moderates the relationship between the innovation and DACP. This signifies that there would be a greater extent of DACP on the website if the head of local government possesses a higher education level, provided that the local government implemented innovation activities. The interview findings from Phase 2 provide meaningful insights of the reasons for disclosure and non-disclosure of accountability practices information on the Malaysian local government's website. Reasons for DACP were categorised into regulatory, website administration, community organisational goals, leadership, behavioural control, information control, and others. While reasons for non-DACP were classified into regulatory, lack of resources, behavioural control, informational control, and others. Disclosure of accountability practices on the website was driven by several factors classified under the three-isomorphism conception i.e., coercive, normative, and mimetic. Additional findings on mimetic isomorphism revealed that the mimicry practices occurred at individual and organisation levels, locally and internationally. Overall, findings of this study provide implication about accountability practices to different group of stakeholders including local governments, policy makers and regulators, community, higher education institution, and the theoretical implications. The recommendations for future research were also included in this study.

Keywords: accountability practice, disclosure, local government, institutional theory, isomorphism

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TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTARCT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	xi
LIST OF FIGURES	xiii
LIST OF SYMBOLS	xiv
LIST OF ABBREVIATIONS	xv
CHAPTER ONE: INTRODUCTION	1
1.0 Introduction	1
1.1 Background of the Study	2
1.2 Local Governments of Malaysia	11
1.3 Problem Statement	13
1.4 Research Objectives and Research Questions	18
1.4.1 Research Objectives	18
1.4.2 Research Questions	19
1.5 Scope and Limitations of the Study	20
1.6 Significance of the Study	21
1.7 Organisation of Thesis	23
CHAPTER TWO: LITERATURE REVIEW	27
2.0 Introduction	27
2.1 Overview of Accountability	27
2.2 Accountability Practices	31
2.3 Disclosure of Accountability Practices in Public Sector Organisations	32
2.4 Disclosure of Information on the Website	38
2.5 The Use of Information Technology in Public Sector	40
2.6 Independent Variables	42
2.6.1 The Integrity Infrastructure	42
2.6.2 Innovation	44
2.6.3 Political Competition	47
2.6.4 Press Visibility	49
2.6.5 Internal Policies	50
2.7 Moderating Variable	52
2.7.1 The Education Level	52
2.8 Control Variables	54
2.8.1 Geographical Location	55
2.8.2 Size of Organisations	56
2.9 Chapter Summary	57
CHAPTER THREE: THEORETICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT	58