Original Paper

IPSAS adoption: the accounting environment in local governments in Latin America

Adopción de las IPSAS: ambiente contable en gobiernos locales de América Latina

Adoção das IPSAS: ambiente contábil em governos locais da América Latina

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Abstract
The research analyzes the influences of the accounting environment on the process of convergence to IPSAS, with a focus on local governments – a topic little researched in the literature. The study involved interviews with standard-setters and accountants from five Latin American countries (Brazil, Peru, Argentina, Paraguay, and Colombia). The results suggest that the primary determinants of IPSAS adoption in these countries are: (i) the convergence model (direct/indirect); (ii) accounting software (standardized/outsourced); (iii) the accounting team (internal/external/mixed); (iv) support and training (promoted/required); and (v) professional training (evaluated/awarded). The findings imply that differences in these areas may be related to the performance of local government accountants. Unfamiliarity, automation, and disinterest were some of the responses from municipal accountants. The results do not define countries as “adopting” or “non-adopting”; however, the implications for IPSAS allow for the identification of the phase of adoption a country is in (*declaration, implementation, application*). The research shows different contexts and responses, highlighting the importance of the accountant’s perception – reflected in their performance – in the accounting environment in which they operate.
Keywords: Accounting environment; convergence; local governments; IPSAS; accounting reforms

Resumen
La investigación analizó las influencias del ambiente contable en el proceso de convergencia a las IPSAS, centrándose en los gobiernos locales, poco investigados en la literatura. Mediante entrevistas con normalizadores y contadores de 5 países latinoamericanos (Brasil, Perú, Argentina, Paraguay y Colombia), fueron observadas principales diferencias en: (i) modelo de convergencia (directo/indirecto); (ii) *software* contable (estandarizado/subcontratado); (iii) equipo contable (interno/externo/mixto); (iv) apoyo y capacitaciones (promovidas/requeridas); (v) formación profesional (evaluado/otorgado). Los efectos de las diferencias halladas se vieron reflejados en la actuación del contador. Desconocimiento, automatización, desinterés, son algunas respuestas de contadores municipales. Los resultados no definen a los países como “adoptante” o “no adoptante”, sin embargo, el análisis de las implicaciones para las IPSAS permite identificar en qué fase de adopción se encuentra un país (*declaración, implementación, aplicación*). La investigación muestra contextos y respuestas diferenciadas, llamando a reflexión sobre la importancia de la percepción del contador–reflejado en su actuación–frente al ambiente contable donde se desenvuelve.
Palabras clave: Ambiente contable; convergencia; gobiernos locales. IPSAS; reformas contables

Resumo
A pesquisa analisou as influências do ambiente contábil no processo de convergência às IPSAS, com foco nas prefeituras, pouco discutido na literatura. Por meio de entrevistas com normatizadores e contadores de 5 países da América Latina (Brasil, Peru, Argentina, Paraguai e Colômbia), as principais diferenças foram observadas em: (i) modelo de convergência (direto/ indireto); (ii) software contábil (padronizado/terceirizado); (iii) equipe contábil (interna/externa/mista); (iv) suporte e treinamento (oferecido/solicitado); (v) formação profissional (avaliada/outorgada). Os efeitos das diferenças encontradas refletiram-se no desempenho do contador. Desconhecimento, automatização, desinteresse, são algumas respostas dos contadores municipais. Os resultados não definem aos países como "adotantes" ou "não adotantes", no entanto, a análise das implicações para as IPSAS permite identificar em que fase de adoção um país se encontra (*declaração, implementação, aplicação*). A pesquisa mostra diferentes contextos e respostas, exigindo reflexão sobre a importância da percepção do contador – refletida em sua atuação– no ambiente contábil em que atua.
Palavras-chave: Ambiente contábil; convergência; governos locais; IPSAS; reformas contábeis

1 Introduction

Convergence is defined as the process that entities undergo to adopt the International Public Sector Accounting Standards (IPSAS) (Nascimento et al., 2014). The adoption and implementation of these international standards have led to modifications in accounting legislation and regulations, improvements in systems (Bisogno & Cuadrado-Ballesteros, 2020), and political and cultural changes (Abdulkarim et al., 2020; ACCA, 2017).

According to Andrews (2013), IPSAS can be viewed as an "imported" reform that adheres to a standardized structure with a "one size fits all" model. However, countries undergoing convergence have exhibited unique experiences and outcomes (Abdulkarim et al., 2020; Polzer et al., 2020). Therefore, it can be argued that the context and pre-existing conditions of the countries (Adhikari et al., 2013) shape the IPSAS implementation process from the moment the decision to implement is made.

This research assumes that the convergence process to IPSAS in countries should consider three stages, which would allow for greater comparability: stages of adoption (declaration and convergence), implementation (internal processes in governments), and application (effective use of information). The adoption of IPSAS occurs through the decision for convergence (declaration) and by the creation of internal standards by the countries in indirect adoption (convergence) or by the determination of direct adoption of IPSAS. The implementation occurs when internal processes within governments are changed to include the new flow of accrual accounting information. The application of IPSAS refers to the practical use of accrual-based accounting information. Although these stages are often discussed synonymously, their distinction is important. For instance, the ACAA (2017) monitoring report clearly separates the stages of adoption and implementation for all the countries analyzed.

The literature has highlighted the dependence on external financial resources (Gómez-Villegas, Brusca, & Bergmann, 2020) as the primary motivation for countries to adopt IPSAS. Common incentives in Latin American countries include the need for improvements in transparency and accountability to combat corruption and the significant influence of international organizations such as the World Bank, the IMF, and the Inter-American Development Bank (Gómez-Villegas, Brusca & Bergmann, 2020; Bilhim, Azevedo & Santos, 2022). The performance of professional networks, such as the Forum of Government Treasurys of Latin America [FOTEGAL] and the Forum of Government Accountants of Latin America [FOCAL], is also a relevant factor in explaining the diffusion of IPSAS in Latin American countries (Pimenta & Pessoa, 2016; Neves & Gómez-Villegas, 2020). Despite external pressures, the implementation of IPSAS by Latin American countries has been identified as formal and incomplete (Polzer et al., 2020), indicating the need for further research.

Financial resources (Adhikari et al., 2013; Aquino, Caperchione, et al., 2020), information and communication systems (Azevedo, Aquino, et al., 2020; Azevedo, Lino, et al., 2020), and qualified professionals (Abdulkarim et al., 2020; Ademola et al., 2020) have been identified as relevant characteristics for implementation. However, these elements have also been considered "insuperable" barriers (Abdulkarim et al., 2020) and may be related to a rhetorical or idealized implementation of IPSAS (Caperchione et al.,2019; Neves & Gómez-Villegas, 2020).

This scenario is more frequently observed in Latin American countries (Brusca et al., 2016; Gómez-Villegas et al., 2020), especially in those considered pioneers in convergence (Brusca et al., 2016; Gómez Villegas & Montesinos, 2012). Countries such as Peru declared the adoption of IPSAS almost two decades ago (Resolution 029-2002-EF/93.01). Although they are internationally recognized as adopting countries (IFAC, 2021), their financial reports have not yet been prepared based on IPSAS, exemplifying a failure in the adoption process.

Although many Latin American countries have been identified as pioneers in the adoption of IPSAS, the implementation has been identified more as a rhetorical than as a concrete action (Brusca, Gómez-Villegas, & Montesinos, 2016; Gómez-Villegas, Brusca, & Bergmann, 2020). This corroborates the views of several authors that the situation regarding the adoption of IPSAS in Latin America is still unclear (Brusca, Gómez-Villegas & Montesinos, 2016, p. 55). These assertions are further supported by the fact that many Latin American countries identified as adopters may not have reached the implementation stage (Cavanagh & Benito, 2016).

Furthermore, the literature has primarily focused on the central government level, with little discussion of IPSAS implementation at the local level (Grossi & Steccolini, 2015; McLeod & Harun, 2014). Studies have concentrated on the accounting structure when analyzing a country (Aquino & Neves, 2019; Ravanello et al., 2015; Sediyama et al., 2017), with limited comparative research, especially in Latin America. There are a few exceptions, such as Polzer, Gårseth-Nesbakk, and Adhikari (2020), Aquino, Caperchione, et al. (2020), Brusca, Gómez-Villegas, and Montesinos (2016), and Gómez-Villegas, Brusca, and Bergmann (2020). This scenario does not allow for a comprehensive comparison of various contexts and their effects on the IPSAS implementation stage as an outcome of the initial adoption stage.

Thus, this study analyzes the influence of the accounting environment in Latin American countries on the implementation stage of IPSAS, examining how structural elements affect the perceived legitimacy of the standards. The organizational, legal, and political characteristics of the accounting environment in five Latin American countries (Argentina, Brazil, Colombia, Peru, and Paraguay) were compared. This comparative analysis seeks to identify similarities and differences in the environment among these countries and to discern the effects of the actions taken in each country. The results may inspire other governments to initiate or progress through adopting and implementing IPSAS. This research contributes to the literature that has analyzed the internal conditions in Latin American countries for accepting the standards (which affect how the standards' legitimacy is perceived), such as the low commitment of professionals in accounting institutions and the lack of internal dissemination processes (Polzer, Gårseth-Nesbakk, & Adhikari, 2020).

This research is justified by the lack of comparative studies (Abdulkarim et al., 2020; Adhikari et al., 2013; Anessi-Pessina et al., 2008), the desire to understand IPSAS practices, identify the motivations leading to its adoption, and examine the readiness for successful implementation (Abdulkarim et al., 2020). The findings offer a theoretical contribution by expanding studies on actors' responses to the IPSAS accounting reform. On a practical level, accountants responsible for reporting under the standards, and especially standard setters, benefit from observing and understanding accounting environments in other countries, using this knowledge as a guide in their adoption process. Additionally, the research sought structural factors associated with the failure or success of the accounting reforms, considering these reforms as public policies (Aquino, Caperchione, et al., 2020), which may provide lessons for developing new policies that are not necessarily accounting-related.

2 Literature review

2.1 Effects of standard's legitimacy

Legitimacy is the perception that certain actions are socially accepted, desirable, appropriate, or suitable within a socially constructed system (Suchman, 1995; Deephouse & Suchman, 2008). The process of seeking legitimacy is not fixed, given the variety of sources of legitimacy and evaluation criteria (Deephouse et al., 2017).

Studies on this topic have primarily focused on organizational legitimacy. The concept of legitimacy as a gravitational force toward compliance with a norm represents a discussion that must be considered (Moreira, 2013). According to Franck (1990, p. 186), the gravitational force towards obedience is stronger if the source of the obligation is more associative than merely contractual. Actors are more likely to implement a change if they perceive it as legitimate for their needs, which extends beyond a mere obligation.

Normative legitimacy posits that a rule, norm, or law is more likely to be complied with if the actors view it as legitimate, even without external coercion and monitoring. For a norm to be perceived as legitimate, four properties must be discerned: determination, symbolic validation, coherence, and adherence (Franck, 1990). Normativity argues that the mere existence of a rule or law is not sufficient for it to be complied with (Bebbington et al., 2012). Factors such as the clarity of the text, the endorsement and support of the standard by authorities, and the alignment of the standard with the local practices and structures of those who will adopt it, affect the degree of actors' compliance with the standard (Franck, 1990).

The property of determination refers to the "literary properties" of the text that exert an attraction toward compliance (Franck, 1990, p. 52), which is related to the text's content and clarity. When what is expected of the subjects is clear, there is no room for interpretations or justifications outside the standard. Problems such as a lack of consensus among standard setters or clear identification of the problem can produce indeterminate standards (Franck, 1990; Moreira, 2013). Failure to identify the problem may be more common in common law countries where the dynamic is to create rules after the problem has arisen

(Bentham, 1962). This same dynamic is observed in a culture that seems prevalent in Latin America, even though most countries operate under civil law system (Arellano-Gault, 2018).

Symbolic validation indicates that signs or symbols legitimize the norm (Franck, 1990). The standard setter may be recognized through local customs, traditions, or ceremonies – a specific ceremony to present the standard setter or a seal on documents indicating the standard-setter are examples of these signs. The clear recognition of a norm by actors with a pedigree or social mandate to validate it is an essential element for its implementation, which also takes into account the process by which the norm was created or formulated (Dworkin, 1977). Thus, the process followed for the approval of a standard also determines its degree of legitimacy.

The coherence of the standard presents signs of what is important for alignment: (i) with the reality/context in which it is inserted; (ii) with other norms present in the context to be applied; and (iii) with the content of the standard to be introduced (Franck, 1990). The coherence of the standard with the context in which it is inserted can arise from the subjects' need to be regulated by standards or rules that align with the practices and values formed in their reality and respond to the demands for regulation. Divergences or conflicts between existing standards and the new standards to be inserted can mitigate the applicability of the new standards. The perception of a lack of coordination, or even a different requirement between standards in the same context, can generate confusion in their application.

Finally, the property of adhesion is more specific and posits that a standard does not exist on its own, requiring other standards to support its implementation (Franck, 1990). This gives rise to the concept of primary rules (standards that must be legitimized) and secondary rules (standards, manuals, and guides that support the primary rule) (Hart, 1961).

In summary, normativity posits that "the legitimacy of a rule determines, in whole or in part, the capacity of a rule to exert compliance pull upon states" (Franck, 1990, p. 193). Bebbington et al. (2012) conclude that normativity is the result of pressures from actors and not a monopoly of governments. Similarly, Franck (1990) argues that the legitimacy of the standard depends on the hierarchy of rules that create the conditions, first for its production and then for its application (Brusca et al., 2018).

2.2 Public accounting reforms in the studied countries

The literature on convergence to IPSAS has identified several factors that influence its effectiveness. These factors can have a positive or negative impact, depending on the context, and affect the suitability, acceptance, and compliance of the reform (Abdulkarim et al., 2020; Ademola et al., 2020; Adhikari et al., 2013; Adhikari & Gårseth-Nesbakk, 2016; Aquino & Neves, 2019; Manes Rossi et al., 2016). During the convergence process, which includes adoption and implementation, the literature frequently highlights common barriers such as resources, systems, and preparation. These barriers are related to the legitimacy the actors attribute to the standard.

The positive correlation between available financial resources and the adoption of reforms aligns with the resource needs of countries (Lapsley & Wright, 2004). For a country to gain international recognition and participate in the global economy, its financial reporting standards must align with internationally recognized ones (Ademola et al., 2020).

Therefore, organizations such as the World Bank or the International Monetary Fund require financial information to align with IPSAS as a condition for granting loans (Adhikari et al., 2013). This 'resource dependence' (Aquino, Caperchione, et al., 2020) tied to pressure from organizations often results in the country having no choice but to adopt the reform, which is understood here as the initial process of convergence (Adhikari et al., 2013). The support provided, either internally or externally, has served as a foundation for countries to adopt reforms. For instance, Brazil and Colombia were encouraged by the Inter-American Development Bank (IDB), the G20, and international auditing firms to adopt IPSAS (Aquino, Caperchione, et al., 2020).

Once a country decides to adopt the standards, the support of international organizations (Jorge et al., 2019), the actions of standards setters (Adhikari & Gårseth-Nesbakk, 2016), and the backing of government authorities (Abdulkarim et al., 2020) become key factors in the process of implementing IPSAS.

The success of implementation depends on the standard setters and also on the support of the countries' courts of accounts, which ensure the adequacy of IPSAS in local governments. In this regard, Sasso, Ramos, and Varela (2023) demonstrated that, in the municipalities of Rio de Janeiro in Brazil, the performance of control agencies was a decisive factor. The research by Azevedo, Lino, and Aquino (2020) and Azevedo, Aquino, et al. (2020) showed that local governments objectively observe how the courts of accounts position themselves regarding the reform. If they perceive that this change cannot be effectively enforced, with possible coercion due to non-implementation, they tend not to make efforts to adopt it.

However, despite the support and effort, the reform has been questioned, demonstrating that the characteristics of each country's environment are directly related to the implementation process. For example, information and communication technology systems have been widely discussed in the implementation of new standards (Azevedo, Aquino, et al., 2020; Azevedo, Lino, et al., 2020). Accounting software processes accounting records and can provide financial and accounting reports, which are crucial

(Sediyama et al., 2017) but have represented a challenge in Latin American countries (Uña & Pimenta, 2016). A system seen as supportive could respond to accountants' demands and provide the necessary data to all those interested in financial information. Thus, the accounting system can be seen as a factor that can either restrict or promote the reform integration (Azevedo, Aquino, et al., 2020), the success of which depends on a review of an integrated chart of accounts, its integration with the budget classification codes, assessment of assets and liabilities and also a reworking of administrative process flows (Uña & Pimenta, 2016).

In addition, the basic and continuous training of accounting personnel is seen as a determining factor (Abdulkarim et al., 2020; Ademola et al., 2020; Adhikari et al., 2013). Applying the reform without the necessary knowledge is an illusion (Ademola et al., 2020), leading to delays in implementation and resistance (Adhikari et al., 2013). The lack of preparation is related to the perception of IPSAS as complex (Adhikari et al., 2013; Adhikari & Gårseth-Nesbakk, 2016).

IPSAS is indeed highly complex, and there are no simplified models for small and medium-sized entities, as with IFRS (Adam & Heiling, 2023). This complexity affects local governments. The complexity of IPSAS arises from the influence of accounting traditions that represent an institutionalized accounting culture (Abdulkarim et al., 2020). The conflict that can be observed between new practices and the dominant institutional logic (Aquino & Neves, 2019) generates a misalignment of practices, negatively affecting implementation (Adhikari & Gårseth-Nesbakk, 2016). Additionally, the lack of institutional obligation of IPSAS through a legal mandate affects the level of the implementation of the standards (Abdulkarim et al., 2020; Adhikari & Gårseth-Nesbakk, 2016).

Table 1
Factors discussed by the authors

Factors	Authors
Qualified personnel	Lima & Lima(2019); Nascimento et al.,(2014); Abdulkarim et al.,(2020); Ademola et al.,(2020)
Political support	Adhikari et al.(2013) ; Jones & Caruana(2016)
Software	Ravanello et al.,(2015); Uña & Pimenta (2016); Sediyama et al.,(2017); Azevedo, Aquino et al.,(2020); Azevedo, Lino et al.,(2020)
Work of standard setters and authorities	Araya-Leandro et al.,(2011); Adhikari & Gårseth-Nesbakk (2016); Abdulkarim et.al.,(2020)
Support from the courts of accounts	Azevedo, Lino & Aquino (2020); Azevedo, Aquino, et al.,(2020); Sasso, Ramos & Varela (2023)
Work of international organizations	Adhikari et al.,(2013); Araya-Leandro et al.,(2011); Manes-Rossi et al.,(2016); Jorge et al.,(2019); Aquino, Caperchione et al.,(2020); Bergmann & Labaronne (2013).
Accounting education	Adhikari & Gårseth-Nesbakk (2016); Sellami & Gafsi (2019)
Implementation cost	Ademola et al.,(2020)
Conflict of practices	Adhikari & Gårseth-Nesbakk (2016); Abdulkarim et al.,(2020)

Table 1 summarizes the factors that affected the understanding and implementation of the reform. Factors understood as barriers (resources, software, preparation, and accountant values) generated incomplete implementation processes, deadline modifications (Azevedo, Aquino, et al., 2020), or interruption after the reform was initiated (Aquino & Neves, 2019; Azevedo, Aquino, et al., 2020; Polzer, Gårseth-Nesbakk, & Adhikari, 2020). This shows that the full convergence process requires a regulatory change and modifications in the accounting environment. This process must consider elements such as technical challenges, the decision to abandon the historical cost as a basis for measurement of assets and liabilities and replace it with accrual accounting, political challenges, and the clear delegation of powers to accounting units (Adhikari & Gårseth-Nesbakk, 2016).

Considering the economic, social, cultural, constitutional, and political factors where reforms are expected to be implemented can guarantee greater success (European Commission, 2009). Conversely, implementing new rules by imposition, without prior discussions or observing a country's local characteristics and internal culture, can be seen as a colonizing accounting process (Nascimento et al., 2014). This approach marginalizes the specific elements of the local context and may not meet local needs (Adhikari & Gårseth-Nesbakk, 2016; Polzer, Gårseth-Nesbakk, & Adhikari, 2020). Therefore, standard setters must consider the needs and capabilities of their entities when adopting IPSAS (Harun, Eggleton, & Locke, 2021), as reforms successfully accepted in one context are unlikely to be replicated in other contexts (European Commission, 2009).

3 Methodology

This qualitative and interpretive study uses an inductive approach to data collection, including document review, interviews, and information analysis. Countries were selected after reviewing web pages, laws, decrees, resolutions, and communications released or made available by each Latin American country.

They were classified according to the model adopted (Bergmann & Labaronne, 2013) as either direct (those that adopted the standards issued by the International Federation of Accountants – IFAC making no modifications) or indirect (the countries that adopted the IFAC standards and adapted them to better suit their specific needs). Considering the year of adoption, they were classified as early or later adopters (Tolbert & Zucker, 1983). The average year of adoption, i.e., 2008, was used as a classification criterion. The deadlines (Argento, Peda & Grossi, 2018; Azevedo, Aquino, et al., 2020) are differentiated between gradual (adoption of some IPSAS) and universal (all IPSAS), also known as the Big Bang model (ACCA, 2017). Countries also limit adoption to all or some levels of government (Table 2).

The initial documentary review resulted in information from 16 Latin American countries. Some countries were not included due to insufficient information on their convergence process. For the first filter, the convergence had to consider local governments. The research adopted the intentional selection strategy of criterion-based case sampling as case selection criteria (Patton, 2015). This strategy seeks to choose cases with specific characteristics of interest in the analysis. Peru and Colombia were selected as early adopters, and Paraguay and Brazil as later adopters. Additionally, Argentina was selected for having different characteristics in adopting IPSAS (declared non-adopter). The objective was to examine cases with different characteristics concerning the adoption model, including early and later adopters, to observe the differences in how the countries conducted the reform internally.

The case of Argentina is interesting because it is a country that is not considered to have adopted IPSAS (Pimenta & Pessoa, 2016; IFAC, 2021; ACCA, 2017). However, the development of its Integrated Financial Administration System (SIDIF) has led to important changes in the country's accounting norms, which is a convergence process worth examining (Pimenta & Pessoa, 2016).

The research focuses on local (or municipal) governments, which are crucial entities in administration and service provision (Aversano et al.,2019; Lapsley et al.,2009). Local governments are smaller entities with internal characteristics (financial resources, organization) that challenge the reform implementation and make it difficult to obtain benefits (Amaral et al.,2014; Anessi-Pessina et al.,2008; Lima & Lima,2019). Consequently, these entities are less likely to comply with IPSAS (Amaral et al.,2014). The analysis of local governments is important in this research because they are not likely to count on a scenario where the norm is automatically perceived as legitimate, different from what happens at the central government level, considering the central government is one of the main actors of the reform in a country.

Local governments represent the foundation of a country's financial and economic information, as the country's general account comprises the consolidated information of all municipalities. Additionally, the level of autonomy of an entity can generate divergences in accounting treatments, making it difficult to measure a country's current state of adoption (Gómez-Villegas et al., 2020).

Semi-structured interviews (Bauer & Gaskell, 2000; Patton, 2015) were conducted with actors involved in the reform (Jorge et al., 2019). These included standard setters, i.e., representatives of regulatory agencies; representatives of supervisory agencies; and local government accountants. The interviewees were classified as (i) specialists and (ii) accountants (Table 3). All of them were involved in adopting IPSAS, bringing different perceptions to the table (from the point of view of both standard setters and those who prepare the accounting reports). The vision of the government's actions forms the basis for understanding the internal context they face with the reform.

The initial contact was made using the contact lists of the Forum of Government Accountants of Latin America (FOCAL) and the Inter-American Accounting Association (AIC). These lists were chosen because the members of these organizations are interested in the theme of convergence, and they represent the diversity of Latin American countries. The interviewees were approached by email and, when available, by cell phone or social media (LinkedIn, Twitter). To obtain more contacts, the snowball method was used (Bryman, 2012), in which, at the end of the interview, the participants were asked to voluntarily provide contacts of other specialists and/or accountants. If there were no responses, the publicly accessible contacts of each country's standardizing and/or supervisory agencies were also consulted.

The interviews were guided by protocols previously established and approved by the University Ethics Committee. For specialists, the protocol aimed to confirm documentary information and identify divergences between legislation and accounting practices. The documentary analysis examined government reports that presented definitions of the state of adoption and implementation of convergence within the countries. The interviews were based on this information, and the interviewees' opinions about the convergence process and the changes the country has undergone when implementing IPSAS were gathered. In the case of accountants, in addition to their perception of the reform and changes in the country, the protocol included questions about their professional development and responsibilities. The interviews with representatives of local governments focused on their view of how the local government perceived the regulations and sought to understand the structure of the country as a whole.

Table 2 **Data on the convergence process in Latin America, including countries selected**

Country	Year the country declared the adoption	Early/Later adopters (2008)	Adoption dynamic	Adoption model	Scope	Countries selected for the study
Guatemala	1997	*Early*	Gradually	Indirect	Local governments (non-mandatory)	-
Peru	2002	*Early*	Gradually	Direct	All government levels	Yes
Uruguay	2002	*Early*	Gradually	Direct	All government levels	-
Colombia	2007	*Early*	Fully	Indirect	All government levels	Yes
Costa Rica	2007	*Early*	Gradually	Direct	Extended deadlines for local governments	-
Mexico	2008	*Later*	Gradually	Indirect	All government levels	-
Brazil	2008	*Later*	Universal and, afterward, Gradual	Indirect	Extended deadlines for local governments	Yes
Argentina	2008	*Later**	Gradual	Indirect	Voluntary adoption	Yes
Dominican Republic	2009	*Later*	NA	Direct	All government levels	-
Venezuela	2011	*Later*	Gradual	Indirect	Gradual	-
Honduras	2014	*Later*	Gradual	Direct	All government levels	-
Nicaragua	2014	*Later*	Gradual	Indirect	All government levels	-
Panama	2014	*Later*	Universal	Direct	All government levels	-
Chile	2015	*Later*	Gradual	Indirect	Central government	-
Paraguay	2015	*Later*	Gradual	Indirect	All government levels	Yes
El Salvador	2016	*Later*	Gradual	Direct	Central government	-

Notes. NA = Data not available. Early = declared to have adopted IPSAS before 2008. Later = declared to have adopted IPSAS after 2008. Gradually = adoption of IPSAS in parts (first 10 IPSAS). Fully: adoption of all IPSAS. Direct: adoption of IPSAS as issued by IFAC, with no modifications. Indirect: adoption of IPSAS with adaptations considering the context and characteristics of each country; new standards are generally issued based on IPSAS. (*) Argentina does not openly adopt IPSAS, but has been adopting elements of accrual accounting, which has similar characteristics.

Table 3
Interviewees' profile

Interviewee	Country	Interviewee group	Government agency	Relationship with standard setters or stakeholders	Experience (years)	Interview duration (min.)
1	Argentina	Accountant	Local government	None	8	42
2	Argentina	Accountant	Local government	None	27	83
3	Argentina	Accountant	None	AIC (i) / FACPCE (ii)	34	69
4	Argentina	Specialist	Constitutional Court(iv)	AIC (i) / FACPCE (ii)	38	106
5	Brazil	Accountant	Local government	Instructor of training courses	7	80
6	Brazil	Accountant	Software provider	Instructor of training courses	30	63
7	Brazil	Specialist	Local government	Regulator	44	50
8	Brazil	Specialist	Secretary of the National Treasury	Standard setter	7	54
9	Brazil	Specialist	World Bank	None	8	53
10	Colombia	Accountant	Consulting company	Regulator	40	69
11	Colombia	Specialist	University	None	5	88
12	Paraguay	Accountant	Local government	None	20	64
13	Paraguay	Specialist	General Direction of Accounting	Standard setter	27	70
14	Peru	Accountant	None	AIC	31	54
15	Peru	Accountant	Local government	None	18	76
16	Peru	Accountant	Local government	None	10	37
17	Peru	Specialist	Consulting company	Regulator	4	60
18	Peru	Specialist	CONECTAMEF(iii)	Regulator	33	82

Notes. (i)Inter-American Association of Accounting (AIC). (ii) Argentine Federation of Professional Councils of Economic Sciences (FACPCE). (iii) Decentralized agency of the Ministry of Economics and Finances that offers support and user services. (iv) Constitutional Court: Court responsible for interpreting and enforcing the norm

Because the interviews were semi-structured, the protocol provided a guideline, and the interviewer could add new questions according to each context without altering the main idea of the guiding questions. With the interviewees' permission, the interviews were recorded and transcribed verbatim (Kowal & O'Connell, 2014). The analysis was carried out through staged categorizations, in which initial factors were identified, followed by a new round of categorization (Miles et al., 2013).

The first-order categorization was exploratory and sought to identify the attributes that characterized each element impacting the implementation stage. In this initial part of the analysis, elements or indicators considered as factors affecting the adoption of the standards were recognized. The following elements were identified: (i) political organization (levels of government, leadership in local governments, development of activities); (ii) the accounting system (standard setters, accounting regulations, training); (iii) the accounting structure (accounting equipment, software, chart of accounts); and (iv) the accountant's environment (organization of the profession, accounting functions, sanctions).

Subsequently, Table 4 was prepared, comparing the countries and considering the recognized elements, showing the differences and convergent points. Based on this organized information, we reflect on the characteristics affecting the adoption process, emphasizing the elements influencing the perceived legitimacy of the norm.

4 Influences of the country's accounting environment on the accounting reform

The countries' accounting environment varies in terms of software, accounting outsourcing and personnel training, and support groups for dissemination. Understanding the adoption process is crucial when discussing the influence of the accounting environment on the adoption of IPSAS.

The convergence process begins with the country's declaration of adoption of IPSAS. Except for Argentina, the other four countries have declared the adoption of IPSAS (Pimenta & Pessoa, 2016). However, the decision to adopt the standards may precede the declaration. Brazil, Colombia, and Paraguay were already carrying out actions for adoption without having made the formal declaration. Later, the standardizing agencies in charge of convergence would formally declare the stages of adoption in official documents (Table 2).

These initial actions classify Colombia as an early adopter, along with Peru. Although the first actions in Argentina were carried out in 2008 by the Argentine Federation of Professional Councils of Economic Sciences (FACPE), the country is not yet considered an adopter (IFAC & CIPFA, 2018; Pimenta & Pessoa, 2016; ACCA, 2017). The standards are prepared by the FACPE in the form of technical recommendations that require prior acceptance and integration by each court of accounts to be applied by the entities under their jurisdiction. This dynamic demonstrates the high degree of autonomy of these entities.

Each country recognizes a standard setter for its reform, an entity that leads the convergence process at the national level (Table 4). In Brazil, the Secretary of the National Treasury (STN) and the Federal Council of Accounting (CFC) are responsible for leading the reform. However, different interpretations and demands of the country's courts of accounts toward the entities could be delegitimizing the actions of the STN regarding the adoption of IPSAS, and delaying the process (Azevedo, Aquino, et al., 2020). The absence of legitimation on the part of the courts of accounts is relevant, given that the courts' actions have been identified as one of the preponderant factors for the local governments' success of convergence to IPSAS.

The conflict generated between the norms issued by the STN and the requirements by the courts of accounts (Aquino, Lino, et al., 2020; Lino, 2019) does not clearly validate the STN as a standard setter (Franck, 1990) to regulate the accounting field, with pedigree, as treated in the literature. The lack of consensus between the two bodies leads the entities to decide what information to produce (either aligned with the STN or following the requests posed by the constitutional court), considering that the absence of validation by external stakeholders is one of the main elements that reduce the legitimacy of the norm. Suppose the decision was to comply with the first control (constitutional court). In that case, the information provided may be outside the regulations, affecting convergence (Lino, 2019).

Table 4 contextualizes the political-administrative structure of the analyzed countries, identifying the entities leading the reform and the convergence process that each country has followed. This understanding is important because, in the face of changes in the standardization of processes, the specific contexts that determine the power structure (leading bodies) and the communication channels and flows to disseminate accounting information should be considered (Adhikari et al., 2021).

The level of autonomy and decentralization of the local governments' accounting system can be individualized per country, reflecting the diversity of the contexts (Lima & Lima, 2019). Additionally, the country's legal structure can influence the changes that must be made in public accounting (Macêdo et al., 2010).

The political and administrative model influences how the dissemination of the information present in the accounting reform occurs within countries, that is, how local governments receive the new rules. In countries considered "unitary," such as Peru, Paraguay, and Colombia, local governments have less autonomy to question the accounting rules. In Brazil and Argentina, federative countries, although there is strong coordination of the central government, subnational governments have more independence, and monitoring mechanisms must support the process. For example, in Brazil, monitoring is carried out through computerized external collection and evaluation systems coordinated by the Secretary of the National Treasury, such as the Quality Ranking of Accounting and Fiscal Information (STN, 2023), which "is an initiative of the Secretary of the National Treasury created to evaluate the consistency of the information the Treasury receives through the Accounting and Fiscal Information System of the Brazilian Public Sector – Siconfi."

An instrument to monitor accounting information is the creation of a standardized chart of accounts to be used by all levels of government, a model adopted by the countries analyzed, except Argentina. Argentina is characterized by great autonomy for each province. The Provincial Court of Accounts prepares the chart of accounts for the entities within its jurisdiction. From this, each province decides whether to adopt this plan. The high level of autonomy is perceived in the following way, as described by an interviewee from Argentina:

> […] the technical recommendations issued by the federation, each province must adopt them for its jurisdiction, so that accountants apply them in the jurisdiction (Interviewee 4, Argentina).

Brazil has adopted a standardized national chart of accounts since 2014, which has a single structure (called PCASP) used by all levels of government (federal, states, and local governments) (Sediyama, Aquino & Lopes, 2017). However, reality has shown that the courts of accounts have incorporated specific accounting levels with greater detail, which can generate different "languages" of the PCASP (Aquino, Lino, & Azevedo, 2022; Aquino & Neves, 2019), maintaining, however, a standardized general structure.

The accountants in the country do not perceive this standardization in the same way. One of the accountants interviewed mentioned that each court of accounts adds specificities to its chart of accounts, which means that several charts of accounts are used within the country. Despite the apparent standardization, the perception is that there are three different chart of accounts in the country:

> [...] [1] extended chart of accounts, [2] federation's chart of accounts [signs with their hands leaving one in each], we have the so-called [3] chart of accounts of the court of accounts (Interviewee 5, Brazil).

Table 4
Accounting environment in the countries

Dimensions	Brazil	Peru	Argentina	Paraguay	Colombia
(i) Convergence in the country					
Political-administrative model	Federative	Unitary	Federative	Unitary	Unitary
Adopted model	Indirect	Direct	Indirect*	Indirect	Indirect
Declaration of adoption	2008	2002	2008	2016	2007
Extended deadlines	Yes	Yes	In implementation	In implementation	Yes
Standard setter	STN / CFC (iv)	DGCP(i)	FACPCE	DGC(ii)	CGN(iii)
Current-state	Application	Declaration	Implementation	*Implementation*	*Application*
(ii) Accounting context					
Chart of accounts	Standardized	Standardized	Non-standardized	Standardized	Standardized
Accounting software	Subcontracted	Single software – SIAF	According to each court of account	Outsourced	Single software – SIAF
Outsourcing of accounting activities	Allowed	Not allowed	According to each court of account	Allowed	Not allowed
External support services	Outsourced consulting is common	Governmental support	Outsourced consulting is common	Outsourced consulting is common	Governmental support
Accounting education	Joint coordination between STN / CFC (iv)	Promoted by DGCP	Depends on the entity	Promoted by DGCP	Promoted by DGCP
Control/Supervision	Subsequent control. Courts of accounts	Concurrent and subsequent control. CGR	Concurrent and subsequent control. Court of accounts	Subsequent control. CGR	Concurrent and subsequent. CGR
(iii) Accounting profession					
Practice of the profession	Accounting register. Require previous assessment	Register in the professional council	Register in the professional council	Register in the professional council	Register in the professional council
Foreseen sanctions	Suspension, fine, revocation	Suspension, fine, dismissal	Raising awareness, warning, fine	Administrative summary, transfer, dismissal	Suspension, fine, revocation

Notes. (i) DGCP: General Direction of Public Accounting. (ii) DGC: General Direction of Accounting. (iii) GCN: General Accounting Office of the Nation. (iv) CFC: Federal Council of Accounting. STN: Secretary of the National Treasury; (*) Argentina is a country considered as non-adopting of IPSAS (IFAC,2021, ACCA, 2017).

Therefore, it is possible to say that complete standardization of the chart of accounts has not yet been achieved in Brazil and Argentina. In Peru, Colombia, and Paraguay, the accountants recognize uniformity in the codes used to produce the accounting records. They also perceive the professionals' ease in managing these charts.

Another relevant characteristic is the diversity in accounting practices created by other stakeholders. Often, there is the impression that the country has unified accounting rules because it has a single standard setter. However, each country's internal experience demonstrates that, in practice, standardized regulation may be affected, which will influence the legitimacy of the IPSAS standard.

This issue is relevant in Brazil as each state has its own autonomous court of accounts. These courts define specific rules regarding the presentation of the accounts. The definition of specific presentation rules leads to changes in accounting since data must be transmitted and recorded considering the defined guidelines. The following testimony demonstrates the diversity of existing practices, as reflected in the presentation of accounts: "In all my experience, I have known 17 types of accountabilities, 17 courts of accounts, because I worked in 17 different states" (Interviewee 6, Brazil).

It is possible to note that effects are affecting the standardization of practices, which may occur similarly to the case of Argentina. The consequences of these diversities can be reflected in the adoption of international standards, as shown in the story of one of the interviewees from Brazil:

> We don't have a national standard, that's the truth. How can I adhere to an international standard? […]. Within a country, a state thinks one way, the municipality thinks another, and in another state, they think differently […]. So we have various norms here within the state, the federation, and now I take a different country, and I want to align it. That is, we cannot solve our problem at home and want to follow the example of the house next door" (Interviewee 5, Brazil).

In the accountants' perception, there is no standardization in the chart of accounts, which has affected the adoption of IPSAS since each court of accounts develops various rules (accounting events), directing attention toward certain policies to the detriment of others. However, despite the interviewee's words above, Brazil has accounting standardization. The Brazilian accounting regulation establishes that the standardized chart of accounts can be modified starting from the fifth code, but the purpose of this is to offer the freedom to adapt the chart of accounts according to the needs of the entities.

In Colombia, there has been observed concern about the measurement and recognition of assets and liabilities regulated by the authority responsible for the reform, i.e., the General Accounting Office of the Nation, the Ministry of Finance, and the Comptroller's Office:

> The Accounting Office can say what assets the state has and remove them from the balance sheet, but the Accounting Office has a way of evaluating those assets or liabilities. This information does not coincide with the information processed, for example, by the Ministry of Finance or the Comptroller's Office, which can treat the information in a non-competition regime, as is done in public accounting, but in a cash regime, the information is often different, and the problem of the lack of uniqueness of financial information must be resolved by state entities (Interviewee 12, Colombia).

Despite this testimony, a potential conflict of practices could arise, which is not perceived since the entities follow what is regulated by the governing body, and this has not caused difficulties for local governments. Regarding the consolidated financial information of the country, the justification for the observations made by the supervisory body (Comptroller General of the Republic) is that the accounting and financial information prepared by all the entities of the general government is made based on the regulations issued by the General Accounting Office of the Nation (CGN):

> In the municipality of […], since the creation of the CGN, we have consistently obtained an unqualified opinion in all our local government's financial statements., including consolidated financial statements of the municipality of Medellín with its decentralized entities […]. Here, The Accountant General lives "in prison" because they comply with IPSAS, and the Comptroller's audits are based on international auditing standards, which are different. Therefore, when the controller demands explanations from the general accountant, their response is: I am applying the financial reporting standards of the IPSASB" (Interviewee 12, Colombia).

As can be seen in the accountants' reports, in Peru and Paraguay there is no perceived conflict between what is regulated and what is supervised, which means that the entities follow what is standardized by the regulatory and supervisory bodies without significant problems. This suggests that adopting IPSAS in these countries is more fluid and free of major obstacles, which facilitates the implementation of accounting reform and the search for conformity with international standards.

The organization of accounting teams also varies between countries. In general, teams can be organized in four ways: (i) permanent accountant, (ii) permanent accountant with external support, (iii) outsourced accounting and permanent accountant as assistant, and (iv) completely outsourced accounting.

In the case of federative countries (Brazil and Argentina), the court of accounts determines how the accounting should be done. It can also leave the decision up to the municipality.

Outsourced accounting is allowed in Paraguay and Colombia. Depending on the entity's size, an in-house accounting team can be used, or accounting activities can be outsourced. For example, larger municipalities tend to maintain a permanent internal team.

In addition, in countries like Peru, where outsourcing accounting is not allowed, not all personnel who make up the accounting team are qualified. The topic of accounting training was discussed by Adhikari and Gårseth-Nesbakk (2016), who concluded that the lack of correspondence between education and accounting practice affects the professional development of the activity.

The opinion of an expert from Paraguay indicates that accounting outsourcing is not encouraged by regulatory bodies, which seek to encourage entities to have accountants within the municipality instead of depending on accounting consultants, as indicated in the interview:

> Our intention is to institutionally strengthen the fact that the mayors have a permanent accountant. We have no interest in outsourcing accounting. We will always advocate that the accounting areas are institutionalized within each municipality and that they are civil servants (Interviewee 17, Paraguay).

However, an interview with a consultant from Paraguay presents an alternative vision of the importance of consulting in the country for the dissemination of accounting standards:

> It is us [consulting company] who usually transmit that information again to that internal person within the institution [internal accountant], or to the financial director, or to the treasurer, or to the mayor; we are the ones in charge of transmitting that update or that need within the accounting area (Interviewee 12, Paraguay).

This vision aligns with Aquino and Neves (2019), who concluded the importance of outsourced consulting services as the main channels for disseminating and operating IPSAS in Brazil.

How the accounting profession is organized can affect the reform. The accounting profession is formalized and regulated in all the countries analyzed, and registration with the corresponding professional association is mandatory to work in the field. Only Brazil requires accountants to pass an exam evaluating the knowledge acquired in higher education institutions before registering (Adhikari & Gårseth-Nesbakk, 2016). On this matter, it is possible to identify a lack of preparation, as pointed out by one of the interviewees from Brazil, who highlights the scarcity of educational programs on public accounting. The interviewee mentioned that accountants finish university without this specific knowledge (Interviewee 9, Brazil): "The university prepares you very little for public accounting; it is much more focused on commercial and tax aspects. Only one or two public accounting subjects are covered."

In the case of the five countries analyzed, accountants are required to be registered with their professional councils or associations to practice as individuals in public agencies. However, this requirement does not extend to accounting teams. In these countries, the accounting team may include individuals who do not have a background in accounting. This was particularly observed in Peru, Argentina, and Colombia, which maintain an internal accounting team. In Brazil, although legislation stipulates that all accounting services must be performed exclusively by accountants, even when activities are performed by a team, the composition of such teams has not been widely monitored by the profession's council or association.

Another explanation for the low adherence of accountants may be associated with the "low culture of participation" in the country's regulation matters, present in at least 14 mentions made by respondents in the countries. In implementing new standards, Brazil, Peru, Paraguay, and Colombia allow the participation of accountants in the standard consultation process. However, the perception of participation has been low or even non-existent in these countries, which is contradictory and may indicate problems in disseminating how the process is carried out. The interviewees have pointed out the lack of dissemination of the process as one of the reasons, as shown by a Peruvian specialist:

> I think they do not do it because the regulatory council does not say: we are going to issue the 2020 accounting closing guidelines; we want your opinion to improve these guidelines. I think they do not disseminate or share [the information] with all the accountants (interviewee 18, Peru)

Interviewee 12 from Paraguay states: "This culture of participation is still difficult for us; those dynamics of the public sector have not been understood or approved, in general, by the community." This report, regarding the joint work that should be carried out in the process of developing standards, reveals a shared responsibility of both accountants and standard setters, given that it can affect the determination of the standard, affecting its perception of legitimacy. The interviewee from Paraguay also expressly declares a passive position concerning the regulations:

> We are not involved in any type of interference or participation in preparing regulations each year [relationship with standard setters]. Rather, we limit ourselves to waiting for the law or decree to come out and adapt to their requests (Interviewee 12, Paraguay)

Regarding the adoption of IPSAS, the implementation process in local governments was questioned. Interviewees from Argentina and Peru declared that they were unaware of the process, which may indicate problems in the internal dissemination of information. The country may be known externally as an adopting country, but when talking to accountants, they do not know about IPSAS. This is clear evidence of the difference between adoption and implementation. An accountant from Argentina sparked interest when asked about IPSAS:

> No, the truth is that I haven't heard about it Here... at least where I operate, in the municipality... I have not heard about it [the IPSAS]. But now you said I'll be more attentive… I have this impression that it is not bad, that it is good for us to open up a little to this exchange, this relationship, and not be encapsulated in the norms that we have (Interviewee 1, Argentina).

In the case of Brazil, the results corroborated the findings by Lima and Lima (2019) and Nascimento et al. (2014), highlighting the accountants' lack of preparation for IPSAS. In Paraguay, the implementation of IPSAS in local governments is underway, but it is not yet complete. It's worth noting that this information was provided by an accountant who offers consulting services rather than a full-time professional in this role. This difference in professional roles may indicate the level of knowledge and interest of the personnel in the accounting field, referred to here as "the accounting team."

Therefore, the lack of accounting education for the public sector can cause misunderstanding and a lack of preparation for professionals involved in the reform process, as observed in the interviews, highlighting the greater focus on accounting education in the private sector, as indicated by interviewee 21 (Peru): "when I was at university, I had never heard about IPSAS," and also by the following passage, from Colombia:

> Although in the last 10 years, universities may have made progress in teaching the IASB financial reporting standards in the private sector, we cannot say the same in the field of public accounting, as this training itself is the training that the General Accounting Office of the Nation has taught through short-term training processes, or because the Accounting Office offers training seminars, at most, it gives diplomas (Interviewee 12, Colombia).

Therefore, it is important to highlight the basic training of those who would have to work in the public sector, which has already been pointed out as a barrier to the adoption of IPSAS (Agyemang & Yensu, 2018; Azevedo, Lino & Diniz, 2019; Chytis et al., 2020; Polzer et al., 2021). A low professional qualification can affect the perceived legitimacy of the standard, affecting the properties of determination, coherence, and adherence (Franck, 1990), considering that the content of IPSAS must be clear to professionals so they are more likely to perceive it as legitimate.

How a country organizes accounting software has proven to play a relevant role. This is because the execution of accounting activities is guided by accounting standards. However, the information technology system plays a leading role in the accounting environment (Azevedo, Aquino, et al., 2020). The accounting software used in Brazil, Argentina, and Paraguay differs between entities, and hiring supplier companies is common in these countries.

In Argentina, this aspect also depends on each court of accounts. For example, in the province of Buenos Aires, the Rafam software is used, provided as the only option available to all entities in its jurisdiction. However, other systems can be developed in other provinces. Brazil has also implemented measures to integrate software, recognizing the importance of this structure. In 2020, a new national standard was published (Federal Decree 10,540/2020) that establishes the use of a single and integrated software within all levels of government.

Azevedo, Aquino, et al. (2020) discussed the role of software provider companies in the IPSAS agenda at the municipal level in Brazil and highlighted the performance of these companies in the IPSAS agenda. During the interview with a representative of a software provider company in Brazil, the question of their role in implementing new accounting standards arose. As discussed in the research by Azevedo, Aquino, et al. (2020), one of the research respondents noted that software provider companies can be "agents of change" but recognizes that they should not be the main agent and that municipal accountants should follow and demand more from the convergence process:

> [...] if your client [municipality] does not tell you that you have to change [...], the company is not requested. So, it does not have the role of being an agent of change. If your client [municipality] does not request it from you, you have no obligation to inform them that a change process is coming (Interviewee 6, Brazil).

The need for an integrated information system is perceived when talking about the implementation of new standards (Brusca & Martínez, 2016). The need to have a computer tool (software) linked to the new standards is highlighted by the expert interviewed from Paraguay, who points out the disagreement of having standards that cannot be operationalized in the system:

> We do not agree with issuing regulations only on paper. When entities want to put them into practice, they cannot do so. What we want is, in some way, for the system to be updated based on these standards (Interviewee 12, Paraguay).

However, the fact that the software is linked to accounting standards can be understood as a "mechanization"/"automation" of the accountant, which leads to assuming a passive attitude (Albu, Albu & Alexander, 2014; Lino, Aquino & Neves, 2021; Ravanello, Marcuzzo & Frey, 2015; Sediyama, Aquino & Lopes, 2017). Although necessary, the fact that the standards are incorporated into the software, automatically processing each data, leads the accountant to not feel the need to do more analysis. As interviewee 6 from Brazil comments: "We find professionals who wait for the system to tell them what to do," clearly indicating the passivity of the accounting teams.

A trade-off is generated from the lack of analysis of the account recorded for each process and the impossibility of modifying what has already been programmed. Although the software supports the accountant in adopting the new practices present in the IPSAS, it makes the accountant a passive agent who no longer cares about changes in accounting principles. This situation is perceived by one of the interviewees, as shown in the following quote from a respondent from Peru:

> Through the SIAF, IPSAS is already programmed in each accounting record that is made. So, the public sector accountant does not understand or apply IPSAS. Because everything is in the system, they are applying what IPSAS says even without knowing it (Interviewee 18, Peru).

Therefore, it is up to countries to analyze the degree of integration of accounting standards into the software, leaving a certain freedom of manipulation that allows the development of the accountant's judgment. The passive stance conflicts with the standard setters' goal of involving the accountant in the accounting reform.

Furthermore, the literature highlights that the lack of active oversight by regulatory bodies can be detrimental to adopting IPSAS, especially in developing countries (Doorgakunt et al., 2021). According to studies, if accountants and governments do not see an effective audit process, they will only take steps to adopt new standards if they consider the change to be important (Abdulkarim, Umlai & Al-Saudi, 2020; Anessi-Pessina et al., 2008).

In the case of the countries studied, the control exercised by the supervisory agencies in Peru, Colombia, and Argentina is concurrent. Supervision and control over accounting activities are carried out at the same time that these activities take place, trying to guarantee effective compliance with regulations.

> What the municipal accountant does during the year is observed, and minutes are recorded. Minute number one, minute number two... then whoever is reviewing observes what was analyzed when they went to the municipality (Interviewee 2, Argentina).

Thus, the perception of close control and the sanctions that arise from non-compliance with the rules represent an incentive for a ceremonious adoption. Thus, compliance is not motivated by accountants' interest in the standard but by fear of being punished. This statement can be supported by what was reported by an accountant interviewed from Brazil, who also confirms the saying present in Latin America (Arellano-Gault, 2018): "In Brazil, what is not required is not taken seriously, and sometimes what is required is not taken seriously either" (Interviewee 5, Brazil).

The training offered to accountants and employees in the countries varies, which confirms what Brusca and Martínez (2016) pointed out. The results suggest that, in most countries, regulatory bodies or supervisory agencies promote training on accounting modifications and/or changes. However, the training format is criticized for focusing on sharing the message, not its importance, affecting the actors' persuasion to act in the reform process (Azevedo, Lino, & Diniz, 2019).

This is a demand from accountants to the standard setter, making clear the need for this training and a clear message. Below are responses from some accountants:

> We really have no knowledge; we have not been summoned, we have not discussed the issue, and we have not received information from the council, province, or municipalities about this integration and acceptance (Interviewee 2, Argentina).

> They [standard setters] present the standard or its modifications, or what should be done, but they never tell us why; no one knows the importance or justification of this new standard or the modifications, so this process is still very authoritarian (Interviewee 21, Peru)

There is strong criticism regarding the accountant's responsibility for the presentation of accounting information according to the schedule of the Directorate of Public Accounting. The fact that the accountant is responsible for delays or omissions in the presentation of accounting reports generates dissatisfaction among these professionals. This is because accounting information compiles all the entity's information, and the accountant needs to collaborate with all areas to prepare the reports.

However, this collaboration between accountants and the other area of public administration is low or nonexistent, which can generate delays in the accounting reports, even if the accountant has done everything possible to complete their work on time. As a result of these delays, the accountant may receive warnings or even lose their position. Therefore, in Peru, the possibility of sanctioning not only the accountant for failure to present accounting information but also other officials involved in the entity is being discussed.

Furthermore, the pressure and overload the municipal accountant faces are perceived as an obstacle to the development of purely accounting activities. The participation of the accountant in non-accounting activities is observed in all countries, as the Colombian accountant pointed out:

> Initially, the accountant's function is associated with the activities of the accounting area. However, what happens is that in some small municipalities, it can be identified that the accountant can do a little of everything[...] even though on paper and in the manual of function it is established that the accountant only exercises the accounting tasks (Interviewee 11, Colombia)

However, this is not common, although there is the possibility of sanctions for accountants who do not comply with accounting standards. The accountant's registration with the profession's regulatory agency makes them responsible for financial reports. Along with this responsibility, the registered accountant is subject to the sanctions established by the profession's regulatory agency, standard setters, and regulatory/supervisory entities. In Brazil, the law states that following the Federal Council of Accountants (CFC) standards is mandatory and subject to sanctions, such as fines and even cancellation of registration as an accountant. However, oversight has not been rigorous in adopting accounting standards, and no sanctions have been imposed.

As can be seen, differences in national accounting contexts and systems generate accounting diversity, which can make accounting harmonization difficult. These results confirm the hypothesis of Benito, Brusca, and Montesinos (2007), who consider that part of the accounting diversity is due to the legal system, the organization of the public sector, the objectives of financial information, the normative and regulatory bodies, the interest and training of professionals, and the political and administrative environment in which each accounting system is inserted.

5 Conclusions

The research analyzed the influence of the accounting environment of Latin American countries on the IPSAS adoption process, observing how structural elements affect the perceived legitimacy of the standards.

As a main conclusion, the research indicates elements relevant for accountants to form their perception of the legitimacy of the norm, as present in the theoretical lens of normativity (Franck, 1990). The coherence between the regulatory agencies for the reform in the countries can influence the norm's perceived legitimacy. Therefore, it is not enough to declare the adoption and introduce the IPSAS in the countries. The process must receive clear validation from entities with a social mandate (pedigree); otherwise, accountants may refrain from making efforts for its implementation.

Countries must avoid conflicts in accounting practices by seeking consistency of the standards applied with other existing standards. Furthermore, the accountants must perceive the control by the bodies with the legal authority to supervise the introduction of IPSAS (courts of accounts). Also, their inspection rules must be compatible with the rules present in the accounting standards. Another relevant element for the success of the reform is the accountants' perception regarding their participation in the process. These actors often do not have access to general definitions of the introduction of IPSAS and, consequently, ignore the standard.

The introduction of standards is influenced by several additional elements. The results show that the factors affecting the adoption or interfering with the understanding and implementation of the reform, leading to incomplete processes and deadline extensions, are the qualification of personnel, political support, adequate software, performance of standard setters and authorities, support of the courts of accounts, performance of international organizations, accounting education, cost of implementation, and conflict of practices. Thus, it is crucial to consider the countries' specific contexts when facing changes in the standardization of processes. These contexts determine power structures (governing bodies) and the communication channels and flows for the dissemination of accounting information (Adhikari et al., 2021).

The process of adopting IPSAS requires structural and organizational changes that respond to the needs of users and professionals responsible for preparing financial information. According to the analysis, there is a tendency to implement "improved" software, expand the dissemination of changes, and train personnel as if the reform followed a standardized model (Andrews, 2013), where these factors would guarantee a better scenario for the adoption of IPSAS.

Although resources (financial, human, systematic) are crucial in the adoption of new practices, they must be accompanied by other elements (Adhikari & Gårseth-Nesbakk,2016; Lino et al.,2019). We observed that software integrated and linked to accounting regulations can generate "mechanized accountants," who would only let the software analyze and determine what accounting treatment should be done instead of using that tool to their advantage. Just as accounting preparation (education) is required to perform accounting tasks, constant training also facilitates the application of practices (Ademola et al.,2020). This statement is not applicable when the message transmitted in the training only considers its content and not its importance.

The misalignment of practices has not been perceived at the subjective level of the accountant, which disregards that the institutional logic, marked by accounting traditions (Abdulkarim et al.,2020; Aquino & Neves,2019), would be in conflict at the level of standards. What remains present is the accountant's position regarding sanctions, especially as a result of non-compliance with accounting standards. The generalized response of only attending to what was required or included according to the sanction received reinforces the phrase "the law is obeyed, but it is not fulfilled" (Arellano-Gault, 2018, p.1251). When there is a forced reform, the accountant's position may be affected by the obligation to comply without them realizing the legitimacy of what is being imposed (Lino, Aquino & Neves, 2021).

The study shows that the accountant is the actor responsible for the changes, decisions, and actions of the standards setters. Both the external and internal accounting environment influence the accountant's performance. Furthermore, the voice of the accountant, as a main actor, is still not being heard. Their opinion on various factors beyond resources (regulatory processes, coercive force, legitimacy) can offer new elements for discussion in adopting reforms.

This research presents limitations. First, the perception of interviewees cannot be generalized to other actors nationwide playing the same role. Notwithstanding, the responses obtained in the interviews allow us to capture the lack of knowledge, disinterest, and criticism (diffusion model, overload) regarding changes in accounting regulations. Meanwhile, the low level of response of municipal accountants to participate in the research limits comparisons in the same country where different standards (Argentina) and conflicts of understanding (Brazil) are observed. Some respondents have a national scope and are experts in public finances in their respective countries. Although they are not necessarily representatives of the opinions of the local government – which is an additional limitation – they have extensive knowledge of the local governments of the countries analyzed, and we assume that they can be considered in the analyses, especially since the data examination involved triangulation with findings from the documentary analysis.

The findings lead to some implications regarding the adoption of IPSAS in the countries. First, the standard setters may reflect on the experience of those who prepare the accounting reports rather than be guided by general recommendations when making or proposing changes in accounting practices. Second, accountants can reflect on their professional development; acting passively motivated by sanctions only leads to a mechanized accounting practice, where the accountant is seen more as a data entry operator than an actor with decision-making power. Third, international organizations may consider analyzing beyond the comparison of the national standard with the international standard; a country's practice does not necessarily follow the guidelines of its legislation since the legitimacy that the standard will receive within the country matters for that specific context. Finally, a clear separation of the stages of the convergence process is needed; the difference between adoption, implementation, and application must be considered when analyzing the progress of the process, considering that the literature and monitoring reports have used the terms interchangeably.

The discussion of the distance between "what should be" and "what it is" opens the way for future research to analyze other elements beyond the resources that would affect accounting practices and, consequently, the adoption of reforms. Looking beyond the legislation and conditions of a country but rather at the opinion and position that society has in each context would offer a better understanding of how changes should be made. While it is true, there is no better or worse way to introduce a reform. The comparative study of various contexts where different responses occur reinforces the argument that several 'imported' reforms ignore local characteristics (Andrews, 2013). Furthermore, the institutionalized culture of acceptance without compliance with standards (Arellano-Gault, 2018) can be explained by discussing how accountants perceive the standards.

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