



Dialogic framing of accounting information systems in social and environmental accounting domains: Lessons from, and for, microfinance☆



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ABSTRACT

The successful design, application and evaluation of accounting information systems (AIS) in social and environmental accounting (SEA) domains increasingly requires that stakeholder interests be addressed. Because various stakeholders have competing interests, new thinking about how these can be accommodated is needed. Brown (2009) proposes a dialogic framework following from agonistic democracy, which takes the position that when consensus is not possible, progress can be facilitated through ongoing commitment to accounting processes that represent and accommodate competing perspectives. Previous work in AIS (Blackburn et al., 2014; Dillard and Yuthas, 2013) builds on Brown's work to develop a theoretical perspective useful in the AIS-SEA context that takes pluralism seriously. We extend this line of research by exploring developments in the microfinance industry and illustrate how the agonistic accounting principles can be useful in considering AIS-SEA design, implementation and evaluation as well as the initiation of innovation and change in the industry. Microfinance provides an example of an antagonistic context where the social mission/values come into unambiguous conflict with the economic objectives of microfinance institutions. Agonistics suggests that such conflict, if acknowledged and facilitated, has the potential for fostering innovative responses and reducing the likelihood of one perspective dominating the others. Relating accomplishments in this field to the principles of dialogic accounting demonstrates how this perspective can be incorporated into the design and use of systems that address social and environmental objectives as well as economic ones. We explore both accomplishments and shortcomings in achievement of pluralistic systems in the microfinance domain.

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1. Introduction

Brown et al. (2005) postulate a growing need to expand the scope of accounting information systems (AIS) to support decision making that encompasses not only economic sustainability but also social and environmental sustainability. The successful design, implementation and evaluation of AIS in social¹ and environmental accounting (SEA) domains entails taking pluralism seriously—

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¹ In the SEA literature (e.g., see Gray et al., 2014), social accounting has been used as a collective that includes economic, social and environmental accounting. For a social system to be sustainable, it must operate within a sustainable natural system, and it must contain a sustainable economic system.

that is, recognizing that multiple objectives and stakeholders need to be explicitly involved at all levels. Various stakeholders, who have competing and at times mutually exclusive objectives predicated on incompatible interests, make contradictory information and accountability demands of accounting systems. Brown (2009) proposes a dialogic framework, built largely upon the political philosophy of agonistic democracy. The framework takes the position that when consensus is not possible, progress can be made through ongoing commitment to pluralist engagement that facilitates dialogue and debate which respects the various competing perspectives. The goal is not immutable consensus, but understanding, learning, and progress.

Agonistics² provides a useful theoretical grounding for taking a pluralistic approach within an accounting context because it allows for conceptualizing the opening up and broadening out of accounting and accountability systems to address multiple and competing interests.³ This perspective enables researchers and practitioners to move beyond the presumption that there is one best way to represent economic reality and allows for accounting systems that can accommodate multiple alternatives. In previous work (Blackburn et al., 2014; Dillard and Yuthas, 2013), a dialogical framework is proposed as a theoretical perspective useful in the design, application and evaluation of pluralistic AIS-SEA.⁴ We extend this line of research by considering a case study that can help clarify the basic agonistic theoretical perspective and demonstrate how the key elements of the framework might be enacted both from the perspective of design and critique. The case study we have chosen is the microfinance industry. In recent years, the industry has exerted considerable effort in developing systems based on legitimate evaluation/certification criteria that are consistent with their stated social and economic objectives. In doing so, the industry has grappled with issues of developing inclusive information systems that facilitate managing these organizations. In addition, these systems attempt to evaluate the efficacy of the institutions in accomplishing their social objective(s). Social indicators addressing the interests of stakeholders with varying information requirements and conflicting social issues are central to the information systems and networks being developed.

The dialogic framework we use to explore accounting systems in microfinance is built upon the original work of Brown (2009). Brown seeks to develop an approach to accounting that respects the differing interests and needs of stakeholders, addresses the role of power in privileging some interests over others, and acknowledges the impossibility of consensus around monologic accounting systems. Agonistic democracy and dialogics provide a theoretical foundation for her work. Brown's framework provides a set of eight principles, presented in Table 1, that can be useful in creating accounting systems that "take pluralism seriously" and can accommodate diverse perspectives and interests. The eight principles recognize that when multiple perspectives exist in accounting contexts, there is a tendency to privilege monetary calculations developed by and for experts, and to treat them as if they are objective representations. Her principles help to establish participatory processes in which differing values are exposed and accepted, efforts are made to neutralize power, and systems are accessible to nonexperts. The framework further acknowledges that systems continually evolve and helps to avoid simply replacing a capital-oriented system with another monolithic system. Brown's framework recognizes the need for theory based research and development that reflects a more expansive and pluralistic domain in overcoming the traditional, economics-dominated AIS thinking.

Brown's (2009) critical dialogic principles provide a useful lens through which to view the efforts to develop an industry-wide information/best practices exchange. One of the primary tenets underlying these principles is the presence of irresolvable differences among the various interested groups. Agonistics refers to this state as radical negativity (Mouffe, 2013). The microfinance industry is perhaps one of the more unambiguous illustrations of a market oriented domain confronting the contradictory and competing objectives of social welfare (alleviating poverty) and economic returns (financial sustainability via market engagement). In addition, the microfinance industry is an interesting case study because of its size, diversity, relative level of maturity, social mission, and the recognized need for inclusive management and accounting systems. Engaging in this social enterprise involves moving beyond the traditional information set associated with AIS. The recognized set of relevant stakeholders is expanded beyond the owner/shareholder model, and the relevant performance criteria include more than growth and return on financial capital.

The focus of our research program is to facilitate dialogue and debate regarding the design of systems. The ultimate objective is to consider the design, application and evaluation of AIS-SEA that support inclusive performance management, accounting and accountability systems with relevant, timely, and accurate information. "... [T]he responsibility of the AIS designer, implementer, and user (is) to explicitly consider the implications of his or her actions on society and its members. To adequately do so, the dialogue must expand beyond the one-dimensional lens of neoclassical economics embracing a richer and more comprehensive frame" (Dillard, 2008:25). The microfinance industry and microfinance institutions (MFIs) have to contend with both explicit social and economic objectives.

As discussed more fully in Section 2, traditional AIS design focuses primarily on "relevant" economic transactions so defined by neoclassical economic theory, omitting other social and environmental considerations.⁵ For example, current systems do not adequately address basic information needs associated with the United Nations' Global Compact⁶ principles for responsible business in such areas as human rights, collective bargaining, forced and child labor, and discriminatory labor practices. Further, traditional AISs do not directly promote environmental responsibility through incorporating externalities such as toxic gas emissions, species

² Agonistics is a term used by Mouffe (2013) to refer to her work in political philosophy. See Laclau and Mouffe (1985/2001), Mouffe (1995, 2000, 2005, 2013). In accounting, see Mouck (1995) and Brown (2009).

³ For accounting applications see Brown and Dillard (2013a,b,c, 2014, 2015a,b), Brown et al. (2015), Dillard and Brown (2012, 2014, 2015), Dillard and Roslender (2011), Vinnari and Dillard (2016).

⁴ We use this extended abbreviation to maintain consistency with the prior research and to emphasize the need for comprehensive accounting information and accountability systems.

⁵ For a more extensive discussion and examples see Brown et al. (2005), Dillard (2008), Dillard and Yuthas (2013) and Blackburn et al. (2014).

⁶ www.unglobalcompact.org.

Table 1

Dialogic principles (Brown, 2009).

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1. *Recognize multiple ideological orientations*—stakeholders have conflicting ideological orientations yielding different perspectives that will account for things differently; expression of these differences should be facilitated.
 2. *Avoid monetary reductionism*—the full impact of the organization cannot be reduced to a single bottom line; monetization of phenomena can devalue non-economic values.
 3. *Be open about the subjective and contestable nature of calculations*—assigning numbers always involves both values and assumptions about reality; these assumptions should be made explicit to avoid a pretense of objectivity.
 4. *Enable accessibility for non-experts*—information should be provided in a format that is understandable and accessible to non-experts, and that allows for independent validation.
 5. *Ensure effective participatory processes*—a broad range of stakeholders should be engaged in ways that allow them to describe their accountability needs in their own ways.
 6. *Be attentive to power relations*—stakeholders with financial dominance and technical expertise may act opportunistically; mechanisms for listening to the voices of marginalized stakeholders are needed.
 7. *Recognize the transformative potential of dialogic accounting*—accounting plays a role in shaping and reconstructing reality; critical engagement among stakeholders promotes understanding, acceptance of alternative values and assumptions and recognition of alternative possibilities.
 8. *Resist new forms of monologism*—there is always a risk of replacing old forms of reductionism with new ones; each new accounting should be recognized as contingent and open to ongoing debate.
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extinction, or climate change. As discussed more fully below, design criteria need to explicitly incorporate such issues, and one way to do so is by engaging interested constituencies in the design process. Expanding the design, implementation and evaluation criteria may increase the (short term) cost; however, a more comprehensive understanding of social and environmental risks and opportunities would presumably yield more enlightened and better informed management decisions and facilitate more comprehensive and realistic risk management. Ultimately, we envision the broadening out of AIS leading to more socially and environmentally responsible behavior on the part of the organizations in which they are implemented.

In the following section, we review the previous AIS literature that considers the prescriptive parameters of AIS-SEA and elaborate on how a dialogic perspective can provide a theoretical framework for conceptualizing AIS-SEA. Section 3 describes the microfinance domain and undertakes an interpretation through a dialogic lens. Section 4 illustrates the application of AIS-SEA design principles in microfinance, considering how the efforts of the microfinance industry to accommodate competing interests is consistent with, or falls short of, the ideals of agonistic pluralism and reflects on how the shortcomings might be addressed. Section 5 provides a brief summary and reflections.

2. Dialogic Framing of AIS-SEA

2.1. Prescriptive parameters

Brown et al. (2005) recognize the need to expand the scope and depth of accounting information systems in order to meet the needs of socially and environmentally responsible management strategies and objectives, providing specific examples of expanded information requirements. Dillard (2008) argues that meeting the expanding information needs requires moving beyond the traditional focus on the technical aspects of AIS and encompassing a more inclusive conceptualization of information needs of not only management but also a wide variety of stakeholders with diverse interests and perspectives. Progressive systems design recognizes stakeholder information needs regarding competing economic, social and environmental forces extant at organization, organization field and societal levels. Within the social enterprise⁷ domain, AIS and the associated performance management systems need to incorporate a wide range of values, interests and objectives in order to adequately provide management support, address stakeholder needs and facilitate effective governance mechanisms, recognizing the incompatible interests that are involved.

As currently practiced, AIS reflect the culmination of technique and technology. The technique is that of traditional accounting and auditing, and it is implemented through the technology of computer based information systems. Little consideration is given to expanding the systems to include “transactions” beyond those made visible through the lens of maximizing shareholder wealth as currently defined by neoclassical economics. Such a narrow perspective is not adequate for the expanded domain of social enterprise (nor is it adequate for that of a responsible for profit organization, e.g., see Brown et al., 2005). Acting in the public interest, which includes designing socially-responsible systems, requires recognizing and addressing a wide variety of stakeholders that includes direct participants (investors, employees), trading partners (suppliers, customers) and external parties (communities, civil society, governments). Even future generations of humans, fauna and flora may be impacted and are reckoned relevant stakeholders. To respond, traditional AIS needs to be broadened to include social and environment accounting components. That is, AIS needs to become AIS-SEA.

Socially responsible AIS designs transcend a technical preoccupation in development and application based on taken-for-granted economic criteria and assumptions. AIS-SEA facilitate economic, social and environmental sustainability by incorporating information that facilitates social objectives such as community wellbeing, employee health and safety, child labor, and/or poverty alleviation. Developing such systems requires conceiving of alternative social architecture that can incorporate pluralistic systems

⁷ In the following discussion, social enterprise refers to an entity that pursues a primary social goal or objective as well as an economic one. The social objective is accomplished or supported, directly or indirectly, through market related activity. For a more complete discussion see Dillard et al. (2013).

that provide transparent, understandable and relevant support for all stakeholders as a means for acting in responsible ways. Creative conceptualizations of AIS-SEA require forward thinking assisted by, at times incompatible, alternative perspectives.

2.2. Theorizing AIS-SEA

Dillard (2008) proposes that AIS can be viewed from three perspectives or levels: technology and technique (what the systems are); practices (how the systems are used); and socio-political context (the milieu within which the system is operationalized and sustained). The current AIS research and applications have focused almost exclusively on

.... methods and procedures employed, the medium of implementation, and system application and use. Little work has considered the social or ideological bases of the techniques, practices, or context wherein accounting information systems are applied....” providing “...limited insights into matters of social and environmental responsibility.... AIS projects are typically specified in technical terms, with little consideration for their broader implications for practice and even less for the socio-political impacts. By focusing on technique and technology, AIS implementations tend neither to address adequately the public interest nor to speak fully to the organizational problem of immediate concern (Dillard, 2008:26).

The practice and socio-political levels are not considered, thus implicitly accepting the ideological context within which the systems are designed, implemented and evaluated, which is that of neoclassical economics. In order to effectively imagine and contemplate the social architecture for any enterprise, there is a need for multiple perspectives. We believe that such is particularly the case with management, operations, and evaluation of social enterprises. There is generally no pretense that their social responsibilities can be reduced to an economic calculus.

Key to a critically informed transcendence of existing theory and practice is this very recognition that AIS are both a medium and an outcome of a historically informed, ongoing process embedded within an ongoing community. Practices arise out of the contradictions and conflicts inherent within the prevailing social systems. Also, a fundamental tenet of a critically informed approach is the conviction that the prevailing systems and their apparent trajectory are not predetermined and inalterable but are in fact susceptible to change. Being socially constructed, they can be reconstructed. Finally, beyond mere criticism, it is necessary to identify a basis for speaking in positive, fresh, and inclusive ways to the possibilities for engaging accounting and AIS, more specifically, in matters associated with the more inclusive accountability regimes arising out of an expanded notion of the public interest (Dillard, 2008:27).

Theory based research and development that reflects a more expansive and pluralistic domain is needed in overcoming the traditional economics dominated AIS thinking. Expanding the conceptualization of AIS to include SEA requires identifying and questioning underlying ideologies, assumptions, values, world views and power relationships. Dillard and Yuthas (2013) propose agonistics as a poststructuralist political theory that could facilitate pluralism in addressing the needs of traditional and non-traditional enterprises and their associated stakeholder communities. Building on the seminal work by Brown (2009), Dillard and Yuthas (2013) propose a critical dialogic framework grounded in Brown's eight dialogic principles, which are summarized in Table 1, as a way of framing AIS-SEA. Blackburn et al. (2014) consider how these principles might be applied in designing AIS-SEA. The applications of the framework by Dillard and Yuthas (2013) and Blackburn et al. (2014) are summarized in Table 2.

Critical dialogics embodies democratic mechanisms facilitating dialogue and debate explicitly recognizing the influence of power in constructing meaning and understanding. Agonistic pluralism (agonistics), a democratic political theory, theorizes social change as motivated at times through democratic dialogue within a context of presumed asymmetrical and antagonistic power relationships and competing, and ultimately irresolvable, interests. Dillard and Yuthas claim that a critical dialogic approach “can inform the construction of pluralistic accounting information systems capable of accommodating conflicting positions” and provide “theoretical and methodological guidance in the design, implementation, and evaluation of AIS” (2013:114). The arguments are based on a constructivist assumption that there is no one “correct” accounting representation or interpretation of related physical phenomena and holds that accounting(s) is analogous to an ongoing conversation among competing interests. We contend that this plurality of perspectives becomes more complex as we expand the accounting space to include social and environmental dimensions. Supporting these diverse and pluralistic interests requires AIS-SEA be designed so as to address the information needs of distinctly different stakeholder groups holding a varying array of ideologies, strategies, priorities and desired outcomes.⁸

2.3. Dialogic AIS-SEA design

Blackburn et al. (2014) translate the dialogic principles into AIS-SEA design criteria (see Table 2). AIS-SEA design procedures facilitate dialogue and debate among diverse stakeholders representing a variety of socio-political perspectives. Doing so in a fair and open fashion requires design processes that recognize institutional, formal and informal power structures and the differentials in power among the various stakeholder groups. AIS-SEA design recognizes the default framings associated with the various

⁸ The question might be raised as to how an auditor assures that the financial statements fairly represent the financial position of the firm, given there is no one correct accounting representation. As is currently the case for shareholders, the auditors can certify to the representational process being carried out correctly using agreed upon procedures and standards. A well designed, broad based AIS can facilitate the verification of multifaceted reporting directed at addressing the information needs of various stakeholder groups.

Table 2

Summary of framework applications. (Adapted from Blackburn et al. (2014) Table 2, pp. 91–92).

Dialogic principles (Brown, 2009)	Enactment of Principles (Dillard and Yuthas, 2013)	Dialogic AIS-SEA Design (Blackburn et al., 2014)	Examples from the microfinance industry
Recognize multiple ideological orientations	Recognition and specification of multiple perspectives through broad-based stakeholder analysis. Develop alternative designs following from the multiple perspectives.	AIS-SEA are not and cannot be neutral or value-free, but rather support value-based practices and evaluations. AIS-SEA should enable discussion and debate among a diverse range of stakeholders and from a variety of socio-political perspectives.	Multiple stakeholders including microfinance clients, donors, investors, regulators, poverty-oriented nonprofits, employees, government representatives regularly come together to share perspectives.
Avoid monetary reductionism	Recognition of the narrowness of traditional financial reporting. Determine alternative information needs. Develop a plan for gathering the information. Incorporate the information into IS design.	IS captures and presents information via quantitative and qualitative modes. Includes both monetary and non-monetary data. This may include visual representations such as photographs and videos where appropriate (e.g., to show the impacts of environmental activity).	The industry recognizes risks to clients and to the industry of a purely monetary focus. The industry provides guidelines for collecting and reporting metrics of interest to a broad range of stakeholders. The industry also provides special support for systems that focus on poverty reduction, women's empowerment, environmental sustainability, and other social goals.
Be open about the subjective and contestable nature of calculations	Recognize the subjective nature of views on "truth and fairness" - <i>what</i> is accounted for, <i>how</i> it is accounted, for and on <i>whose</i> terms. Develop procedures for monitoring and reporting on the processes in place indicating asymmetric power relationships and their impact. Make it easier to problematize "taken for granted" framings.	Aware of the contestable nature of calculations. Institutionalized "best practices" are subjective. The term "best" is relative as there is no one objective solution that is right for every situation. Transparent about calculations and the assumptions that create/define them. Also deal openly with scientific uncertainty (e.g. reporting estimates in terms of ranges rather than single numbers).	The desire for standardization in reporting is balanced with the recognition that multiple metrics exist for key variables like poverty reduction and client satisfaction. Region- and context-specific measures are promoted and encouraged.
Enable accessibility for nonexperts	Representations, rules, and implications understandable to all participants. Develop a forum/process through which alternative perspectives can be explained and/or discussions undertaken.	Stakeholders provide expert knowledge in their own field which is genuinely taken into account by AIS-SEA designers. The designers communicate in a language that is accessible to stakeholders. Implications of design are clearly communicated to stakeholders. The designers aim to develop systems that cohere with the values/assumptions of multiple stakeholders (and thus, where appropriate, enable the construction of counter-accounts). Participatory review and acceptance by both experts and non-experts.	The microfinance industry exchange (MIX) is a repository for data on the performance of individual microfinance institutions. This information is made available to the public in disaggregated, exportable form. Both MIX and the FINclusion lab provide tools to enable non-experts to perform calculations and data visualizations using this data. Simple self-assessment tools are available to microfinance institutions and investors; external evaluations incorporate participation of clients and employees.
Ensure effective participatory processes	Develop and institutionalize participatory processes based on agonistic pluralism and critical dialogics.	Genuine stakeholder participation with institutionalized processes that include affected parties, social groups and other interested stakeholders during design. AIS-SEA design documents are made available and understandable to stakeholders.	The Social Performance Task Force (SPTF) hosts in-person and online meetings, and provides broad opportunities for participation in committees and working groups. The SPTF's web site provides a broad range of training and other resources to meet the needs of diverse stakeholders.
Be attentive to power relations	Develop systems focused on alternative power arrangements (e.g. owners, workers, environmental, community, customers, suppliers, civil society).	Recognizes formal, informal and institutionalized power structures and their impact on AIS-SEA design. Includes both socially dominant and minority stakeholders during design and highlights dominating and marginalized frames.	Participating microfinance institutions (MFIs) comply with a set of standards that specifies ways for boards to engage with diverse stakeholders and provides specific guidance that gives voice to clients and employees. Assurance and ratings services help ensure that MFIs abide by these standards.
Recognize the transformative potential of dialogic accounting	Recognize the potential for ongoing, interactive discussions among affected groups. Develop dialogic processes that ensure ongoing engagement, evaluation, and accountability.	AIS-SEA design is an area for encouraging and learning from participatory/dialogic practices. Discussion, debate and ongoing reflection on whether IS are satisfying current stakeholder needs and considering alternatives.	Embedded in the universal standards are mechanisms through which MFIs can use financial, social, and environmental performance results to improve processes and operations and to design appropriate products and services.
Resist new forms	Maintain the contestability of the emerging	Constantly challenging the status quo,	The SPTF and its committees regularly review

Table 2 (continued)

Dialogic principles (Brown, 2009)	Enactment of Principles (Dillard and Yuthas, 2013)	Dialogic AIS-SEA Design (Blackburn et al., 2014)	Examples from the microfinance industry
of monologism	dialogue. Develop and maintain multiple and competing systems.	suggesting alternative AIS-SEA designs as a means of monitoring and continuing discussion and debate.	<i>and update the reporting metrics and the performance management system standards. Rating systems for microfinance investors help to ensure that ongoing investments are consistent with their stated social missions.</i>

perspectives. The criticality for authentic stakeholder participation is recognized and facilitated through open and transparent design processes as well as participatory review and acceptance by the various stakeholder groups. For example, design documents and documentation are made available for review and approval, and understandable and parallel/alternative representations are designed into the system.

Authentic participation requires that all parties understand the architecture and implications in their own terms as related to their various interests. Each stakeholder group is called upon to provide expert knowledge in their field, and the AIS-SEA designers communicate in terms accessible to the group being addressed. This dialogue includes specifying the value frames and assumptions employed, being explicit regarding the subjective and contestable nature of calculations, and explaining the design implications associated with various alternatives. The system is designed to capture and present qualitative and quantitative information, monetary and nonmonetary, and could include various representational modes of presentation.

All involved in AIS-SEA design need to appreciate the innovative and creative potential of a dialogic approach. Ongoing interactive discussion, debate and reflection associated with participatory/dialogic practices provide a fertile context for learning and for the emergence of alternatives not previously recognized. While fundamental positions and perspectives may not be transcended, the dominance of one group over another is more transparent and the ongoing engagement continually challenges the current dominant group/perspective, suggesting alternative AIS-SEA designs and facilitating continuous monitoring, discussion and debate.

In the next section, we use these design criteria to evaluate an initiative undertaken in the microfinance industry regarding a stakeholder based information system. We first describe the industry and then apply the dialogic principles to the microfinance domain.

3. A dialogic application in microfinance

3.1. The microfinance industry

Microfinance is fertile ground for exploring the application of AIS using dialogical accounting principles. It is a well-developed domain that unambiguously pursues and attempts to measure both financial and social performance. The microfinance industry is somewhat unique in the way that it combines principles from traditional for-profit and non-profit worlds. Most MFIs simultaneously attempt to maintain the economic objective of financial sustainability—or at least break-even levels of profit—while they also pursue a social objective of moving clients out of poverty by providing financial services that benefit the poor.

Microfinance refers to financial services provided in small monetary increments, typically to poor and underserved clients who cannot access formal financial services.⁹ Microfinance services include credit, savings, insurance, and remittances and can also include leasing arrangements, grants, and equity investments. By far the most prevalent type of microfinance is credit, and our discussion centers primarily on microcredit. Microcredit is most commonly granted to small entrepreneurs, including farmers and traders. The smallest loans are typically group loans of 5–30 borrowers, in which borrowers co-guarantee each other's loans because lack of collateral and credit history would make them otherwise too risky. Larger loans are granted to entrepreneurs with larger businesses and cash flows that are also too small or risky to access commercial financial services.

The initial focus of industry-level accounting systems during the industry's development was on the use of traditional performance indicators for financial services such as the loan portfolio, percentage of the portfolio overdue, number of loans and the average size of the loan. However, these do not recognize the diversity required in the microfinance industry nor do they adequately address the social effectiveness of the programs. Thus an additional metric regularly gathered and reported across the industry is percent of women borrowers. Women clients are a priority for a variety of reasons. They typically had less access to paid employment than did men in many regions of the world. Thus in order to supplement the income of the family (and, in many cases, in order to feed and shelter their children), women turned to microenterprise¹⁰—making and selling food or clothing, for example. Some evidence suggests that women spend more of their income on basic family needs, that children of working mothers fare better, and that women generating part of the family income are more empowered and less subject to abuse. There was also evidence that women are more likely to repay loans and are a better financial risk. Thus, in order to assist the clients and assess the efficacy of the lending programs, dimensions such as these need to be addressed in the information systems.

⁹ The New Microfinance Handbook (Ledgerwood and Eane, 2013) provides a client-centered overview of the industry.

¹⁰ Just by describing the domain in this way biases the conceptualization in favor of the neoliberal framing. From the client's perspective, it is a means for providing education opportunities for her child, another goat or seed for planting.

Average loan size was another metric that served as a proxy for the socio-economic status of borrowers. Commercial financial institutions served wealthier clients, and microfinance served the poorest—thus where the minimum loan size for commercial institutions might be \$5000, loans as small as \$100 are commonplace in the microfinance world. In the mid-2000s, it was recognized that percent of women borrowers and loan size were not necessarily effective indicators of the level of economic status of their clients, and were certainly not effective indicators of whether clients were escaping poverty. So the industry, led by the Microfinance Summit—an association of poverty-oriented MFIs began a “progress out of poverty” initiative in which MFIs were encouraged to measure, track, and publicly report the level of poverty of their clients.

These early efforts to simultaneously speak in the language of investment effectiveness, women's empowerment, and poverty alleviation laid the groundwork for the development of a range of significant initiatives to identify and address the needs of all of the stakeholder groups interested in and affected by the industry's activities. The microfinance industry has matured and grown dramatically since it first gained attention in the West in the 70s with the formation of Grameen Banks of Bangladesh (e.g., see Yunus, 2010). Today, there are an estimated 7000 MFIs and 200 million clients worldwide, and microfinance has become a multi-billion dollar industry which is expected to grow an additional 15–20% in 2015 (ResponsAbility, 2014).

The market size and financial potential of the industry has drawn a vast amount of commercial investment money to the industry, and numerous so-called Microfinance Investment Vehicles (MIVs). These MIVs include private equity funds, structured finance vehicles, and fixed income funds that have provided investors with sophisticated mechanisms for investing in this market (Reille and Glisovic-Mezieres, 2009). As the industry grew, the influx of commercial capital pushed MFIs to focus attention on financial performance and has been identified as a key source of the “mission drift” that occurred in the industry, particularly in the 2000–2010 decade (Epstein and Yuthas, 2010). Most microfinance organizations had and have an explicit mission to serve the poor, and poverty alleviation was the overriding goal for non-profit and for-profit MFIs alike. As competition¹¹ in the industry increased both for clients and for investors, many firms in the industry began to drift away from a strong social mission and begin to operate more like for-profit commercial banks (Epstein and Yuthas, 2010, 2011). Few MFIs formally monitored and managed their social and environmental impact such as the level of poverty alleviation of their clients. The majority had information systems that monitored and reported typical banking metrics such as portfolio size, default rates, and days arrears for various loans. The financial pressures overwhelmed the social mission. For many, the intense pressure to perform resulted in over lending, high pressure collection tactics, and reduction in social support and client training (Datar et al., 2010).

As a result of the mounting difficulties in the industry, a number of organizations and initiatives pushed the industry to expand its focus to incorporate its founding social objectives and to recognize the impact of the industry on its diverse array of stakeholders. One of the key developments during this time was the formation of the Social Performance Task Force (SPTF). The charge of the task force was to gain broad stakeholder input in order to develop industry standards for managing and reporting on social performance in an attempt to regain credibility, focus on client protection, and reemphasize the industry's stated social mission.

The industry reached a crisis point in 2011. The media began to report suicides among farmers in Andhra Pradesh, India who could not repay their loans. The Indian government responded with legislation that severely restricted loan collection activities within the microfinance industry (Haldar and Stiglitz, 2015). At this point, the importance of the SPTF's objectives became more widely recognized. The SPTF was recognized as a means for developing and providing voluntary guidance and processes for MFIs and the industry that facilitate the development and application of reporting and performance management systems more in line with the social objectives of the industry and more directly oriented toward the interests of affected stakeholders. Many organizations participate in the task force.

One significant outgrowth of the task force's work is a set of practice guidelines or universal standards for measuring and managing social performance of microfinance institutions. The guidelines are the result of a collaborative effort that included all the microfinance stakeholder groups. SPTF engaged with, and gained feedback from, stakeholder engagement that took a variety of forms including work groups, surveys and webinars. The guidelines were field tested and revised before they were issued. In addition, processes were put in place to ensure that the guidelines would continue to be reviewed and revised as needed. Currently the guidelines are organized around six key achievement standards and the associated essential practices. These practices, detailed in the SPTF's *Universal Standards for Social Performance Management* (2016), a guidebook for microfinance institutions seeking to effectively measure social performance, are summarized in Table 3. The effective implementation of these practices necessitates developing AIS-SEA that are consistent with the dialogic principles. Next, we consider the actions of the SPTF and some of its recommendations in light of the dialogic principles to illustrate how dialogics may be useful in developing more pluralistic accounting and accountability systems (AIS-SEAs).

3.2. Implications of dialogic assessment

Traditional accounting approaches view information systems as vehicles for providing value free information that represents the economic reality of an organization. The information provided by the system is used to support decisions that increase the economic value of the business. Dialogic perspectives recognize that different, and at times incompatible, values influence choices both in the design and development of information systems and in interpretation and use of the data they provide. Taking a pluralistic approach

¹¹ Nonprofits in many industries compete for clients and for funding, rather than for financial and social outcomes.

Table 3Social performance task force universal standards for social performance measurement.¹³<http://www.sptf.info/images/usspm%20englishmanual%202014%201.pdf>

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1. Define and monitor goals
 - a. The institution has a strategy to achieve its goals.
 - b. The institution collects, reports, and ensures the accuracy of client-level data that are specific to the institution's social goals.
 2. Ensure board, management and employee commitment to social goals
 - a. Members of the board of directors hold the institution accountable to its mission and social goals.
 - b. Senior management oversees implementation of the institution's strategy for achieving its social goals.
 - c. Employees are recruited, evaluated and recognized based on both social and financial performance criteria.
 3. Design products, services, delivery models, and channels to meet clients' needs and preferences
 - a. The institution understands the needs and preferences of different types of clients.
 - b. The institution's productions, services, delivery modes and channels are designed to benefit clients, in line with the institution's social goals.
 4. Treat clients responsibly
 - a. Prevention of over-indebtedness
 - b. Transparency
 - c. Fair and respectful treatment of clients
 - d. Privacy of client data
 - e. Mechanisms for compliant resolution
 5. Treat employees responsibly
 - a. The institution follows a written Human Resources policy that protects employees and creates a supportive work environment.
 - b. The institution communicates to all employees the terms of their employment and provides training for essential job functions.
 - c. The institution monitors employee satisfaction and turnover.
 6. Balance financial and social performance
 - a. The institution sets and monitors growth rates that promote both financial sustainability and client well-being.
 - b. Equity investors, lenders, board and management are aligned on the institution's double bottom line and implement an appropriate financial structure in its mix of sources, terms, and desired returns.
 - c. Pursuit of profits does not undermine the long term sustainability of the institution or client well-being.
 - d. The institution offers compensation to senior managers that is appropriate to a double bottom line institution.
-

requires that systems design processes support the needs, and contribute to the ability to communicate among diverse stakeholder groups.

Three primary tenets of dialogic accounting concern a serious commitment to pluralism, asymmetric power relationships, and a recognition of the presence of fundamental and irresolvable ideological differences (Brown, 2009). Using these as a general framework, we consider some of the specific practices and processes of the SPTF. The analysis provides a useful example of how agonistic dialogic accounting can be useful in considering AIS-SEA design when addressing the intractable problems associated with taking pluralism seriously in a domain that is structurally committed to doing so.

3.2.1. Commitment to pluralistic participation

The SPTF has advocated from its inception the importance of participation by multiple stakeholder groups and has attempted to implement multiple mechanisms for their ongoing inclusion. However, meaningful participation by groups such as clients, however, have been elusive. By definition, microfinance clients lack financial and other means for accessing commercial banking services. In addition to being very poor, they often lack access to affordable transportation and communication systems and many are illiterate and lack high-level training in critical reasoning and negotiation. The clients themselves are very diverse, including clients from rural and urban settings, agriculture and trade setting, entrepreneurial and subsistence orientations, and multiple cultural and geographic settings. For these reasons, it is virtually impossible to fully understand and represent the voices of members of this critically-important stakeholder group. As a result, many NGOs and governmental organizations have taken on the role of understanding and representing the clients with varying levels of success.

As a self-described "multi-stakeholder initiative", the SPTF includes representatives from key stakeholder groups, including direct providers, investors, donors, ratings agencies, associations, regulators, audit agencies, and, finally, microfinance practitioners and their employees and clients. Yet what do we really know about this membership? According to the SPTF website, the membership of the task force numbers greater than 2600 members (www.sptf.info/sp-task-force, accessed 12/17/2015). While this is clearly a sizeable membership, when we break this membership down further we understand that membership can be of two types: (1) individual members and (2) organizational members. (www.sptf.info/sp-task-force).

Individual membership essentially involves endorsement of the SPM's standards and open access to resources, conferences and online trainings. Organizational membership, on the other hand, requires submission of an application including a letter signed by a senior executive affirming the organization's commitment to SPM and to implementing SPM standards. Only the SPTF's organizational members are eligible to serve on, and vote, for the SPTF's thirteen-member board. Board membership is allotted to two representatives each affiliated with the donor, investor, micro-finance providers, support organizations, and audit/rating services and three representatives affiliated with micro-finance industry associations or networks.

As of December 2015, the SPTF website takes 176 organizational members into account of its 2600 plus open access members. Of the organizational members, approximately 70% are individual MFIs, associations, or investors. Less than 20% are support and governmental organizations (see [Appendix A](#)). Perhaps the overrepresentation of financiers and operators is unsurprising or unproblematic. Micro-finance providers can be for-profit, not-for profit, development organizations and NGOs. So is difficult to determine which perspective the micro-finance providers represent and how it influences the SPTF. For example, to what extent do direct providers of different sizes and profit-orientations exert undue influence? In addition, outside of the support and governmental organizations, it is unclear where in the membership structure one would find the voice of the 200-plus million clients of micro-finance providers and how to understand the power that this particular group of stakeholders may or may not wield. Thus, while we characterize the SPTF as addressing the differential power status of various stakeholder groups, the power and dominance of certain factions of the SPTF membership needs to be teased out in order to better support this claim.

3.2.2. *Recognition of power relationships*

While the standards for social performance management established by the SPTF (SPTF, 2016) are designed to address the interests of clients and employees, the way these standards respond to client and employee needs over time is an area of concern. It remains the largest (economic) providers who are most active in designing the standards and criteria for evaluation. If the process of setting social performance standards is itself captured by neoliberal economics or at least by a very particular faction of the field that privileges certain types of micro-finance organizations and maybe even certain types of clients (the “less poor” or the “urban poor”), then the system’s critical dialogic potential is weakened. In order to avoid privileging the interests of certain stakeholders to the detriment of others, the SPTF should ensure that stakeholders of all types have access to a variety of avenues and resources that allow for their engagement in the standards-setting process. To say something about ensuring an effective participatory process requires more transparency about which stakeholders are involved in establishing the universal standards, how those stakeholders are engaged, and how the clients and local community perspectives are taken into consideration.

One way the SPTF has addressed these issues is by offering resources in the form of online training, conferences and working groups as well as tools that allow the micro-finance organizations to perform self-assessments of their adherence to the universal standards of social performance. Additional tools are available for understanding the activities of micro-finance organizations, including the market information exchange (MIX), which is a repository for data about the micro-finance industry and the “FINclusion Lab”, which enables visualization of microfinance data.¹² Some estimate that less than 30% of micro-finance organizations currently report data on the MIX, which begs the question of which organizations are reporting and why more organizations are not involved. Some organizations may not have the resources while others may not see the benefit. In addition, certain of these databases are subscription based and therefore would more than likely be accessible only by stakeholders with significant financial and human resources to be able to afford access which might contradict the openness of dialogic systems. A major challenge is to develop media for communicating with the organizations and stakeholders least able to access the traditional and electronic sources and platforms and to enrolled more organizations.

3.2.3. *Recognition of differing ideological perspectives*

It is not merely the recognition of different perspectives and power differentials and the encouragement of debate that will result in improved social performance, but also the way in which standards are interpreted, applied, and implemented on the ground. In such a heterogeneous field (in terms of the size, structure, and location of micro-finance organizations and the variety of clients they serve), it is unlikely that one set of universal standards can accommodate the needs of all stakeholders. As in many standard-setting fields, the standard itself serves more as an ideal to which a large portion of micro-finance organizations simply cannot aspire in some cases or choose not to in others.

Data regarding SPTF membership again provides evidence that this might be the case. For example, of the more than 7000 MFIs estimated to be in operation, only roughly 10% are SPTF members. It is not clear whether the interests of the nonparticipants and their clients and other stakeholders are aware of or benefitting from the many offerings available to them through the SPTF. Nor is it clear whether these organizations possess a similar concern with the needs of clients and other stakeholders. Some are certainly more profit-oriented than others, and it isn’t possible to know how their systems are designed and used.

Perhaps more problematic is that the financial community, arguably the most powerful participant in shaping the industry and its impacts, seems far less concerned with social performance than the MFIs. Microfinance Investment Vehicles (MIVs), which make debt, equity and other investments in MFIs represent a large and growing market—estimated at more than \$10B in 2015 (Symbiotics, 2015). Although almost all of the key participants in the industry have endorsed a set of client protection principles, only 25% have undergone a “Smart Assessment” to evaluate whether their processes and policies are consistent with industry-wide standards (Symbiotics, 2015). Few of these investors appear to require social performance benchmarks of their investees, yet they universally track and demand financial performance. Thus despite the desire of individual MFIs and their stakeholders to pursue social performance, financial pressures in the industry remain strong.

At the same time, the SPTF and its constituents become more powerful and increasingly attract participation by a growing number of organizations. A 2014 survey by SPTF and partner organizations found that “about 90% of financial services providers, investors, and networks were ‘aware, familiar, very familiar’ with the Universal Standards (SPTF, 2015).” Paradoxically, as the SPTF becomes stronger and its policies, processes, tools, and techniques are more widely adopted, the industry becomes more monolithic in the type and

¹² <https://www.themix.org>.

range of stakeholder interests addressed. Although there is variation in the way MFIs can employ these tools, the voices that have not been heard thus far in the development of these mechanisms are likely to be pushed further out of the conversation in the future.

Considering the AIS-SEA at a more fundamental level, one of the assumptions underpinning the dialogic framework is the presence of irreconcilable differences (radical negativity) among the participants following from a diversity of interests, perspectives, values and ideologies. Forced conformity reflects the dominance of the more powerful (investors, lenders) over the less powerful (clients, employees). Not recognizing this reality in light of apparent “consensus”, in effect, deprives the less powerful of their voice. In a heterogeneous field such as microfinance, a dialogic critique raises the question of whether a *universal* set of standards can accommodate the information needs of the current diverse range (e.g., size, client base, location, strategy) of MFIs much less all the stakeholder groups and of whether implementing one set of standards is not the imposition of performance criteria on all by a powerful elite. Such concerns in this regard are heightened in light of the previous questions raised regarding the composition of the task force. Thus, from the insights gained by taking a dialogic perspective, we question the extent to which the SPM provides an adequate basis for AIS-SEA. Alternatively, the application of the dialogic framework might facilitate the emergence of other design criteria. For example, taking the needs of clients seriously in addressing cultures with decidedly different values, norms and mores would suggest implementing and supporting processes for understanding how a particular community currently saves, borrows and lends and the motivations for doing so. Informed systems design could facilitate these practices and provide information and support directed at improving these practices.

Such processes are possible within a pluralistic framework. Next we consider possible implications for developing AIS-SEA emerging from the application of the dialogic framework within the context of microfinance.

4. AIS-SEA design principles in microfinance

As noted above, the microfinance industry is perhaps among one of the more unambiguous examples of a domain confronting conflicting primary objectives (Morduch, 2000), providing a useful site for applying the dialogic framework. Successful AIS-SEAs accommodate and value the incommensurate interests and needs of multiple and diverse stakeholder groups. While the SPTF appears to recognize the value of pluralism in designing and implementing information and reporting systems, there are areas where employing the dialogic framework can provide additional insights. Blackburn et al.'s (2014) dialogic AIS-SEA design characteristics are employed in considering design issues within the microfinance industry in light of the dialogic critique presented in the previous section.

AIS-SEA are recognized as ideologically-oriented systems that reflect the values of the designers and support value-based practices and evaluations. Such systems or their outputs are not, and cannot be, value free as is commonly presumed of accounting systems. Thus, systems design should be enabling to dialogue and debate and capable of incorporating a variety of socio-political positions among a wide and diverse range of participants. The industry has recognized the need to include multiple stakeholders, but as noted above, there is evidence to suggest that operationalization of multi-stakeholder approaches does not ameliorate the dominance of capital suppliers. As the industry becomes more sensitive to such shortcomings, and if it is serious about pluralism, there may be opportunities to build upon the current initiatives undertaken by the SPTF and further incorporate alternative perspectives. Several areas related to AIS-SEA are discussed below.

AIS-SEA designs address the capture and representation of both quantitative and qualitative data. The industry appears to recognize the risks to clients and other stakeholders associated with a strictly monetary focus and has developed guidelines for collecting and reporting relevant metrics associated with a variety of activities of interest to a broad range of users. For example, the SPTF has developed applications focusing on poverty reduction, women's empowerment, environmental sustainability and rural development. The SPTF has developed various platforms that incorporate the capability of multimedia representations; however, quantitative representations are predominant. While participating organizations are allowed to include comments and descriptive information in their reports, the core of the information collected, compared, and analyzed is based on a set of numeric indicators. Qualitative data such as data about governance structures is often collapsed into statistics such as percentage of MFIs client protection or price disclosure policies. Such quantification is reductionist by nature and conscious, ongoing efforts are needed to adequately respond to make rich and nuanced data more widely available.

Given the recognition that neutral, value free design is not realistic, the subjective and contestable nature of the assumptions, inputs and manipulations associated with the processes of representation are acknowledged. Operationalizing these tenets in a design process means acknowledging that there are legitimate alternative perspectives regarding what is accounted for, how it is accounted for and on whose terms, calling into question the taken for granted financial/economics oriented perspective. For example, best practices must be continually reevaluated because they are generally grounded in the prevailing dominant ideology and, at least implicitly, assume that there is one objective “best” response or solution applicable to all situations. As discussed with regards to SPTF, the desire for standardization in reporting needs to be balanced with the recognition that multiple metrics exist for key variables like poverty reduction and client satisfaction. The need for regional, cultural and context specific measures appears to be recognized, but the implementation requires meaningful input from a diverse range of stakeholders.

SPTF recognizes the subjective nature of calculations. For example, the SPTF directly addresses the problem of subjectivity in determining social performance and social outcomes associated with the granting of micro-credit. It recognizes that measuring social performance is subject to biases in client satisfaction and client perception. For instance, a client's perception of “progress out of poverty” is argued to be influenced by the inability to determine how much income has increased, because the clients do not keep financial records or have a clear understanding of financial inflows and outflows of their business and households. However, there seems to be little recognition as to the subjective nature of the more traditional accounting and finance related calculations and their interpretations.

Pluralistic AIS-SEA designs take into account expert knowledges of the various interested parties without filtering them through a dominant ideological or cultural frame and as a result, these systems reflect diverse logics and values. The knowledges are allowed to speak for themselves in their own language, using their own logic. Sometimes this might require constructing parallel/alternative system components that enable the construction of alternative (counter) accounts based on the alternative logics of the various stakeholder groups. The related design characteristics and their implications are communicated in a language that is accessible to the various stakeholder groups.

While SPTF provides various platforms, we have raised questions regarding the extent to which all perspectives and interested groups have or are given necessary access. For example, the microfinance industry exchange (MIX) is a repository for performance data for individual MFIs, which can be accessed through its website www.mixmarket.org. This information is made available in disaggregated, exportable form and tools are provided that enable nonexpert users to perform calculations and develop various representations. Again, it is doubtful if all stakeholder groups have the resources or the capabilities to take advantage of these applications. Further, system reviews involve both experts and nonexperts. While simple self-assessment tools are available and external evaluations may include clients and employees, the general framing of the tools and the processes appear to be fairly closely tied to the dominant financial ideology.

It appears that SPTF's preference for addressing biases and inaccuracies is by using third party audit or technical assistance providers to gather data on clients. The "independent experts" are deemed to possess competencies beyond the capabilities of their clients, and the MFIs do not appear to generally accept the responsibility of facilitating such understandings by their clients or employees, as evidenced by the fact that the experiences and insights of clients and loan officers are not directly addressed in the SPM tools provided. Instead, tools for objectively and quantitatively assessing social performance, such as the client's level of poverty, educational attainment, health etc. are promoted. Further, the external consultants are presumed to produce "objective" data, a questionable assumption at best. If the goal is truly progress and growth from the ground-up, one might presume that additional training and education would benefit the community and its members by bringing knowledge and expertise to the client, perhaps to balance the effects of implementing traditional economic oversight mechanisms. For example, an alternative more compatible with pluralism might be providing better training and education to clients regarding the transactions into which they are entering before the client receives a loan or to enhance their understanding of business principles and concepts such as cash flows.

We have proposed that adhering to the dialogic principles would enhance the relevance and legitimacy of participatory design processes by highlighting dominant and marginalized groups and perspectives. Institutionalizing these processes would facilitate the inclusion of all affected parties, social groups and other stakeholders. The SPTF facilitates meetings in-person and online and provides opportunities for participation in committees and work groups. The website (sptf.info) provides a broad range of training and other resources to meet the needs of diverse stakeholders, but, again, not all have the resources and the capabilities to take advantage of these opportunities.

Pluralistic design of AIS-SEA recognizes formal, informal and institutionalized power structures and their impacts. The involvement of both dominant and minority stakeholders is critical in all phases of the design and is useful in highlighting both the dominant and marginalized framings. MFIs participating in the SPM program comply with a set of standards that specifies ways for boards of directors to engage with diverse stakeholders and provide guidance for giving voice to clients and employees. Assurance and rating services help ensure that the participants adhere to the standards. However, the power differentials still remain as does the dominance of business-oriented perspectives. Because of the asymmetric power relationships, the idea of closure and universal standards are inapplicable. The systems design must be open ended, facilitating continual reevaluation and dialogue and debate that foster learning and potentially motivate change.

Developing systems employing dialogic processes recognizes the potential of ongoing, interactive discussions among affected groups that ensure ongoing engagement, evaluation and accountability. The design process encourages and facilitates learning and focuses attention on satisfying current stakeholder needs as well as considering alternative means for responding to those needs. From one perspective, the SPMs represent a mechanism through which MFIs can use financial, social and environmental performance results to improve processes and operations and to design appropriate products and services. However, as discussed above, employing a dialogic framework explicitly recognizes the always already irresolvable differences among the various interested groups and the need for processes facilitating ongoing engagement, evaluation and embedding mechanisms facilitating change.

In an antagonistic and dynamic environment, facilitated by a dialogic approach, there is always the risk that any change will merely substitute one hegemonic regime for another. An attitude of contestability needs to be maintained, even toward the emerging, hopefully more pluralistic, processes. Such an attitude requires constantly challenging the status quo, with alternative AIS-SEA designs providing means for monitoring and keeping open the channels of communication fostering discussion and debate. The SPTF and its constituencies regularly review and update the reporting matrix and the performance management systems standards. Rating systems for microfinance investors help to ensure that ongoing investments are consistent with their stated social missions. Again, our previous discussion suggests that reviews could be broadened and made more relevant to a more comprehensive group of stakeholder if the dialogic principles are adhered to.

5. Summary and reflections

The microfinance industry is one of the more palpable and transparent representations of an industry confronted with generally recognized comparable and incompatible objectives (Morduch, 2000). As such, this domain proves a useful site for further study regarding design, implementation and evaluation of AIS-SEAs, systems that accommodate and value the incommensurate interests and needs for multiple and diverse stakeholder groups. We consider some examples of information and associated processes developed

and made available for MFIs that attempt to respond to the pluralistic needs of the industry and assess these processes using a critical dialogic framework.

In the previous sections we highlighted the potential for the accounting information systems enacted within the micro-finance industry to reflect a critical dialogic approach. We focused primarily on micro-finance organizations granting credit, or “public” loans, made through contracts between groups of local borrowers who guarantee each other's loans. The micro-finance organizations managing these contracts can be for-profit organizations, not-for profit and development organizations and even non-governmental organizations. However, micro-finance organizations distinguish themselves from traditional financial (aid-granting) institutions as they also claim to have social missions, most often in the form of alleviating poverty, empowering women, rural development and environmental sustainability.

The idea is that micro-finance organizations would help these social missions to be met by providing poor and underserved clients with financial products as a way for them to progress and get out of poverty, largely through entrepreneurial endeavors (basket weaving, making and selling food and/or clothing, etc.). Therefore, the industry represents a “from the ground up” kind of business approach to social and environmental ills, where those ills become a mechanism in the production of profits or, at a minimum, in the effort to break even by the financing organizations. We have acknowledged the potential for the financial mission to overshadow the social mission, addressing turbulent times for the micro-finance industry in which it experienced significant “mission drift” where financial performance became the focus to the detriment of the social enterprise and social performance of the industry.

One way the industry addressed the credibility crisis was through the Social Performance Task Force – a multi-stakeholder effort to reclaim the social as a primary focus along with the financial. We have spent a good portion of our discussion showing how the work of the SPTF, in particular its development of the Universal Standards for Social Performance Management of micro-finance organizations, represents an exemplar of an attempt to take pluralism seriously within an unambiguously antagonistic context. We also consider the information system components put forward by the SPTF's work in light of the dialogic principles. At the same time, we must look beyond the positive agonistic characteristics of this industry to explore how the work of the SPTF potentially falls short of an ideal state of agonistic accounting.

One of the primary contributions of the dialogic framework is its sensitivity to the presence and implications of multiple ideological perspectives among the various parties in setting priorities and formulating strategies to pursue them. Currently, poverty alleviation, women's empowerment, rural development, and environmental management are the primary objectives being pursued. Alternative ideologies not only influence the prioritization of alternatives, but also their implementation. For example, given that poverty alleviation is a widely shared goal, some might advocate a free market perspective whereby the primary strategy would be to privilege free market mechanisms in allocating resources. Such a strategy would contribute to long term viability and by doing so, would provide the best context for accomplishing their goal. Alternatively, if one questions the viability, or morality, of market mechanisms, then the primary strategy would be to intervene or replace the market through regulation and subsidies to support, inter alia, health and education services that facilitate informed and responsible action on the part of the client.

A corollary accompanying alternative perspectives is differential power relationships. An evaluative application of the dialogic framework and the associated design criteria suggest that asymmetrical power relationships among the participants are present in the microfinance industry. The dominant groups are those with resources (financial capital) – donors, investors, and funding agencies. Two of the least powerful groups are the clients and the loan officers. While somewhat more powerful than the clients, loan officers are typically residents of the impoverished villages they serve. They are chosen because they are familiar with local business and customs, and because they can speak the dialects and navigate unmarked roads. They typically lack any formal banking education aside from the modest training provided by the MFI, their prospects for alternative employment are very limited and they can be easily replaced. Many of the MFIs were created specifically to address the needs of the most disadvantaged and powerless groups of people around the world. By definition, the poor lack the financial resources associated with power in the marketplace. But many microfinance clients are also deprived of power because of their paucity of other resources, including general education, financial literacy, access to technology, access to markets, access to information and communication technology, or access to transportation. Each of these serves as a barrier to the effective participation by clients in the development of accounting and information systems that accommodated their interests. We have proposed applying AIS-SEA design principles that can potentially respond to some of the issues raised. For example, by incorporating the dialogical principles into the design criteria, the systems designer can be attentive to the differences among the various user groups regarding ideological orientation and asymmetric power relationships as well as to design and presentation features that facilitate understanding by various constituencies. These might include avoiding reductionist presentations, providing understandable explanations of calculations and their contingencies, as well as ensuring effective participatory process. Specific applications would depend on the local context and the constituencies involved.

The needs of the less powerful stakeholder groups need to be explicitly recognized and prioritized, systematically monitored and attended to. One means of gaining insight into client needs is to engage with client advocacy groups in systems design. One such advocacy group is Consultative Group to assist the Poor (CGAP), a partnership housed within the World Bank that works with MFIs, investors, donors, and regulators to promote financial inclusion that meets the needs of the poor. These groups can be gainfully involved in the ongoing development of AIS-SEA, cognizant of the limitations associated with experts speaking for others (Brown and Dillard, 2013a).

To conclude, recent developments in the microfinance industry have resulted in systems that in many ways are consistent with the assumptions of an agonistic accounting approach. Although the agonistic principles were not formally recognized in theorizing this movement, the industry exhibits characteristics of a domain where agonistic principles apply. The efforts directed toward designing and implementing information systems within this decidedly social and pluralistic domain can be illustrative for designing, implementing and evaluation AIS-SEA. Still, as we have acknowledged, there is much more to learn about the way in which the

particular AIS that is the focus of this discussion accommodates multiple stakeholder perspectives and produces (or does not produce) improvements in social performance and why.

Regardless, the natural drive toward greater stakeholder inclusiveness in non-profit and social enterprise pushes organizations to take pluralism seriously. For-profits also face this pressure, particularly as it relates to accountability for social and environmental impacts of the firm. The microfinance industry provides a case study of how stakeholder interests can be addressed, both in the results publicly reported and in the systems for using these accountings in ways that drive strategy and operations.

It is possible that organizations and industries that adopt these principles and embrace pluralistic approaches could avoid the kind of challenges and crises faced by the microfinance industry. Power differentials among stakeholder groups and relentless pressure to produce financial results make it a constant struggle for organizations to remain accountable to the interests of all stakeholders and true to its social responsibilities. Agonistic accounting principles provide guidance for developing accounting systems that can expose and address these issues in an ongoing manner.

Taking pluralism seriously requires a broaden out and opening up of information systems in order to capture the complexity of the economic, social and environmental issues faced as we endeavor to overcome major inequity and imbalances regarding resources and opportunities in moving people out of poverty. The tools and resources developed by the industry and provided to MFIs attempt to accommodate multiple objectives can be useful but appear to be generally oriented toward the perspectives and needs of the more powerful actors. No consensus has been reached and vigorous debates about the merits of various perspectives continue. These debates need to be facilitated, expanded and supported by AIS-SEA with the various and conflicting perspectives allowed to coexist and thrive. Given that the microfinance industry exhibits characteristics of an agonistic domain, the dialogic framework and related design principles can be useful in developing, identifying and evaluating techniques, technologies and processes that address the varying needs and stakeholder groups. As we have illustrated, the three tenets of agonistics are descriptive of the microfinance industry and the eight principles of dialogic accounting can be usefully in conceptualizing AIS-SEA that facilitate taking pluralism seriously.

Appendix A

Summary of SPTF membership by membership and organization type.

Type of member Type of organization	Organizational		Individual	
	Count	% of total	Count	% of total
Association/network	26	14.8%	123	9.1%
Audit/ratings service	9	5.1%	41	3.0%
Direct provider	72	40.9%	507	37.6%
Donor organizations	6	3.4%	55	4.1%
Government/regulator	1	0.6%	28	2.1%
Investors	21	11.9%	123	9.1%
Other	10	5.7%	200	14.8%
Research center	3	1.7%	131	9.7%
Support organization	28	15.9%	142	10.5%
	176		1350 ^a	

Source: www.sptf.info/sp-task-force/member-organizations, accessed 2/17/2015.

^a These figures were presented on the SPTF website and difference between this total and the 2600 also mentioned on the website is unexplained.

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