



# Management Committee Meeting

Brussels – 2<sup>nd</sup> February 2015

## MINUTES

### Attendees

*Members present:*

Salvador CARMONA (President-elect)  
Christine COOPER  
Beatriz GARCIA OSMA  
Philip JOOS  
Ann JORISSEN (President)  
Martin MESSNER (Treasurer)  
Thorsten SELLHORN  
Hanna SILVOLA  
Martin WALKER  
Nicole COOPMAN (Executive Secretary)

*Apologies from:*

Hanna SILVOLA  
Ann VANSTRAELEN

### Agenda

1. Welcome, apologies and adoption of the agenda
2. Matters arising

#### ITEMS FOR REPORTING/NOTING

3. President's update (*Ann*)
4. Treasurer's update (*Martin M.*)
  - 4.1 Preliminary EAA Accounts 2014
  - 4.2 Savings and investments
5. Update on PhD Forum 2015 (*Thorsten*)

## ITEMS FOR DISCUSSION AND DECISION

6. Congress issues
  - 6.1 EAA Congress 2015: Final budget (*Christine*)
7. Committee issues
  - 7.1 Publications Committee issues (*Salvador*)
    - New team of EAR Associate Editors
    - Nomination of PC Chair
    - Contracts with Taylor & Francis
8. Governance issues (*Ann*)
  - 8.1 Nominations: MC Members (2014-2017), Treasurer (2015-2018), Conference Committee Chair and Member (2015-2018), SSC member (2015-2018), DC Co-Chair (2015-2018)
  - 8.2 Elections: Board Members (2015-2018)
  - 8.3 Corporate Governance Guidelines: Nominations of non European scholars in EAA MC (*Ann*)
9. PhD support and training
  - 9.1 EAA Academic Resources Centre (EAA-ARC)
    - Report on survey of potential users (*Thorsten*)
    - Further discussion of set up
    - Relationship with EAA newsletter
    - Future support of EAA-ARC
  - 9.2 Final approval of criteria for PhD programmes and PhD supervisors (*Martin W.*)
  - 9.3 Job market (*Ann*)
10. Relationship with IFAC and connected Boards (*Ann*)
  - 10.1 Possible nomination of EAA member to the Ethics Board (IESBA)
  - 10.2 Relationship with IAASB
11. Any other business

# Minutes

## 1. Welcome, apologies and adoption of the agenda

The President, Ann Jorissen (AJ), welcomed all members present and conveyed the apologies of Hanna Silvola, who was about to have a baby, and Ann Vanstraelen, who was on sabbatical leave.

## 2. Matters arising

In relation with the agenda, she aimed at tackling all items up to item 8 in the morning, in order to have a full afternoon to discuss the PhD matters.

## ITEMS FOR REPORTING/NOTING

### 3. President's update

The President reported on the progress made in the external relations of the EAA as well as on several internal issues.

#### External relations

#### 1. Membership on committees of various international organisations

1.a. All persons proposed by the EAA were accepted:

- Mara Cameran became a member of the CAG (Consultative Advisory Group) to the IAESB (International Accounting Education Standards Board) for the period 2015-2017, and representing the EAA.
- Ann Jorissen became a member of the IFRS Advisory Council for the period 2015-2017 and representing the EAA.
- Gunther Gebhardt will be a member of EFRAG-TEC as of 1<sup>st</sup> April 2015. In this position he is not representing EAA. He was suggested by EAA upon request of EFRAG.

1.b. Call for nominations for IFRIC members

- In consultation with the FRSC, the plan is to nominate Richard Barker for this position. The MC approved the nomination. The President will write a support letter.

#### 2. Contacts with IFAC and its independent bodies

During the IAAER conference in Florence, conversations with responsible persons in IFAC and its Boards were held to see how the EAA could bring the research of its members closer to the profession.

3. Update on White Paper on Publications – project decided at the Global Summits 2013 and 2014

It was decided that the President would write to C. Botosan and M. Barth (cc Salvador) to inform them that the EAA sees value in introducing this paper. However, with respect to the current draft in development, some issues were raised:

- The MC would like to have more information on the type of paper to be developed (e.g. more a literature type review paper or more an opinion-based paper) and the type of conclusion that would be derived in the paper.
- The MC does not agree with the recommendations put forward in the current draft of the paper. In this respect, the MC strongly argues that impact scores and rankings are not appropriate measures to rank individuals; they are only applicable if one wants to rank large groups (minimum 25 people).
- The MC would like to receive an updated version 3 weeks before the Glasgow congress where they would re-discuss it.

#### Internal Issues

1. AJ informed about the latest evolutions and was planning to report more to the MC on the job market under item 9.3.
2. With the increasing request for pre-financing EAA conferences (Glasgow, Maastricht and Valencia) with EAA savings, AJ had allowed Nicole to use money from the EAA saving accounts.
3. The Corporate Governance Guidelines with respect to MC membership were adapted along the lines of the discussion at the MC in October 2014.

### **4. Treasurer's update**

#### **4.1. Preliminary EAA accounts 2014**

Martin Messner (MM), the Treasurer, mentioned that the provisional Accounts 2014, which had been circulated prior to the meeting, were showing a nice surplus thanks to the Tallinn surplus on the one hand and to the cutting of some expenses on the other hand. This allowed EAA to offset those years in which conferences did not show a surplus.

Although psychologically nice to have, the surplus shown is misleading given that EAA bears the cost for the reduction of 200€ granted to 100 PhD students as well as covers the T&A cost for the Standing Scientific Committee to the congress.

Martin pointed out that the 2015 budget reported similar figures to those shown on the 2014 one. In 2016 savings on the journal costs would be possible thanks to the move to electronic copies. Furthermore, the contract with T&F will result in higher revenues per year.

#### **4.2. Savings and investments**

Given the overall economic situation and the yields currently offered by the financial sector, the EAA savings were currently remaining on saving accounts.

## **5. Update on PhD Forum**

Thorsten Sellhorn (TS), one of the organisers of the PhD Forum 2015, reported that the programme of the forum had been posted on the congress website.

On behalf of the organisers of the PhD Forum, the President contacted Alan Teixeira from the IASB to speak to the PhD students about research challenges and he immediately accepted.

The MC approved the idea to videotape the presentations further to an offer received by CC from a specialised firm. The speakers would have to be contacted first to have their approval.

On behalf of the MC, the President thanked the 2 co-organisers, TJ and PJ, for organising this important event in 2015.

## **ITEMS FOR DISCUSSION AND DECISION**

### **6. Congress issues**

#### **6.1. Final budget of EAA Congress 2015, Glasgow**

Christine Cooper (CC), the EAA 2015 Congress Chair, presented an updated budget, which had been circulated prior the meeting.

CC mentioned that according to an EU Directive, if the service was not provided by an organisation based in the country where the conference was to take place, the conference was VAT liable. This would thus apply to the EAA conference.

CC warned the MC that if fees were not allowed to be increased, it will become more and more difficult to organise the EAA congress in a trendy city.

The President confirmed the variance of prices in Europe. She pointed out that the EAA was aware that this would be the main reason for fluctuations in congress surpluses.

The President asked for some clarification regarding different budget lines:

- Transportation cost
- Welcome reception
- Other costs

## **7. Committee issues**

### **7.1 Publication Committee issues**

#### New Team of EAR Associate Editors

Salvador Carmona (SC), the PC Chair, reported that the EAR Editor-elect, Hervé Stolowy (HS), had submitted to the PC a long list of potential new Associate Editors (AEs) respecting some basic principles: balance between continuity and change, diversity in fields, methodologies and geography, involvement with the EAA (e.g., regular attendance to the congress) and/or EAR (e.g., Editorial Board member).

The MC accepted the PC suggestions with respect to Hervé's slate of Associate Editors, and agreed that it was a workable list.

#### Nomination of PC Chair

SC mentioned that, as agreed in October 2014, he was stepping down as PC Chair after this meeting. The proposal is for Annalisa Prencepe, currently PC member, to follow him up. She has done a good job in this role and has a good publication record. The other possible candidate would be Robert Goex, who has been a PC member for the past 5 years. Given that Robert will move up to EAR Associate Editor, it was considered incorrect to put him also forward for the position of PC Chair.

The MC approved to appoint PC member Annalisa Prencepe as PC Chair with immediate effect and until the end of her term of office finishing end of 2015.

#### Contracts with Taylor & Francis

SC reported that he had discussed the timesheet of the contract with T&F. There was still one open issue. He was expecting to receive a new draft version in the next days, which would then be sent to a lawyer.

## **8. Corporate Governance issues**

### **8.1 Nominations of EAA Officers**

The President reported on a series of nominations to be approved by the MC.

#### DC Co-Chair 2015-2018

Keith Robson will finish his first term of office in April 2015 and agreed to go for a second term.

The nomination was approved by the MC.

### SSC Member 2015-2018

Ariela Caglio will finish her first term of office in April 2015 and agreed to go for a second term.

The nomination was approved by the MC.

### CC Chair and CC Member 2015-2018

Both Gunnar Rimmel, current CC Chair and Riccardo Tiscini, current CC Member, will finish their term of office in April 2015 and need to be replaced preferably by persons with experience in organising conferences.

Matias Laine, who had done an excellent job as Secretary General of the EAA congress in Tampere, was the proposed candidate for the CC Chair position. Bruno Oxibar, the Secretary General of the Paris congress, was proposed as member of the CC.

The nominations were approved by the MC.

### Treasurer 2015-2018

The President proposed to wait until completing the renewal of the MC to nominate a new Treasurer.

The MC approved the President's suggestion.

### MC Members 2015-2018

This year 204 persons had been nominated by the EAA members for membership to the Management Committee. AJ explained that one of the new MC members had to be a Board Member given that the MC needed to include at least 3 Board Members. This implies that among the candidates to be proposed as MC member to the Board, there is a need to have at least two Board members.

After careful consideration, the MC approved unanimously the following candidates short-listed by the President:

- Saverio Bozzolan and Stefano Zambon, two Italian members who both received a substantial number of votes of EAA members;
- Aljosa Valentincic, Board member and a good candidate to represent the CEE region;
- Domenico Campa, Irish Board member, as a new younger candidate representing a smaller country and the upcoming young generation.

It was pointed out that none of these candidates was chosen because of the high number of votes. All four were objectively considered to be good candidates with qualifications complementing those of the other MC members.

## **8.2 Elections of EAA Board Members**

The President referred to the document listing the elected National Representatives, which had been circulated prior to the meeting.

### **8.3 Corporate Governance Guidelines: Nominations of non-European scholars in EAA MC**

The President pointed out that one of the criteria to which candidates have to respond for being considered for a position on the MC is to be affiliated with a European institution. Given that 25% of the EAA membership is coming from outside Europe, she raised the question whether this criteria should be kept or taken out.

The MC expressed mixed views about this. While some thought it would be nice to be open, others thought it would be strange for the *European Accounting Association* to allow academics from non-European institutions to the Management Committee, since they are already represented on the Board.

In the absence of a consensus, it was decided not to change it for now.

## **9. PhD support and training**

### **9.1 EAA Academic Resources Centre (EAA-ARC)**

Thorsten Sellhorn (TS) referred to the Powerpoint presentation circulated prior to the meeting and prepared by the team comprising next to himself, Philip Joos, Beatriz Garcia Osma and Hanna Silvola.

After recalling the objectives of the initiative, TS presented a summary of the results of the survey conducted among past and current EAA members over Christmas and mentioned that the team would have liked to see more doctoral students responding to the survey. They wondered whether the respondents had really thought well of what they considered useful and were struck by the high number of “nice things to have”. The low number of respondents willing to share their material was also surprising.

Given the huge amount of information, the team was considering to ask some students to make a deeper analysis, at least of part of the results, in order to have a more detailed picture of what the various groups like or not, find useful or not.

Concerning potential takeaways, the networking idea was commonly agreed to be the one to focus on first. It could be started with the PhD students and early career academics.

The repository would need to be fed with information of interest to the students (e.g. calendar of events, presentations, videos, and testimonials...). With the main challenge being to keep the EAA-ARC up to date, concern was expressed about who would be responsible to take care of this. A full-time resource would be needed. It was agreed that it would be helpful to get some financial help. Against a sponsorship or a donation, some compensation might have to be considered.

Some other suggestions were made by Martin Walker (MW) and Christine Cooper (CC):

MW suggested to offer some consultancy type of service by giving feedback at an early stage on doctoral students' proposals. A panel of academics would review each one proposal per year. The student would become an EAA student. Some MC members feared that this would not be appreciated by supervisors who still consider that nobody should interfere in the supervision process. Nevertheless it was considered to be an interesting idea. Beatriz offered to work with Martin to develop it and present a preliminary proposal at the next MC meeting in April.

CC suggested to develop a platform for registered students and help these students through this platform to all journals that provide green access.



As the next step, TS submitted to the MC the request for involving a professional to develop the technical platform. He proposed to contact the founder of a small consultancy firm and ask for an offer. The MC approved TS to approach his contact.

The President and President-elect committed to come up with a list of possible sponsors and identify contact persons within organisations.

The President thanked TS and his team comprising Philip Joos, Beatriz Garcia Osma and Hanna Silvola for the excellent job performed so far.

## **9.2 Final approval of criteria for PhD programmes and PhD supervisors**

Martin Walker referred to the updated version of his document, which had been circulated prior to the meeting.

The changes, visible thanks to track changes, were approved by the MC.

The document should be posted on the EAA website and later on the EAA-ARC website.

## **9.3 Job market**

The President referred to the report written by the EIASM President, Chris Chapman, which had been circulated prior the meeting. She explained that EIASM did no longer plan to organise a single large job market covering all management disciplines.

The MC shared Chris' idea that initiatives had to be taken to promote labour market mobility. They saw merit in the points he raised, but opted for a slightly different implementation of these points.

Instead of a summer school, the MC would like to hold this event in September/October. The event would be targeted at students towards the end of their PhD process. Along Chris' suggestion, the event would bundle the opportunity for candidates to meet the institutions and the institutions could meet candidates. Hence an online dating website would be set up. In addition skill sessions would be held to improve the job market skills of the candidates.

Ideally, this event should already be organised in 2015. Salvador Carmona, the EAA President-elect, offered to take the lead in the organization of this "meeting/job mobility event". If there is support for the event, this could be advertised in Glasgow.

The MC agreed that the wider matters to do with work/life balance, ethics, approach to engagement, etc. mentioned by Chris were also important. However, the MC would like them to be tackled in the PhD Forum which is held in the morning before the start of the EAA congress. In this way, more students would be reached to increase awareness for mobility across Europe and to discuss the different aspects of scholarship. It was decided to include these in the EAA PhD Forum 2016.

The President will contact Chris to ask him if he has ideas regarding the possible involvement of EIASM in these activities.

## **10. Relationship with IFAC and connected Boards**

### **10.1 Possible nomination of EAA member to the Ethics Board (IESBA)**

### **10.2 Relationship with IAASB**

The President submitted to the MC the idea to have an EAA representative on the IESBA and IAASB Boards.

She cited the objectives of the two organisations:

- *The International Ethics Standards Board for Accountants (IESBA) is an independent standard-setting board that develops and issues, in the public interest, high-quality ethical standards and other pronouncements for professional accountants worldwide. Through its activities, the IESBA develops the Code of Ethics for Professional Accountants, which establishes ethical requirements for professional accountants. The board also provides adoption and implementation support, promotes good ethical practices globally, and fosters international debate on ethical issues faced by accountants.*
- *The International Auditing and Assurance Standards Board (IAASB) is an independent standard-setting body that serves the public interest by setting high-quality international standards for auditing, assurance, and other related standards, and by facilitating the convergence of international and national auditing and assurance standards. In doing so, the IAASB enhances the quality and consistency of practice throughout the world and strengthens public confidence in the global auditing and assurance profession.*

After a brief discussion resulting in the decision that it was worthwhile to propose candidates for these positions, the MC approved the motion. The President suggested that she would write to the MC members for suggestions for candidates for these nominations. This allowed MC members to think about candidates.

## **12. Any Other Business**

The MC members were invited to attend the next MC meeting in Glasgow next April. An official invitation with the date and timing will be sent after this meeting.

No other question or remark was made. The President thanked all attendees and wished them a nice trip back home.

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