

RESEARCH SEMINAR



EDWARDS
SCHOOL OF BUSINESS
UNIVERSITY OF SASKATCHEWAN



January 15, 12:00pm -
12:30pm

Virtual: WebEx



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Allocation as a Management Control Tool: The Case of Canada's Equalization Program

Abstract: Using a management control lens this paper describes and assesses resource allocation systems, using the Government of Canada's Equalization program as the primary vehicle for our analysis. This study was conducted using a mixed methods approach. Data was collected and analyzed in two distinct stages. The first stage utilized semi-structured interviews which was combined with an extensive document analysis, both of which were rooted entirely in grounded theory. The second stage employed features borrowed from auditing profession's concept of analytic procedures which was merged with the use of "data analytics" to investigate a number of equalization related questions using over 500,000 data points that spanned approximately 19 years. The first part of our analysis, based on qualitative data, revealed four high-level categories, pertaining to the Equalization program: objectives, formula, impact on decision making and the notion of controls. With respect to the impact on decision making, our analysis suggests that equalization influences policy and budgeting in that provincial-level decision makers certainly do not ignore it. The common themes and related sub-categories provided a common or consistent language and set of terms, that we used to inform and shape both the analytical procedures and the data analytics, and their subsequent analysis. An important learning from the quantitative analysis was that examining a complex allocation system via the lens of management control allows the researcher (analyst) to experiment with the formula, in an attempt to uncover anomalies and identify behavioural implications such as potential opportunities for managing the allocation base.

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