

## Public sector risk

**Supervisors:** Dr Shraddha Verma and Dr Lotfi Boulkeroua (Department for Accounting and Finance, The Open University Business School)

### Project description:

Following the recent financial crisis, risk has become an important area for academic research. Managing risk is now considered an essential activity for organisations of all types and is considered to be a necessary and vital aspect of good governance. This applies both in the private sector and the public sector.

The formalisation of risk management activity in the UK public sector can be traced to the National Audit Office's report *Supporting Innovation: Managing Risk in Government Departments* published in 2000. This report resulted in the HM Treasury *Management of risk – principles and concepts* 'Orange Book' being published in 2001. In addition, there has been increased interest in risk management following the recent financial crisis; one aspect of which concerns government assessment of risk in relation to their bail out of some banks and central bank risk.

This project relates to the study of risk governance, assessment and management in public sector organizations or in a public sector context. This could be on a central institution which is responsible for risk management such as the Bank of England or a central or local government department or initiative. The study could incorporate a historical, institutional perspective and could employ either a qualitative or quantitative methodology. The contribution of the study would be to explore in more depth risk governance, assessment and management in a key public sector institution, adding to the theoretical and methodologies within existing public sector research.

### Indicative References:

- Andreeva, G., Ansell, J. and Harrison, T., (2014), "Governance and Accountability of Public Risk", *Financial Accountability and Management*, 30(3), pp 342-361
- Bookstaber, R., Cetina, J., Feldberg, G., Flood, M., & Glasserman, P. (2014). Stress tests to promote financial stability: Assessing progress and looking to the future. *Journal of Risk Management in Financial Institutions*, 7(1), 16-25.
- Broadbent, J. and Guthrie, J. (1992). "Changes in the public sector: A review of recent "alternative" accounting research", *Accounting, Auditing and Accountability Journal*, vol 5, no2, pp3-31
- Eichengreen, B., & di Mauro, B. W. (2015). Central Banks and The Bottom Line. *Project Syndicate*, 12.
- Ertürk, I. (2014). reconceptualizing central bank unconventional policies: long positions on no-growth capitalism. *Central Banking at a Crossroads: Europe and Beyond*, 217.
- Gracie, A., Chennells, L., & Menary, M. (2014). The Bank of England's Approach to Resolving Failed Institutions. *Bank of England Quarterly Bulletin*, Q4.

Hryckiewicz, A. (2014). What do we know about the impact of government interventions in the banking sector? An assessment of various bailout programs on bank behavior. *Journal of Banking & Finance*, 46, 246-265.

Jacobs, K. (2012) "Making sense of Social Practice: Theoretical Pluralism in Public Sector Accounting Research", *Financial Accountability and Management*, 28(1), pp1-25

Joldersma, C. and Winter, V. (2002), "Strategic Management in Hybrid Organisations", *Public Management Review*, vol 4, no 1, pp83-99

McAdam, R., Hazlett S.A. and Casey, C. (2005), "Performance management in the UK Public sector: Addressing multiple stakeholder complexity", *International Journal of Public Sector Management*, vol 18, no 2, pp256-73

Modell, S. (2013)," Making Sense of Social Practice: Theoretical Pluralism in Public Sector Accounting Research: A comment". *Financial Accountability and Management*, 29(1), pp 99 – 110

Palermo, T. (2014), "Accountability and Expertise in Public Sector Risk Management: A Case Study", *Financial Accountability and Management*, 30(3), pp 322-341

Ueda, K., & Valencia, F. (2014). Central bank independence and macro-prudential regulation. *Economics Letters*, 125(2), 327-330.