



# LUND UNIVERSITY

## The (re)production of accountability in the swedish public sector

Karlsson, Tom

2010

[Link to publication](#)

*Citation for published version (APA):*

Karlsson, T. (2010). *The (re)production of accountability in the swedish public sector*. 1-17. Paper presented at 14th annual conference of the International Research Society for Public Management, Bern, Switzerland.

*Total number of authors:*

1

### General rights

Unless other specific re-use rights are stated the following general rights apply:

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal

Read more about Creative commons licenses: <https://creativecommons.org/licenses/>

### Take down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

LUND UNIVERSITY

PO Box 117  
221 00 Lund  
+46 46-222 00 00



# **The (re)production of accountability within the Swedish public sector<sup>1,2</sup>**

**Paper for the 14<sup>th</sup> IIRSPM Conference Bern, Switzerland (2010)**  
Panel 11: New Researchers Panel (Doctoral Panel), Thursday 11:30-12:00

## **Abstract**

Accountability and responsibility are two notions that are deeply connected and intertwined. The prevailing notion is that personnel should be held accountable for actions made that are connected to the area which they are responsible for. However, contemporary research has tried to understand the underlying assumptions of what accountability is. In this sense accountability becomes the alignment between overall societal norms and individual actions. But whereas previous research has been content with either an actor- or structure approach this paper tries to bridge these standpoints by engaging Giddens (1984) Structuration theory. Viewing accountability as a social system, this paper focuses on extending our knowledge of how this is produced and reproduced during organisational change within the Swedish public sector. The case used in this paper derives from in-depth interviews, participatory observations and documental studies of the Swedish social insurance agency. The analysis is conducted through a separation and identification of structures of signification, domination and legitimation. This paper concludes that the diverging modes of *managerial-* and *bureaucratic discourses*, derived from changes in surrounding societal norms and organisational control systems, supports and reinforces the reproduction of accountability as a social system.

**By: Tom S. Karlsson**

Department of Business Administration, School of Economics and Management, Lund University  
Email: [Tom.Karlsson@fek.lu.se](mailto:Tom.Karlsson@fek.lu.se)

---

<sup>1</sup> This paper is produced as an independent part of the multi-disciplinary project “Out of many, one?” that is active at Lund University. The project is financed by grants from the Swedish social insurance agency.

<sup>2</sup> Parts of this paper have previously been presented at *The Gothenburg Public Management Seminar 2009* in Gothenburg, Sweden.

## Introduction

Action is inevitably tied up with the notion of being held accountable or holding someone else accountable for their actions. Through our actions we are constantly weighed, measured and checked for deficiencies. But this should not only be perceived as a bad thing. Arguably the mere notion of being held accountable for something heightens our conception of ourselves and our performance. In the same manner the absence of being held accountable for our actions could result in reduced reflections of the self-image and, in the long run, the performance in day-to-day actions. But the manner in which we react to changes of the underlying objectivity of accountability is a subject which is still in large un-researched.

Accountability as a phenomenon is elusive in its nature. Depending on ontological and epistemological convictions this meaning may alter depending on whom you ask or what perspective is taken. In this paper, accountability is defined as a social system that effects the manner in which organisational members legitimize (or shun from) certain types of behaviour. This definition connects to Roberts (1991:356) definition of accountability as

[...] a social practice that seeks to reflect symbolically upon the practical interdependence of action; an interdependence that always has both moral and strategic dimensions.

The focus and purpose of this paper is to increase or knowledge of how accountability comes into play in contemporary organisations and furthermore to present a tentative analysis of how accountability is produced and reproduced in social settings during organisational- and accounting change. When discussing accountability one inevitable has to discuss the notions of responsibility as the two are intimately interconnected. Accountability as I see it is the notion of being expected or forced to explain, or account for, a certain behaviour, decision making or outcomes of the first in regard to the responsibilities given. In this fashion Gray and Jenkins (1993:55) argued that accountability is “an obligation to present an account of and answer for the execution of responsibilities to those who entrusted those responsibilities”.

Early scholars within management research argued for a strict separation between management and production. In this line of argument Taylor (1911) for example argues for a strict delegation of responsibilities towards the managerial staff. With such a delegation the importance of holding people accountable for their actions, in regard to given responsibilities, thus was highlighted. Drucker (1954) drew on these thoughts and argued that given such a partitioning, managers would ultimately be placed in a situation where they are held accountable for the actions of the subordinated personnel. Such a situation requires that the top-management within those organisations clearly has stated the boundaries within which managers can and should act. It is further stressed that managers held responsible for actions made by their subordinated personnel should be given free reins, as long as they act within the stated boundaries, to reach set goals and should by no means be held responsible for things outside of their controllable area.

Fayol (1920) argues that accountability should be perceived as an obligation to act in an honourable and morally equitable way. Through this perspective accountability thus becomes connected to morality. Barnard (1938) has drawn on this and thus argued that morality and practice has to be aligned. Barnard's notion thus expands from making immoral decision to actually practicing them. It is argued that when there exists no gap between practice and the individuals inner moral compass, opportunistic actions is held back in favour of responsible actions (Barnard, 1938). The apprehension of accountability can thus be said to aligning management of a given responsibility with a moral code, compass or even a mutual understanding of how things should be done. Gray and Jenkins (1993) argue that accountability thus becomes a code of conduct where accepted behaviour is predetermined by the surrounding professional and managerial codes.

It should also be noted here that this mutual and aligned understanding and practice naturally could differ from one organisation to another, thus making it hard to objectively identify the 'true' meaning of accountability. Brunsson (1990:50) describes this quite well by saying:

[...] responsibility is given to individuals who are observed (by themselves or others) to have affected events (or just their own actions) by having freely chosen and carried out one of several possible actions or inactions. People hold others responsible if they believe that they have made decisions influencing events and if they think of these decisions as choices.

This in turn suggests that the individual self must acknowledge that the actions they are held accountable for are based on a freedom of choice. In those cases where an action is based on no freedom at all i.e. they perceive that they have no alternative action to make, the individual would not feel accountable at all. The problematic area is when the auditor of the action perceives that there actually was a choice to be made that the decision-maker did not. Indeed Brunsson (1990:50) acknowledges this and claims:

[...] such beliefs are not necessarily shared – the influence on events as perceived by the decision-makers may not be equivalent to the influence as perceived by the observer.

Sinclair (1995) argues that accountability should be perceived as a code formed from a social norm that strives towards aligning with a social consensus where the notion of accountability is reproduced into the social norm. Sinclair furthermore argues that ambient discourses, ultimately derived from the surrounding societal norms, supports or overthrows our current understanding of what accountability is. In this view accountability thus becomes more than the alignment of practice and morality at a micro level and becomes the alignment with practice and norms on a societal macro level wherein the management of the organisation is situated (meso level). The functions of social norms, identified through different discursive expressions, thus creates situations where managers are afraid of being blamed for the wrong things causing them to correct their behaviour towards a perceived 'good management' perspective (Sinclair, 1995). Lerner and Tetlock (1999) argue that accountability in this perspective can be understood as a number of sub-manipulations that ultimately affect the way that managers decides to act. According to Lerner and Tetlock, managers constantly tries to interpret and predict other peoples reactions in order to correct their own actions so that they align with the overall notion of what 'good management' is.

Ahrens (1996:139) has furthermore argued that the constitution of accountability can be understood as a “[...] heuristic device to conceptualise the alignment of local organisational practice and rhetoric with wider societal discourses”. Accountability should therefore be understood as a phenomenon where wider societal discourses align with organisational discourses, creating pressure in redefining the local practices, whereas the same local alignments creates pressures on organisational and ultimately societal discourses in what good management or good behaviour is. In this fashion, the idea of what eligible accountability is or what someone justifiable is held accountable for builds on social norms. Drawing on scholars of institutional sociology (e.g. Garfinkel, 1967; Giddens, 1984) the argument can be made that the reflexive manner in which actors, in social contexts, act constitutes day-to-day routines. Those routines, given time, becomes taken for granted assumptions and perceived as a normalised behaviour. It is therefore also possible to argue that accountability could be an alignment between widely known rationalities and locally organised expertise (Ahrens, 1996), as shown above, thus becoming institutionalised or taken for granted assumption of what accountability *de facto* is.

As can be seen from earlier research, the phenomenon of accountability is not as straightforward as one might imagine. The earlier, and in some sense positivistic and instrumental, research on responsibility kept their focus on the individual and suggested that accountability should be held in tight relation to the given responsibilities and such factors that are controllable (i.e. controllability). Later research has focused on the implications of societal and institutional norms, how they affect e.g. the situational discourses and decision making at a managerial level. There is a quite obvious partitioning in either an actor- or structure approach in the earlier research on accountability. This paper bridges the actor- and structure approach and focuses on how accountability is reproduced as a social system within the Swedish public administration.

## Structuration theory as an analytical framework

Structuration theory (Giddens, 1979; 1984) has been used in number of ways in management research. It has been argued that structuration theory has made distinctive contribution to the field of management research (Baxter & Chua, 2003). Macintosh & Scapens (1990) used structuration theory in order to understand how social orders within organisations were affected by accounting systems. Their argument is that structuration theory provides researchers with tools to go beyond traditional management research and thus expanding it into the realm of social and political spheres. Roberts & Scapens (1985:443) used structuration theory in order to create a framework for analysing how accounting systems becomes “embodied through use”. Burns and Scapens (2000) presented a very influential framework, drawing on old institutional economics and Barley and Tolbert (1997), where they explored how institutions becomes imbedded in day-to-day routines. The Burns and Scapens framework clearly draws on the important feature duality of structure within structuration theory (presented below). Structuration theory have also been used to understand how accounting systems, ERP in specific, catalyses management change within organisations (Scapens & Jazayeri, 2003) and how such new technology affect the way management make decisions within or-

organisations (Orlikowski, 1992; 2000; 2007; Orlikowski & Scott, 2008). More recently Coad and Herbert (2009) explored whether or not Stones (2005) expansion of structuration theory could prove fruitful in management accounting research. They concluded that the expanded version of structuration theory, presented as a quadripartite model (Stones, 2005), proved valuable in understanding the plurality of structures and the power in social interaction. The expanded model did however, according to Coad and Herbert, lack the necessary tools for analysing and understanding how reproduction and learning manifested itself within organisations.

In structuration theory organisations are constituted out of *social systems*, *structures* and *actors*. Social systems are to be understood as reproduced practices where a certain behaviour or way of action in certain instances are understood implicitly; i.e. the taken for granted issues in daily work and action. Structures on the other hand are a set of *rules* and *resources* imbedded in the existing social systems. Actors are perceived as collectively gathered or individual people. In structuration theory, Giddens acknowledges that actors, as a part of social systems, recursively draw upon structures in their day-to-day activities. As this happens the structure is produced and reproduced over time and space. Central to the theory of structuration is thus the notion *duality of structure*. Giddens (1984:374) explains this phenomenon by describing it as:

Structure as the medium and outcome of the conduct it recursively organizes; the structural properties of social systems do not exist outside of action but are chronically implicated in its production and reproduction.

This phenomenon, the duality of structure, challenges both previous structural and interpretive approaches to management and organisational research by implicating that social life and the day-to-day routines are shaped by structures that are naturally and inherently imbedded in society. But the more important notion of this feature, the duality of structure, is that actors within these groups, while constantly drawing on existing structures also forms and shape new structures on a regular basis thus in fact reproducing the existing structures. In structuration theory, therefore, neither actor nor structure is more important in shaping or reshaping the existing social systems. By perceiving accountability as a social system (in Giddens' terminology) we can tentatively identify some of the underlying factors that produce actors' notions of what 'good management' or accountable actions really is. By drawing on duality of structure we can also understand how actors reproduce these understandings.

Within structuration theory, structures are divided into three different dimensions or categories; *signification*, *domination* and *legitimation*. It should be understood that actors within a social context, when drawing on structures, actually draw on these different dimensions, forming modalities between the structures and the interaction of actors, which in turn are interconnected. The modalities thus becomes the means by which structural properties translates into actions in the social system. This part, within structuration theory, is quite important as it expands previous beliefs of structures as mainly constricting and allows for structures to be perceived as constituting an enabling effect as well. The dimension of signification reveals the symbolic orders or discourses used within the social system, making the language highly important when analysing accountability through structuration theory. It is through language that actors of social

systems create signs and symbols of perceived realities, which then translates into an organisational meaning of sort. Domination comes into play as resources or powers are (re)distributed throughout the organisation. In structuration theory, power should be understood as two distinctively separate, although interdependent, resources. On the one hand the *allocative power*, summarised as control over actors, handles the transformative power actors draw on when intending to change the current material or social situation. On the other hand, the structure of domination also contains the *authoritative power*, summarised as control over other people. In the dimension of legitimation, notions as juridical laws and collectively accepted norms make out the modalities, which actors translate into action. As have been stated above, structures within structuration theory should be understood as containing constraining as well as enabling features; some actions might be prevented at the same time as other might be conjured. More importantly one has to understand that the structural properties as such do not cause effects in the social systems. In contrast it is the actors that, in drawing upon the structural properties, cause the effects (either deliberately or not).

The three dimensions are closely related and Giddens argue that they can only be analytically separated. In reality the three structures, the modalities and the interactions between actors are intertwined and interdependent and constantly reaffirming and strengthening the other structures, thus in turn reaffirming and strengthening itself. Making this a bit more hands on we could consider the phenomenon of patriotism. The word (structure of significance) patriotism in itself does not reveal anything spectacular. But when we consider that the word *patriot* or *patriotism* draws power from nationalistic norms (structure of legitimation) and thoughts for instance *the police state* (structure of domination) our understanding and perception of the words emerges. It is through the notions and perceptions of the nationalistic norms and such things as a police state that the word patriot or patriotism takes form, are strengthened and reaffirmed. We can also understand that the word patriot in itself helps the strengthening or reaffirming of our understanding of e.g. nationalistic norms and the police state. Actors within such a social system continues to draw on these structures in order to constitute their social reality and in doing so helps in affirming, or reproducing as structuration theory labels it, those structures. The interdependence of the structures and how they come into play as actors constantly draw upon them in day-to-day routines is depicted in figure 1 below.

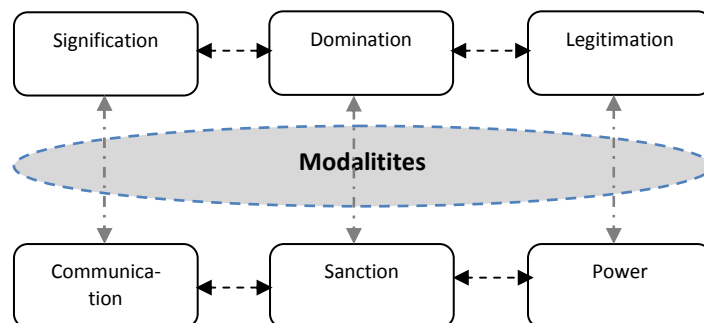


Figure 1: The interaction between structures and actors (free from Giddens, 1984)



## A descriptive case-study

In this paper a special focus is kept on the Swedish social insurance agency<sup>3</sup>, which has undergone a massive restructuring of both their governmental role, their ability to (internally) control the organisation as well as a total reengineering of their organisational structure. The following case-presentation builds on 16 in-depth interviews<sup>4</sup> with managers in both central (top management) positions as well as with local (activity-) managers. The interviews were conducted locally at the managers' offices and were of a semi-structured style. The interviews were digitally recorded and meticulously transcribed afterwards using a system informed by the Jeffersonian system (Sacks, Schegloff & Jefferson, 1974)<sup>5</sup>. In addition to this, participatory observations<sup>6</sup>, of the development new processes, were made in order to get a richer and fuller understanding of the current organisational conditions. These observations were conducted two days every other week during a period of four months. The team working on the process development only met two days every week, why the observations made can be said to cover at least 50 % of the workshops. The team-members expressed an unease of being digitally recorded during their work, and therefore comprehensive field-notes were made. The field-notes were later digitally scanned and served as empirical material. As a third additional approach, a study of internal documents consisting guidelines, rules and codes of conduct were read through. The documents were collected via the organisations own internal web-pages and after some of the in-depth interviews.

This case representation will focus on the observed organisational (meso-level) and individual (micro-level) changes. In the subsequent analysis of the reproduction of the social system a tentative conclusion of the societal (macro-level) changes will be presented.

### Changes of organisational character – the meso level

In 2005 the Swedish national social insurance board<sup>7</sup> merged with the 21 regionally and autonomously organised social insurance offices. According to a governmental official (SOU 2003:63; SOU 2004:127) report the underlying thought was to break the inherent problems of the old organisational form. One of the more serious problems often referred to was the inequality in beneficiary claims between the regions. Another was arguably that the efficiency of the administration was poor. By means of cancelling this trend the new merged organisations was given the privileges of becoming a unified governmental agency where all of the issues connected to the Swedish social security were to be handled. During the period between 2005-2007 this change was however more of a cosmetic remodelling since the regional mentality was still kept within the organisation. Even though the formal organisational structure were remade into two separated divisions of *production* and *insurance* the fundamental administration of the

---

<sup>3</sup> Försäkringskassan

<sup>4</sup> The interviews (in total there are 25 recorded hours) were conducted and transcribed in Swedish.

<sup>5</sup> The Jeffersonian system is quite extensively used in studies within conversation analysis and ethnomethodological approaches.

<sup>6</sup> In total 90 hours of participatory observations during the fall of 2009

<sup>7</sup> Sw: Riksförsäkringsverket

beneficiary claims were still maintained in the previous regionally located offices, by the same administrators under the same managers.

In late 2007 this, however, dramatically changed as the Director General Curt Malmberg, with the explicit support of the board of directions, implemented the *Change-programme* with the intent of totally reengineer the organisational structure, control and management. This meant that a geographical disunion of the regional offices were undertaken together with the recentralisation of much of previously decentralised powers. The implementation of three *customer-channels* led to a massive reorganisation of who had responsibility of what insurances within the organisation. The introduction of these customer-channels was meant to separate how citizens came in contact with the agency and therefore a national *customer services*, organised in five Swedish cities, where to handle all incoming calls and mails while the (serving as organisational gatekeepers) whilst the other two divisions (*National Insurance Centres* and *Local Insurance Centres*) where to administrate the incoming beneficiary claims. Furthermore the implementation of horizontally oriented divisions (the *Insurance Processes*) affected the manner in which the management control package could be arranged. The purpose of the Insurances Processes where to interpret current law in order to dictate how the administration should be carried out within the 'new' organisation.

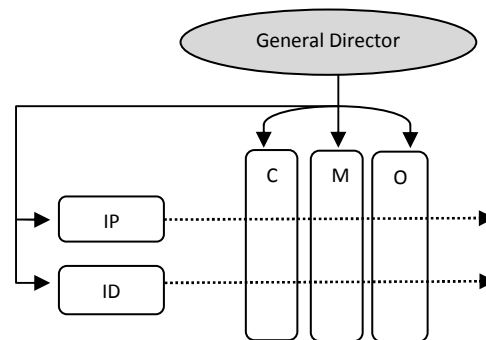


Figure 2: Perceived (by the managers) organisational chart

The management control (package) within the newly restructured organisation had to be reengineered as well (due to the organisational changes). In the old organisation the insurance directors<sup>8</sup> directed their financial needs via an appropriation system. These financial needs were in large the sum of the directors (individual) experiences, the sum of the population within that region and an estimation of how many beneficiary claims would come in during the forthcoming period. Since the new organisational structure was dramatically different the previous experiences were nullified and no one really knew how much the administration (within that new organisational structure) would cost. As a response to this uncertain situation the top-management (through the change programme) implemented a rather technocratic control system that was derived from the developed processes (identified by the horizontally organised Insurance Processes). These processes (the manner in which the administration was to be handled) were quantified, price-tagged and multiplied with the expected number of incoming benefi-

<sup>8</sup> The regional managers were titled as *insurances director* which came to shift under the new governmental agency as the managers in the former regional structure were admitted places within the national organisational hierarchy.

any claims for different insurances. This resource allocation model is labelled as “*the Calculus*” within the organisation. Aggregated to a national level these costs made out the foundation for the resource allocation process. In this way the previous individual experiences were abolished in favour of a (arguably) more scientific control process where the number of administrators were clearly transparent.

### Changes of individual character – the micro level

The management prior to the reengineering of the organisation experienced large amounts of autonomy. Insurance Directors were individually responsible for the region in which they were positioned and the managers below in the organisation (regional) hierarchy claimed to have a real opportunity to affect the operations. In this section an elaboration of the effects that the reorganisation (arguably) had on the individual management level (the micro level) will be focused upon.

The implementation of the Change-programme in late 2007 had a real impact on an individual (micro) level. Managers involved in the programme were expected to come up with new and innovative ways to organise the administration of the Swedish social insurances. The population within this programme was divided into a number of groups which each and one had different tasks. Furthermore each group was staffed with external business consultants that had the task of guiding the management in their tasks. This presented a situation where internal and externally staffed personnel were put together with the task of reengineering the current organisation. During this period (2007-2008) there was a change in which the internal managers spoke of management within the Swedish social insurance agency. It was during the influence of the external management consultants that the introductions of words as *matrix organisations*, *effective processes*, *customer orientation* and *administrative factories* were made. These linguistic traditions have since spread throughout the organisation making them almost more prominent than such words as *citizens*, *rule of law* and *democracy*. As I will elaborate in the analysis of the structures of significance there are tendencies of diverging discourses emerging within the organisation.

Another important implication on the individual level is the effect that the recentralisation has had on the opportunities that lower level managers experience. Due to the implication that the administration should be managed in a standardised manner, the top-management has reclaimed the power of decision making within the organisation. Adding to this, the horizontally oriented departments (Insurance Processes) controls the dictating rights regarding *how* the work should be done within the organisation. Such an involvement has presented lower-level managers within the organisation with a precarious situation where they are responsible for managing the operations, but are stripped of the powers of actually doing it.

### Analysis – Identifying the existing structures

As have been mentioned above, the modalities connecting structures and action are intimately interconnected. The partitioning of structures in signification, domination and

legitimation can therefore only be done in an analytical manner. In this section the case study of the organisational changes within the Swedish social insurance agency will be analysed using structuration theory.

### Structure of signification

According to Giddens (1984) the reflexive monitoring of ones owns actions and the simultaneously monitoring other actors' action forms the interpretive schemes that constitutes the modality between interaction and the structure of signification. Communicative skills at an individual and group level thus become highly important factors when trying to understand how different actors draw upon the structure at hand in order to produce and reproduce the emerging system. In the case presented above, the reproduction of accountability is tightly connected with different connotations and discourses of the organisational language. Giddens argues that the structure of signification actually contains the meaning behind actions. Through different symbolic and discursive orders this meaning can be revealed. It should also be understood that existing discursive modes are deeply rooted and interconnected with the other two structures; domination and legitimation. Thus the words and discourses within the organisations supports the other structures and in turn gets reinforced through them<sup>9</sup>.

Within the Swedish social insurance agency the personnel uses different discursive modes when discussing economy and management than they do when they discuss the social insurance and the connection that the agency has to the Swedish citizens. The embracement of external consultancy advices led to the implementation and adoption of a more business-like language within the organisation which turns our attention away from public administration and turns it to the private management sector. This *management discourse* is most visible when the managements discusses rationality and efficiency. During these occasions it becomes quite clear that the discursive modes active within the organisation have become heavily influenced by the discursive modes more commonly known within the New Public Management philosophy. Frequently accompanied words in these situations are for example *customers*, *productivity*, *production*, *the factories* and *results*. The use of such words where commonly heard during my in-depth interviews (which where mainly with managers in different hierarchical locations) and the participatory observations (which where done with administrative personnel at the Stockholm head-quarters). The connotative power that such words inherently possess brings our thoughts to industries within the private sector, where managerial thoughts have had massive impact during the last century. It thus becomes interesting to see how these different words constantly are drawn upon within a governmental authority.

The other discursive mode identified within the Swedish social insurance agency was the *bureaucratic discourse*<sup>10</sup>. In this mode the managers within the organisation for in-

---

<sup>9</sup> Consider for instance how the word *patriot* is supported by *nationalistic norms* (structure of legitimation) and e.g. *the police state* (structure of domination) and how these supporting structures reinforce the meaning of the word.

<sup>10</sup> In some ways the bureaucratic discourse can also be explained as a bureaucratic discourse. Inherent in this discourse is the use of non-managerial terminology where politics and public administrative power

stance stresses words such as *democracy* and *legal justice*. Administrators and managers within the organisation, in my view, taps into the bureaucratic discourse as a means of explaining phenomenon's that the managerial thoughts fail to take into consideration when discussing the underlying purpose of the public administration. In several cases the management draw their arguments from the bureaucratic discourse in order to legitimize actions that are not perceived as viable from an "efficiency perspective".

### Structure of domination

Turning to the structures of domination, it is important to remember the distinct difference between the two resources that constitutes and mobilises the structure. As I specified in the previous section that elaborated on Structuration theory a partitioning is made between the *allocative power* and the *authoritative power*.

The *allocative power* or control over material properties should be understood as the control over the *transformational capacity* inherent to actions i.e. the ability to change the current material or social situation within the current system. In the words of Roberts and Scapens (1985:449) "[o]rganisation constitutes a conscious attempt to enhance the productive power of human actions through co-ordination". Within the Swedish social insurance agency there has been a major change in the way these allocative resources are distributed throughout the organisation. Prior to the organisational change the regional divisions where delegated the responsibility of creating viable financial budgets at that given level. There was a very loose coupling between the central authority and the regional (autonomous) offices, and managers claim that they got the amount of resources demanded which gave them the opportunity to maintain the objectives of the authority. With the reorganisation and restructuring into one unified agency the decision making rights regarding budget and monetary distribution has shifted upwards in the hierarchy. The power over allocating resources has thus undergone a massive movement to a centralised position within the new organisation, leaving regional and local managers stranded with the decisions made elsewhere in the hierarchy. This follows a noticeable development apparent within the organisation; a general shift of decisions making rights upwards through the hierarchy<sup>11</sup>. The power to enable easier transformation of the current social system can thus be said to have been stripped within the new social system.

It has been argued elsewhere (Roberts & Scapens, 1985) that accounting systems creates a visibility of the possibilities regarding efficient organisational integration in contemporary organisations. Arguably the present information- accounting- and business-solutions within the Swedish national social insurance agency are of great importance when drawing on structures of domination. As I have mentioned earlier the use of the

---

becomes much more visible. I have however chosen to define this discourse as simply bureaucratic discourse in order to make it more comprehensible.

<sup>11</sup> Another example of this is the restriction implemented regarding issues of locales. In the previous organisational setting, the regional managers decided which locales best suited their general needs. In the new setting this decision making right has been stripped away from local- and regional managers and shifted towards a centralised division handling all perceived locale needs. This division also have the power of declining new locales.

‘Calculus’, a perceptible integration and efficiency of the organisation is enabled. The use of this information, in order to create a viable budget for the coming year(s) can thus be viewed as a way in which the accounting department draws on structures of domination in order to facilitate transformative power.

The *authoritative power* acknowledges that control can be asserted not only on the transformative capacity within systems, but also over actors (individual or a collective). By drawing on this structural resource, actors within organisations admit that other actors have the right to make decisions that have an impact on the work that the previous actor is responsible for perform; i.e. subordinates acknowledge that they have to answer to their superior managers. Within the Swedish social insurance agency this becomes visible due to the structural partitioning in as well as a traditional vertical ordinance as a horizontal view. But by scrutinizing the structural partitioning it becomes clear that the horizontally oriented departments has received no declaration of formal authoritative power. From what can be interpreted when interviewing actors within the organisation is that they view the vertical management as the predominant one, neglecting the potential power that the horizontal departments might have.

As it is the responsibility of the horizontal departments, especially in developing the new processes, to form a new (and normative) way of administering beneficiary claims their impact on the day-to-day routines within the organisation is very high. This work, in developing the processes, also impacts on managers throughout the (vertical) organisation as the produced “Calculus” comes into play as a resource allocation tool. But remembering the earlier discussion about accounting departments drawing on structures of domination in order to facilitate transformative power, and the budget following a strict top-down approach, actors within the organisation seems to acknowledge the vertical authority in a higher degree than the horizontal. Translating this into accountability, this implies that managers within the “customer-channels” perceive reaching or meeting the budget targets as more important than following the developed processes.

### Structure of legitimation

The structure of legitimation can be understood as legal institutions affecting the historical system and thus participating in creating and shaping the present and future system. By legal institutions I mean both the juridical laws as well as the societal norms and collectively agreed upon standards that derive from (or is grounded in) these juridical laws. Changes in such legal institutions effects the day-to-day activities that actors within the organisation perform. It could even be argued that such changes presents a situation where administration of beneficiary claims should be revolutionarily changed. When adding the societal, and thus agreed upon, norms by which public administration should be managed the situation becomes tangled and difficult to fathom.

Within the Swedish national insurance agency one can see that the juridical laws governing and directing the organisation are quite abundant on both a national or domestic level as well as on a transnational or supranational level. For instance the Swedish So-

cial Insurance Law<sup>12</sup> and the Administrative Law<sup>13</sup> together with the regulation EEC 1408/71 of Social securities scheme and free movement of persons within the European Union, the coming regulation EC 883/2004 of the European Parliament and of the Council on the coordination of social security systems and the Nordic Convention have a heavy impact on the legitimation structure. In their every day work, the administrators within the organisation are constantly required to be up-to-date on the current laws, knowing how to interpret them and how to translate them into their daily activities.

On top of these juridical laws that the management are forced to relate to (and follow) the societal norms of how public administration should be managed are exposed. With the introduction of a more managerial type of management and an increased focus on financial results and outcomes within the public sector (for an extended discussion see Hood, 1991; 1995; 2000; Lapsley, 2008; 2009) the notions of how the public administration should be performed has shifted somewhat. Within the managerialistic perspective the previous bureaucracy within public administration is pushed away as the ruling way of governing the authority. Instead the ideas of financial and managerial responsibilities dominates within Swedish public administration, causing the ideas of democracy, legality and justice to be pushed aside.

## Conclusion – presenting the (re)production of accountability

Drawing on in-depth interviews and participatory observations of the Swedish social insurance agency shows hoe the notion of what accountability is and how it comes into play within that organisation differs. After a massive reconstruction of the formal organisational structure several managers asserts that they have lost the previous manoeuvrability and controllability that was inherent in the old organisation. The purpose of this paper thus was to extend our current knowledge of how the notion of accountability comes into play in contemporary organisations during change.

This paper started out by presenting a number of former ways by which the phenomenon of accountability can be described and understood. Whereas earlier work on the subject concluded that accounts should only be demanded when formal responsibility is connected, more contemporary research shows how accountability is a phenomenon of how responsibility is accepted at an individual level. In this paper accountability is portrayed as a social system where actors and (institutional) structures constantly affect each other. The strength of such an approach is that shifts in different structural properties can help explain how the overarching meaning of accountability has come to shift.

Social systems (in Giddens perspective) contains both actors and (institutionalised) structures. In a non-analytical perspective these structures are inherently dependent on each other and can only be analytically separated. Crucial to Giddens Structuration theory is the phenomenon of duality of structure. In simple terms this implies that actors constantly draw on meaning, power and morality (the three structures in a social system) in order to create a viable system wherein they can justify actions in their day-to-

---

<sup>12</sup> Sw: Socialförsäkringslagen

<sup>13</sup> Sw: Förvaltningslagen

day activities. By drawing on existing structures, in order to justify actions, actors enable the reproduction and reconstitution of those structures causing a alteration of the content and meaning of existing structures in the future. In addition the existing structures (signification, domination and legitimation) are constantly supporting the other structures and thus in turn gets reinforced by them. Identifying accountability as a social system thus helps us understand how actors draw on meaning, morality and power in order to legitimize their actions.

The impacts of having (tentatively) diverging discursive modes active within the organisation suggests a shift in how accountability as a social system is currently shifting within the Swedish social insurance agency. In the former dominating bureaucratic discourse, accountability was constituted as grounded in serving the citizens. Drawing on this meaning, managers were thus (justifiably) held accountable for any erroneous administration<sup>14</sup> that occurred. This discursive mode (identified as dominating the structure of signification before the reorganisation) can be connected to the decentralised organisation at that time during which the regional offices experienced a larger amount of autonomy than the current situation. Several managers' contests of having been stripped of the manoeuvrability that the previous organisation presented. The other discursive mode that were detected in the case study was the managerial discourse. Contrary to the bureaucratic discourse the managerial discourse were used in order to legitimize the increased focus on financial measures, process orientation and talk of efficiency. Within this discursive mode the managers hinted that accountability was more of a financial matter, i.e. sticking to the economic frames given to them. There is obviously a diverging meaning in accountability depending on whether the bureaucratic or the managerial discourse is engaged, where the latter is the protruding one.

The shift that has been illuminated in the section above can be traced to shifts in both structures of domination and legitimation. In this paper it is suggested that the structure of domination shows tendencies of shifting from a decentralised autonomous state towards a centralised and strict top-down control where the managers loose their individual powers of deciding for any potential local deviations. Due to such a shift, interdependencies with other departments inevitably are bound to increase, forcing the managers to rely on performance outside of their control. Furthermore there seems to be a shift in the overall social agreed upon norms on how public administration should be managed (which is manifested through the managerial discourse). Other manifestations that strengthens the (new) managerially oriented accountability is the strict top-down, vertical, control within the organisation. Thus the notion of accountability (the social system) can be said to have been reproduced due to shifts in structures of domination and legitimation *and* by actors impulse to create meaning via the structure of signification.

One plausible conclusion to be drawn from this discussion is that the changing discursive modes within the organisation (derived and driven by the reproduction of structural properties) creates a situation where members of the Swedish social insurance agency

---

<sup>14</sup> Erroneous administration could for example mean that the agency failed to administrate beneficiary claims in a just and predictable manner, causing an increased perception of uncertainty from the citizens.



perceives that they are arguably held accountable for meeting financial targets. At the same time the managerial discourse creates a situation where managers can tap into the underlying logics of management within the private sector and thus renouncing accountability due to reduced controllability as an outcome of the recent recentralisation. The increasingly dominating managerial discourse also stipulates conditions under which the previous notion of accountability is forgotten or neglected.

## References

- Ahrens, T. (1996). Styles of accountability. *Accounting, Organizations and Society* 21(2/3): 139-173.
- Barley, S. R. & P. S. Tolbert (1997). Institutionalization and structuration: Studying the links between action and institution. 18(1): 93-117.
- Barnard, C. (1938). *The functions of the executive*. Cambridge MA, Harvard University Press
- Baxter, J. & W. F. Chua (2003). Alternative management accounting research - whence and whither. 28(2-3): 97-126.
- Brunsson, N. (1990). Deciding for responsibility and legitimation: Alternative interpretations of organizational decision making. *Accounting, Organizations and Society* 15(1/2): 47-59.
- Burns, J. & R. W. Scapens (2000). Conceptualizing management accounting change: An institutional framework. *Management Accounting Research* 11: 3-25.
- Coad, A. F. & I. P. Herbert (2009). Back to the future: New potential for structuration theory in management accounting research? 20(3): 177-177.
- Drucker, P. F. (1954). *The practice of management*. New York, HarperCollins Publishers Inc.
- Fayol, H. (1920). *Administration industrielle et générale: Prévoyance, organisation, commandement, coordination, controle*. Paris, Dunod
- Garfinkel, H. (1967). *Studies in ethnomethodology*. Cambridge, Prentice-Hall Inc
- Giddens, A. (1979). *Central problems in social theory: Action, structure and contradictions in social analysis*. London, Macmillan
- Giddens, A. (1984). *The constitution of society*. Cambridge, Polity Press
- Gray, A. & B. Jenkins (1993). Codes of accountability in the new public sector. *Accounting, Auditing & Accountability Journal* 6(3): 52-67.
- Hood, C. (1991). A public management for all seasons? *Public Administration* 6(3): 3-19.
- Hood, C. (1995). The "New public management" In the 1980s: Variations on a theme. *Accounting, Organizations and Society* 20(2-3): 93-110.
- Hood, C. (2000). Paradoxes of public-sector managerialism, old public management and public service bargains. *International Public Management Journal* 3(1): 1-22.
- Lapsley, I. (2008). The npm agenda: Back to the future. *Financial Accountability & Management* 24(1).
- Lapsley, I. (2009). New public management: The cruellest invention of the human spirit? *A Journal of Accounting, Finance and Business Studies* 45(1): 1-21.
- Lerner, J. S. & P. E. Tetlock (1999). Accounting for the effects of accountability. *Psychological Bulletin* 125(2): 255-275.
- Macintosh, N. B. & R. W. Scapens (1990). Structuration theory in management accounting. *Accounting, Organizations and Society* 15(5): 455-477.
- Orlikowski, W. J. (1992). The duality of technology: Rethinking the concept of technology in organizations. *Organization Science* 3(3): 398-427.

- Orlikowski, W. J. (2000). Using technology and constituting structures: A practice lens for studying technology in organizations. *Organization Science* 11(4): 404-428.
- Orlikowski, W. J. (2007). Sociomateriality practices: Exploring technology at work. *Organization Studies* 28(9): 1435-1448.
- Orlikowski, W. J. & S. V. Scott (2008). Sociomateriality: Challenging the separation of technology, work and organization. *Working Paper Series*. London, Department of Management, London School of Economics and Political Science.
- Roberts, J. (1991). The possibilities of accountability. *Accounting, Organizations and Society* 16(4): 355-368.
- Roberts, J. & R. W. Scapens (1985). Accounting systems and systems of accountability - understanding accounting practices in their organisational contexts. *Accounting, Organizations and Society* 10(4): 443-456.
- Sacks, H., E. A. Schegloff & G. Jefferson (1974). A simplest systematics for the organization of turn-taking for conversation. *Language* 50(4): 696-735.
- Scapens, R. W. & M. Jazayeri (2003). Erp systems and management accounting change: Opportunities of impacts? A research note. *European Accounting Review* 12(1): 201-233.
- Sinclair, A. (1995). The chameleon of accountability: Forms and discourses. *Accounting, Organizations and Society* 20(2/3): 219-237.
- Statens Offentliga Utredningar (SOU 2003:63). 21+1=1: En sammanhållen administration av socialförsäkringen.
- Statens Offentliga Utredningar (SOU 2004:127). Försäkringskassan.
- Stones, R. (2005). *Structuration theory*. Basingstoke, Palgrave Macmillan
- Taylor, F. W. (1911). *The principle of scientific management*. New York, W W Norton & Company