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The New NAO in Sweden – the Deprofession-alization of the Performance Auditor

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Introduction

The introduction of a new national audit institution in Sweden represents nothing less than a constitutional revolution in the Swedish setting (Ahlbäck 2001). Before 2003 Sweden had two supreme audit institutions: *Riksrevisionsverket* (the National Audit Office [NAO]) which was the larger institution placed under the government, and *Riksdagens revisorer* (the Parliamentary Auditors) which constituted one of the agencies of the Swedish Parliament. The government audit institution could be characterized as a pronounced civil servant organization, while the Parliamentary Auditors in general were perceived as a distinctly politicized agency since the auditors were politicians (assisted by a qualified secretariat). The system with two audit institutions was not a result of careful political consideration in the Swedish context, but rather a result of an unreflected constitutional heritage (the Parliamentary Auditors) and a government support agency's pragmatic orientation towards becoming a supreme audit institution (the previous National Audit Office).

However, after academic and political debate during the 1990's the system with two supreme auditing institutions was found to be inadequate, especially in terms of securing the auditing institutions' independence (Ahlbäck 1999; Isberg 2003). In 2000 a parliamentary inquiry (*Riksdagskommittén*) presented a report where all the parties in Parliament, except the party constituting the minority government (i.e. the Social Democrats), supported the proposition that the two existing audit institutions should be merged and a new audit institution under Parliament should be established (Report from the Riksdag Board 1999/2000:RS1).[1] The proposition was supported by Parliament, and on the finishing line the Social Democrats endorsed the reform in exchange for a compromise: Among other things they wanted three Auditor-Generals instead of the suggested one, and moreover, they wanted all parliamentary parties to be represented in the new supreme audit institution's board. Hence, from 2003 a new supreme audit institution, *Riksrevisionen* (English: the Swedish National Audit Office, [SNAO]), has been in operation in Sweden (Report from the Committee on the Constitution 2000/01:8; rskr. 2000/01:116–119). The overarching theme in the reform process was to secure the independence of the auditing body, i.e. it was a reform focusing on the external conditions of the institution. First of all, the new institution is now properly regulated in the constitution (i.e. in the Swedish Instrument of Government), which gives it a constitutional protection that the former *Riksrevisionsverket* lacked. Secondly, the constitutional protection is also instrumental in securing reasonable funding for the audit activities, i.e. the new audit institution does not risk biting the hand that feeds. And lastly, the independent status of the Auditor-Generals is laid down in the Swedish constitution which in a new way grants the management security of employment. All in all, from a Swedish

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[1] It was not presented as a merger, bur rather as the closing down of two already existing supreme audit institutions and the instituting of a new audit institution. However, according to Bringselius the process is a clear example of what the literature describe as a merger and acquisition (2008, p. 31).

perspective the reform was unusual in two ways: a) that a reform of this magnitude within the public sector was carried through without having been initiated by the Government (which would have been the normal course of action in constitutional matters), and b) that the considerations in the inquiry preceding the reform were untypically on principle and well argued. We should keep in mind that the overarching aim of the reform was to strengthen the institutional arrangements for an independent audit institution.

However, seven years after the new audit institution was started it has been thoroughly evaluated both academically and by the Parliament itself. In spite of the fact that the reform actually succeeded in one important respect, namely the establishment of an independent supreme audit institution, new puzzling problems have emerged. In subsequent evaluations serious problems *within* the organization are pointed out. Bringselius (2008) thoroughly discloses how resistance between the professionals and the three Auditor-Generals has evolved over time, i.e. the emergence of vertical resistance. This is quite contrary to what is the presupposition in the literature on mergers and acquisitions, where the expectation sooner is that resistance will develop between the two merging organizations (so called horizontal resistance). The vertical resistance is revealed both by Bringselius' own comprehensive investigation as well as in two employee attitude surveys conducted by Sifo Research & Consulting in 2004 and 2005 and an employee attitude survey conducted by ZonderaCom in 2008 (both Swedish survey institutes). Moreover, these problems are picked up in the parliamentary follow up of the reform (Reports from the Riksdag Administration 2008/09:URF1 & 3). The fundamental question is therefore, what created this unexpected mode of resistance, and how should it be understood? Hence, the aim of this article is firstly to describe *how* this resistance evolved, and secondly we will endeavor to explain *why* this opposition between the top management and the professionals came about. In short, the reason to this manifested resistance, we will argue, is best understood if we make use of the analytical tools that can be found in some of the literature on professions. We argue that the striking vertical resistance that developed in the new audit agency represents a struggle over the preferential right of interpretation of the nature of *performance audit*, a battle where the top management has had no keen ear to those actually carrying out the job. Moreover, it is a battle that might seriously threaten the main objective of the audit institution reform, namely its institutional independence.

Methodology and sources

A thorough account on methodology and data for this data can be found in Bringselius' dissertation (2008, p. 17–38). In the following we will, however, also give a concise account of the empirical foundations of this article. A case study has been conducted, covering the merger of the two former national audit institutions in Sweden. The case study was conducted in real time. It reached over a five year period, starting a year before the merger (ibid.).

Several sources and techniques were combined. Bringselius conducted one survey in April 2003, just before the merger in July 2003. Moreover, three employee attitude surveys at the Swedish National Audit Organization, conducted by two professional statistics institutes in Sweden, were consulted (Sifo Research & Consulting 2004 and 2005; ZonderaCom 2008). In addition, on 11 occasions, participant observations were conducted. Official and informal documents were scrutinized, for example the parliamentary records of the formation of the SNAO, union protocols and other internal protocols as well as the internal staff magazines. Articles in the media have also been reviewed.

Another major source of data is constituted by the in total 92 interviews that have been conducted with people on all levels of the new audit organization. Two of these interviews were conducted externally, 41 interviews were conducted with performance auditors, two interviews were conducted with administrative personnel, 30 interviews were conducted with middle managers, and 17 interviews were conducted with top management (Auditor-Generals or members of the National Audit Committee, NAC). There was a special focus on performance audit. Interviews were open or semi-open, each starting with the question "How do you experience the current situation in the organization?". This way, each interview also focused on the themes that currently were on top of the agenda in internal discussions (Bringselius 2008, p. 24f). There was a special focus on the content of professionals' criticism and how this was received by management or other parties. Questions were asked on culture, communication, and career, in order to cover as many of the most central aspects of the merger process as possible, in accordance with suggestions by Larsson (1990).

Before we proceed it should be mentioned that the word professional in this article is used to depict those employees at the SNAO who primarily are occupied with conducting *performance audit*, and who do not hold a managerial position. The concept of performance auditor is understood as synonymous. The word employee refers to all employees in the organization, who do not hold a managerial position, regardless of profession or occupation.

Resistance in the SNAO

The aim of this article is to explain why vertical resistance, instead of the expected horizontal resistance, gradually escalated at the new SNAO. However, in this section we will first of all establish that this vertical resistance – of a surprising magnitude – did take place.

Merger preparations began with a kick-off in May 2002, a year before the new supreme audit institution would be formed.[2] The atmosphere was enthusiastic among professionals at both the merging agencies. Professionals spoke of each other as sisters and brothers and the reform was welcomed. A group from the Committee on the Constitution (two people who also were

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[2] The following account is reported also in Bringselius (2008), chapter 4.

positioned in the Parliamentary board) declared that they would "not go berserk" in the two organizations, that there would be no redundancies, expect for perhaps a few in the administration, and that an extensive budget would be allocated to cover merger expenses.

Very soon after this, a parliamentary committee was appointed by the Parliamentary Board, to lead the first part of merger preparations. This was called the National Audit Committee (in Swedish *Riksrevisionskommittén*) and it is hereafter referred to as the NAC. The NAC consisted of three core members: Stina Hubendick, Lennart Grufberg and Peder Törnvall. The Parliamentary Director Anders Forsberg explained in an interview (3 December 2002, interview no 3) that the Parliamentary Board of the Swedish Riksdag had considered this a good mix of relevant competence, where Hubendick was experienced with "soft matters", such as organization design and culture, Grufberg had experience from earlier preparations for the formation of a new NAO, and Törnvall with deep knowledge in the legal and formal matters. A secretariat was established to support these three members of the NAC. This consisted of two secretaries, but also a representative from the Ministry of Finance, two experts from the merging organizations, and one person responsible for channeling information to and from the committee.

The committee was asked to make decisions in certain more urgent matters and to prepare reports for the decision-making of the three Auditor-Generals (3AGs) in other matters. The 3AG were appointed half a year later, on December 10, 2002. A high degree of employee involvement in merger preparations had been requested by Parliament, and this was also communicated by the group from the Committee on the Constitution at the kick-off in May 2002. In response to this, a participative approach was adopted by the NAC, with seven projects engaging professionals (Bringselius 2008, p. 82f).

Resistance and competition for influence gradually grew between the two merging organizations, i.e. so called horizontal resistance – a common development in mergers. Confidence in the parliamentary committee in charge of merger preparations, however, remained high. There was extensive information from this committee and numerous channels for influence (Bringselius 2008, p. 85f).

When the names of the Auditor-Generals were announced, merger preparations rapidly changed character, which is illustrated in Figure 1.[3] Suddenly, the opinions of professionals were no longer taken into account. At first, there was a period of silence from the three Auditor-Generals from December 10, 2002, when responsibility for merger preparations was passed on to them, until April 2003, when all three Auditor-Generals were in place. Professionals, as well as the Parliamentary committee, had expected that a hectic period would follow the appointments, given the short time remaining until the merger had to be implemented (only a few months later). One

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[3] It is the Standing Committee on the Constitution which proposes to the Swedish Parliament which candidates should be appointed Auditor-Generals.

of the members of the parliamentary committee preparing the merger explained how all of the three core members of the committee had been surprised:

> *"We were very surprised all of us. And we did actually meet once, informally, to kind of ask each other what was happening, because all of this work kind of just died out. There was just a sudden halt to all of it."* (interview no 40)

However, there were also a number of decisions made during this period. These tended to be quite the opposite of what professionals had hoped for, or agreed on in the projects. Such an issue was the choice of organization design for the new audit institution. The three Auditor-Generals agreed on a different design than that which professionals from both of the previous agencies had suggested. The leader of the Organization project, who was also one of the three members of the Parliamentary Committee, admitted her disappointment with both the decision and the way that the Auditor-Generals had made this decision (interview no 40). She explained that she had worked very much with gathering professionals around a shared suggestion, as concerned organization design, but added that the Auditor-Generals had "accentuated very strongly that they themselves wanted to decide how they should build their organization". According to her, they had chosen "a rather radical design" (ibid). In the new organization design, the performance audit profession was shattered on different departments, each of which was focused on their own audit area. This meant that professionals were requested to work as specialists, always focusing on this audit area. In the design that the professionals themselves had suggested, a design that Hubendick also recommended, performance auditors were gathered in one department, while financial auditors were gathered in another department. This would have allowed professionals to switch between different audit areas, in a role as generalists. Professionals' discontent with this organization design continued for the years to come. They lacked the professional dialogue with their colleagues within performance audit, and they explained that there seldom was any obvious benefit with the cooperation between financial auditors and performance auditors that the new organization aimed at. Another complaint was that roles and responsibilities were obscure in this organization, and that it lead to inefficiencies. (Bringselius 2008, p. 135f).

The relation between professionals and the Auditor-Generals became increasingly strained, with issues concerning for example the performance audit approach, managerial appointments, salaries, titles, quality assurance, communication, office facilities. Already as the merger was implemented, professionals from the two previous agencies were united in their resistance against their leadership. Such extensive vertical resistance has rarely been documented in the theoretical literature on mergers (Bringselius 2008, p. 281f). Figure 1 depicts how resistance shifted from a horizontal dimension to a vertical dimension, running between professionals and the Auditor-Generals. Vertical resistance first grew following an issue concerning the committee's choice between individual offices and office landscapes. It soon decreased again, but as the Auditor-Generals had been appointed, resistance gradually increased. When the Auditor-Generals chose

to recruit several managers from the former NAO under the Government (*Riksrevisionsverket*), but none from The Parliamentary Auditors, it led to a wave of objections from professionals at both agencies. They stood united in their increasingly critical stance towards the new leadership. Employees, but also higher managers, explained that they considered the three Auditor-Generals unexperienced and insecure in their leadership, and claimed that this could partly explain their focus on controlling the professionals. A performance auditor explained (interview no 39):

> *"There is an insecurity stemming from the top, and this affects us as a lack of confidence – and if there is anything that I am dependent upon in my work, it is confidence."*

Many employees described who they had become afraid of telling their opinion at the agency, because of fear of sanctions from the Auditor-Generals. A performance auditor explained that he had been degraded with the explanation that his open criticism of the new audit approach was considered disloyal. Another critical employee was left without work tasks. Others spoke of more subtile measures.
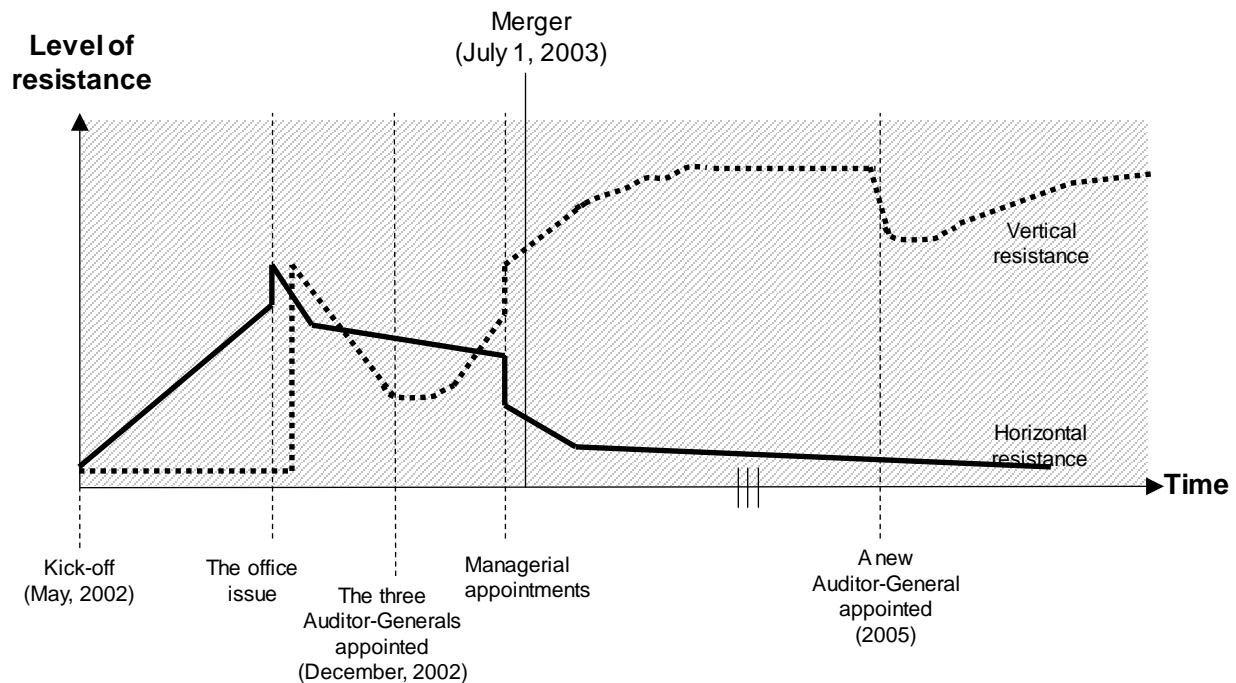
Source: Bringselius 2008, p. 166 with minor changes.

Figure 1.   Time scale with estimations of vertical and horizontal resistance in the reform of the SNAO

As Figure 1 reveals, vertical resistance temporarily decreased in 2005. This was at the time when one of the Auditor-Generals was replaced (according to plan, two years after the merger). Many

professionals hoped that the situation at the SNAO would improve, but this did not happen (Bringselius 2008, p. 150f).

On November 6, 2003, there was an article in the leading newspaper in Sweden, *Dagens Nyheter*, with the headline "The SNAO is paralyzed". A member of the Parliamentary board at the SNAO was interviewed and he claimed that internal conflicts had lead to the agency becoming paralyzed, and he pointed at the fact that thus far, not a single report had been presented by the SNAO. The article also referred to other sources and explained that employees at the SNAO were also critical because they experienced that they had been run over by the management and that they were not allowed to participate in the wording of operations.

At the same time, the Auditor-Generals (interview no 50 and 51) spoke of the merger process as very successful. An Auditor-General (interview no 51) commented on the article above and explained that it had made her furious. She meant that there was very little conflict at the SNAO and if there was any, it probably was because this was an organization full of people with opinions and a critical mindset. She added that of course there could be occasional individuals who believed that there was a lot of conflict, but that this must be balanced against those who believe the opposite. Rather soon after this, a minor employee attitude survey was conducted, called a SWOT (Strengths, Weaknesses, Opportunities, Threats). This took place in the spring 2004. The SWOT revealed that employee discontent was widespread, but a department manager explained that the Auditor-Generals had reacted by reasoning this again, this was probably just because a limited number of discontented employees had probably had a too large impact on results (Bringselius 2008, p. 123).

The findings reported above are supported by both employee attitude surveys year 2004, 2005, and 2008, as well as by the abovementioned parliamentary follow up of the reform spanning over the period 2007–2009 (Sifo Research & Consulting 2004, 2005; ZonderaCom 2008; Reports from the Riksdag Administration 2008/09:URF1 & 3). These are reported in the following.

Already in the survey presented September 2004, a year after the merger, professionals expressed heavy critique against the management of the agency and its internal processes. The response rate was high (93% out of 283 employees). Only 6 percent of these respondents stated that they considered the group of managers at the agency to be well-functioning, only 10 percent considered cooperation in general within the agency to work well. In total 6 percent considered the organization design to function well. In the survey 2004, the survey institute concluded:

> *"The survey reveals that confidence in the 3AG is very low and that employees have a poor understanding for decisions made by the 3AG. According to the open responses, many employees are met by distrust from the 3AG, as concerns employee competence."*
> (Sifo Research & Consulting 2004, p. 1)

The Auditor-Generals responded by explaining that building a new agency had to take time and that resistance would soon level out. They explained (interview no 68) that they had "deliberately had chosen to tear everything old down, in order for this to become a new agency with its own identity", adding that this may partly explain employees' discontent, but that they thought it was the best solution on a longer term. A number of projects were started, aiming to improve workplace conditions. This was called the ABA Plan (ABA in Swedish translating to *Åtgärder för bättre arbetsplats*).

Resistance did not level out, however. When an employee attitude survey was conducted a year later, in 2005, results as concerned the relation between professionals and the three Auditor-Generals had not improved much: confidence in the three Auditor-Generals had increased only from 22 percent to 24 percent. It took until 2008 before a survey was conducted again, now by yet a new statistics institute. This time, the survey had been redesigned and no numbers from previous years were stated in the tables with results, as they normally are (and as they were in the survey report 2005). Response rates remained high: 89 percent in the 2005 year survey and the same in the 2008 survey. Employee confidence in the Auditor-Generals had decreased, from 24 percent to 22 percent which is illustrated in Table 1. This table also reveals how only 15 percent consider the new audit institution to live up to the standards that they demand from those being audited. It also reveals how professionals consider the cooperation with peers to work well, 85 percent agree on this in the final survey. This is supported by other numbers from the survey year 2008: for example 72 percent consider their work to be meaningful, and 81 percent consider themselves to be able to influence their daily work. At the same time, only 10 percent stated that they experienced that they could influence what was done and decided at the agency in a wider perspective.

Table 1. Percent of respondents positive to the statement (scoring 4–5, on a scale 1–5, where they agree to an increasing extent) in employee surveys at the Swedish NAO (percentage)

	Year		
	2004	**2005**	**2008**
Confidence in the Auditor-Generals	22 %	24 %	22 %
Cooperation within my project/team works well	70 %	83 %	85 %
At the SNAO we live up to the standards that we demand from those we audit	15 %	24 %	15 %

Source: Employee attitude surveys at the SNAO, by Sifo Research & Consulting (2004, 2005) and ZonderaCom (2008). Response rate 2004: 93 %, 2005 and 2008 respectively: 89 %.

In these surveys, professionals claimed that the three Auditor-Generals did not understand performance audit, that they made misinformed decisions, that their leadership was "medieval" and demotivating, that the organization design did not work. Professionals claimed that some of those critical to the three Auditor-Generals were subjected to sanctions or bullying, and gave examples. Professionals also objected to high overhead costs, a lengthy quality control process, low productivity, and a sense of "mutual distrust" between the Auditor-Generals and the professionals (Bringselius 2008, p. 220). In April 2007, the Parliamentary board of the Riksdag agreed to send for a parliamentary investigation of how the reform of the Swedish NAO. Two reports were issued, one in 2008 and one in 2009 (Reports from the Riksdag Administration 2008/09:URF1 & 3). The reports gave an account for a widespread criticism against the way that the SNAO communicates, the quality of its reports, the clarity of its recommendations, etc.

As presented earlier, several sources have been consulted in this account, and all these sources contribute to the same image, an image of a high degree of resistance between the team of Auditor-Generals and the professionals. This result, naturally, raises many questions. How can this resistance be understood? What is at stake? In order to answer these questions we will make use of some of the theoretical instruments that the literature on professions and professionalization provide. Thereafter we will return to the case to look at this in further detail.

Theory on professionalism

Hence, what is behind the vertical conflict in the new Swedish National Audit Organization? We argue that to understand this we need to make use of the insights that the literature on professional theory gives us. This relates to research on professions and the process through which certain professions try to monopolize access to its professional domain. Classical examples of such professional groups are lawyers, medical doctors, engineers and teachers, and these groups have had various success in achieving exclusivity and status (Burrage & Torstendahl 1990; Brante 1992; Brante 1999). In the early days of professional theory scholars were mainly focused on establishing criteria for determining what groups that lived up to professional status (and thereby what groups that did not). There is no one formula for this in the literature, but we can conclude that a common minimum definition of what constitutes a profession usually include assumptions that it is a group that work with similar tasks, and that enjoys autonomy when practicing the profession. The professional activity is based on theoretical and abstract knowledge (acquired through higher education, and sometimes authorization from the state) and the profession has – through its professional association – its own ethical codes (cf Freidson 1999; Brante 1999). The exclusivity of a professional group has warranted status and high wages.

However, for our purposes we are not interested in this essentialist perspective, as we recognize that it would stretch this strand of professional theory a bit too far to argue that performance auditors of a national audit institution would constitute a profession in this theoretically more

restricted sense. Moreover, the early days of professional theorizing – with the focus on the definitional precision – is nowadays regarded more as a "time-wasting diversion". Critics have pointed out that this perspective e.g. failed to assist in any understanding of power of particular occupational groups (Evetts 2006a). It should be added, however, that the academic discussion on professions developed into a discussion on professionalization, which put the research focus on the process that led to so called full professional status (and those occupations that did not achieve the full status could under certain circumstances be labeled semi-profession). This latter approach often constituted a critical assessment, and the perspective was that experts through their professionalization tried to obtain a monopoly over their professional domain that subsequently would render them undue privileges (pioneering work in this field is Sarfatti Larson 1977).

As mentioned earlier, the preoccupation on the definitional precision has been criticized. In more recent work on professions Evetts argues that it is more meaningful to focus on a critical analysis of *professionalism*, a concept that since the 1990's has become more and more used in working places, by trade unions and, not least, by employers and managers. She establishes that this critical perspective "….involves examination of professionalism as a discourse of occupational change and control" (2006a, p. 138). The implication is that the modern use of the term is different from the earlier constructions and uses of professionalism by the practitioners and professional associations in – above all – medicine and law. The traditional usage implies the self-reflection of a professional group – where common standards and ethics are developed – , norms that are monitored by professional institutes and associations. This is, hence, quite different from the discourse of occupational change and control, which assumes a disciplinary logic conducted from a distance (i.e. not from the profession itself). In sum, there is a significant difference whether any claimed professionalism is pursued from within the profession (occupation), or if it is an implanted idea "from above" (i.e. by the management):

> *"…the important research question becomes how and in what ways a discourse of professionalism is being used and relations of trust are being maintained or abandoned (by states, by employers and managers, and by some relatively powerful occupational groups themselves) as an instrument of occupational change (including resistance to change) and social control."* (Evetts 2006b, p. 529*).*

Evetts identifies the development of two different and contrasting forms of professionalism in knowledge-based work: *organizational* and *occupational professionalism* (Evetts 2006a, p. 140). These different perspectives are listed in the table below.

Table 2.   Two different discourses on professionalism

Occupational professionalism discourse constructed *within* the professional groups themselves	**Organizational professionalism** discourse from *above*: pursuit of control by the managers in work organizations
• discretionary decision-making in complex cases	• rational-legal forms of decisions-making
• collegial authority	• hierarchical structures of authority
• based on trust in the practitioner by both clients and employers	• standardization of work practices
• occupational control of the work	• accountability, target-setting and performance review

As is disclosed in the table, occupational professionalism is operationalized and controlled by practitioners themselves, i.e. they are self-regulating, subject only to informal collegial control. This self-regulation is based on shared education and training, a strong socialization process, work culture and occupational identity, and codes of ethics that are monitored and operationalized by professional institutes and associations (Evetts 2006a, p. 141). In the contrasting perspective – organizational professionalism – professional conduct is governed at a distance, and includes a substitution of organizational for professional values, i.e. bureaucratic, hierarchical and managerial controls rather than collegial relations. Also, organizational professionalism is not about occupational control of the work, but rather the profession is submitted to externally formulated performance targets and increased political or administrative control. The traditional perspective on professionalism presupposes a delegation of decision making to the profession, in order to make use of the professional expertise (to benefit from the professional judgment). In the organizational perspective, discretion is replaced with (detailed) instructions from superiors in the organization thereby minimizing the space for professional judgment, and hence becoming an instrument of social order and control by the employer and/or management.

What then is at stake here? Well, as the presentation above points out, traditionally professionalism of a professional group is signified by common occupational norms, high internal demands for quality, a common educational background and high responsibility. In line with this Pollitt maintains that professionalism may be characterized in part by the self-control of quality (1990, p. 435). That is, professionalism is in the literature closely related to Evetts' idea on occupational professionalism. The assumption here is that in order for an occupation to function professionally a high degree of influence over working conditions is needed. In other words professionals need a certain amount of autonomy (the influence over the content of the work as

well as of how to organize the work). Hence, any interference of managerial objectives and values might very well shrink the professional domain beyond recognition, and imposed or inherent values from the management might also stand in sharp conflict with the profession's internally developed values. Is quality defined by the professionals' internal values or by the management's organizational and/or financial objectives? However, one good reason for managerial intervention would be if managers knew more about quality than most of the professional service deliverers (e.g. medical doctors and teachers). Pollitt points out that we must make an important distinction between two kinds of managers: a) managers who have assumed their managerial role after a distinguished career in the profession they are now supposed to manage, and b) there are managers who have little or no background in the relevant profession (1990, p. 438). Pollitt argues that "in the first case the manager may have some claim to be able to make substantive and detailed judgments of the quality of the work of the professionals in the organization. In the second, such a claim would usually be unjustified." (ibid.) In plain language this boils down to a battleground over who has the right to define what constitutes a *work well performed* (cf Hasselberg 2009, p. 56f).

How then can we empirically evaluate the presence of either discourse? In table 2 we have presented what characterizes either discourse, and thereby three areas of empirical interest surfaces: a) *Organizational work conditions*, b) *The professional practice* (i.e. whose voice is decisive in the development of occupational norms and practices), and c) *How the work is evaluated* (e.g. whose norms and standards are decisive?). By organizing the analysis around these factors we will be able to draw a conclusion on the type of professionalism that is pursued in the SNAO. Thus, we argue that the distinction between expressions of occupational and organizational professionalism respectively works as an analytical framework for understanding the vertical resistance that evolved within the new Swedish NAO (even though horizontal resistance was the expected outcome).

Before we continue to a more in depth empirical analysis we need to round this discussion up by establishing the appropriateness of studying a narrow professional group as the performance auditors in the public sector, which would not qualify as a professional group in the old restricted sense. Performance auditors within supreme audit institutions have been described like this in the academic literature:

> "….performance audit is not just a technical tool. It does not at all correspond to the traditional image of auditing as a process centred on 'checking the books' in order to see that they have been accurately and properly kept. […] Its practitioners declare that they are seeking to establish whether public policies or programmes or organizations have been (or are being) conducted with due regard to economy, efficiency, effectiveness, and good management practice." (Pollitt & Summa 1999, p. 2)

In other words, financial audit and performance audit is not the same thing, and hence requires different kinds of educational backgrounds (Ahlbäck 1999, p. 50). There is no authorization of performance auditors, as there is for financial auditors. However, we argue that performance auditors qualify to this kind of analysis of professionalism, since this group belongs to a knowledge-based category of occupations which usually follow a period of tertiary education and vocational training and experience (Evetts 2003, p. 397). Moreover, the development of a code of ethics for performance auditors in supreme audit institutions illustrates an ongoing reflection *within* this professional group on internal standards and norms (INTOSAI 2001; cf INTOSAI 2004). I.e. the professional practice of performance audit in supreme audit institutions worldwide has been the object of discussion and analysis for many years, and most certainly under the time period of this study.

Understanding resistance in the SNAO

The case study of the formation of a new Swedish NAO shows how conflict and resistance soared, especially in the vertical dimension, between the three Auditor-Generals on the one hand, and professionals on the other hand. Meanwhile, the initial horizontal resistance between the two merging organizations quickly diminished to a minimum. The vertical conflict, however, has remained for years after the merger (see figure 1). In the following, findings from this merger, with regard primarily to the vertical conflict, are reported. The description covers data from the four year period from 1 July, 2003, when the NAO was formed, to 1 July, 2007 (Bringselius 2008). First organizational work conditions are described. We then describe how the professional practice of performance audit was changed at the SNAO. Finally, we report on the routines for performance evaluation.

Organizational work conditions

This section is focused on the organizational design of the SNAO, but it also includes other factors that have an impact on whether the organization is becoming more or less hierarchical.

Shattering of the profession and increasing hierarchy

The organizational design that the three Auditor-Generals agreed on before the merger, was one which the professionals at the previous two agencies previously had rejected (see figure 2 below). That is, an organization where the performance audit profession was shattered into different departments where they were sooner expected to cooperate across occupational borders (with financial auditors) rather with their peers. As work was recaptured in the new organization, professionals from both performance audit and financial audit requested advice from the Auditor-Generals on how this cooperation was meant to be formed. There were no obvious routines for this professional cooperation, nor were there any obvious benefits. The professionals argued that it would benefit their work more if there was one performance audit department and one financial

audit department, as the case had been previously. The Auditor-Generals responded that professionals had to design this cooperation themselves, thus they provided no guidance. This may be understood as reflecting the fact that none of them had conducted such cooperation before. Only one of the Auditor-Generals had a background in national audit, and this was within the field of financial audit.
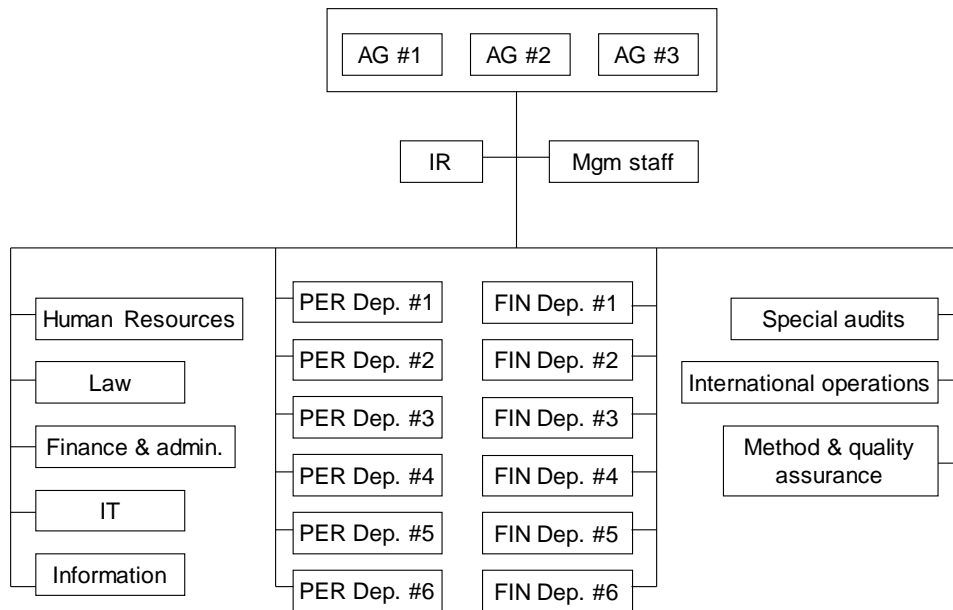
Comment: AG = Auditor General; PER = performance audit; FIN = financial audit.

Figure 2.   The organization plan of the Swedish NAO during the period of 2003–2006.

The requests for cooperation between different professions, and the lack of guidance on how this could be conducted, remained an issue for the years to come. This, as well as the organization design in general, was subjected to criticism in every employee attitude survey conducted during this period (Sifo Research & Consulting 2004 and 2005). Still, when a new organization design finally was introduced three years later (in 2006), professions remained shattered (Bringselius 2008, p. 147).

The new organization design which was launched in 2006 primarily meant that new layers were added to the upper part of the organization, meaning that in practice the organizational hierarchy increased. This is illustrated in figure 3 and 4. Figure 3 depicts the formal organization chart, while Figure 4 is an illustration by a performance auditor, depicting how the organization was perceived by professionals.
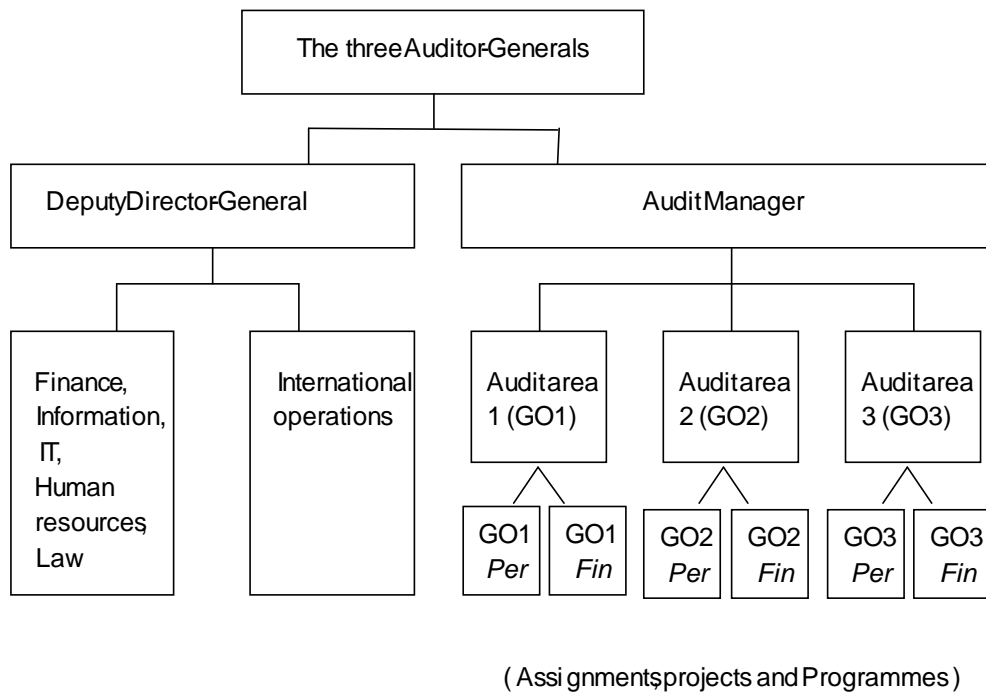
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                    ┌──────────────────────────────┐
                    │   The three Auditor-Generals  │
                    └──────────────────────────────┘
              ┌────────────────┴─────────────────────┐
   ┌────────────────────────┐        ┌────────────────────────────────┐
   │ Deputy Director-General │        │          Audit Manager         │
   └────────────────────────┘        └────────────────────────────────┘
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Figure 3.

Figure 3.   New organization design at the SNAO, launched in 2006. Each audit area consisted of two sub-groups (GO1-3) – one with performance auditors (Per) and one with financial auditors (Fin).

Professionals objected and explained how they now had been "degraded" to the bottom level of seven levels in total (will be illustrated in figure 4), in the new organization. They also argued that the primary reason for the new organization design was that the Auditor-Generals wished to increase the distance between themselves and the professionals radically, due to the widespread discontent among employees. The Auditor-Generals explained that they wished to focus more on external relations (e.g. interview no 86), and that this was a reason for the changes. Unions were upset because they had not been allowed to influence the way that the new (top) organization design was drawn, and nor had professionals been allowed to influence this. The union ST[4] made a written protest, but this was ignored. Professionals argued that the actual organization design now could be drawn according to figure 4, with themselves as the bottom of a long hierarchy, where the Assistant Audit Area Manager was involved in their work, but seldom any manager

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[4] The Swedish Union of Civil Servants.

above this (Bringselius 2008, p. 158). Figure 4 can be compared to the formal design in figure 3, above.

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                          ┌─────┐
                          │ 3AG │
                          └─────┘
                             │
                    ┌────────────────┐
                    │  Audit Manager │
                    └────────────────┘
                             │
                ┌───────────────────────┐
                │ Assistant Audit Manager│
                └───────────────────────┘
                             │
                  ┌─────────────────────┐
                  │  Audit Area Manager │
                  └─────────────────────┘
                             │
              ┌──────────────────────────────┐
              │ Assistant Audit Area Manager  │
              └──────────────────────────────┘
                             │
                   ┌──────────────────┐
                   │  Project Manager │
                   └──────────────────┘
                             │
                      ┌──────────┐
                      │ Auditors │
                      └──────────┘
```
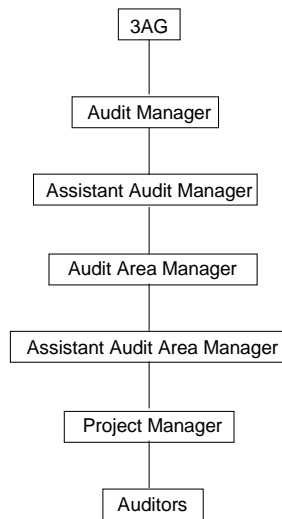
Figure 4.   The actual organization hierarchy according to professionals at the SNAO.

Figure 4 depicts how an audit report had to pass numerous levels of hierarchy, something that made the audit process extremely lengthy. Professionals also experienced that this process meant that too many individuals were allowed to comment on the report, while they had to adjust to each of these. Apart from the hierarchy in Figure 4, there was also a separate quality assurance department that was involved. Meanwhile, as Figure 3 depicts, the Auditor-Generals experienced that they could focus more on external relations, due to the large organizational body at the top of this hierarchy.

A professional complained in an interview (no 82), that the Auditor-Generals preferred to speak about the organization structure rather than the real content of the SNAO's operations. The new organization design followed from a wish among the Auditor-Generals to focus more on strategic matters, but all they spoke of now was deliverables, and delivery times, she explained, and continued:

> *"They do not talk of what is the essence of performance audit or what motivates us*
> *professionals, why you want to work with this. They do not speak of any of those things*
> *that deal with the idea of the SNAO, but everything has become a matter of structures and*
> *deliverables. This, I believe, is the most consuming thing for the whole organization - at*

least at grass root level. The way I see it, the organization is currently being separated into two parts, as concerns performance audit. There are the audit operations, where people continue to work in their projects and feel committed to their task, including the Assistant Audit Area Managers. And there are the Audit Area Managers and those above, who do something which is very obscure." (interview no 82)

Previously, professionals had been allowed to communicate with managers and colleagues as they preferred, but now the Auditor-Generals emphasized that communication had to run through the channels of the organization hierarchy (the line of command). Professionals were informed that they were not allowed to contact the Auditor-Generals directly, but always had to communicate through their closest manager. Professionals explained that this had caused a lot of problems and that far from all information was passed on from department managers. This communication policy was introduced very soon after the SNAO had been formed, and it differed from what had become established practice at the former NAO and the Parliamentary Auditors. A performance auditor (interview no 48) explained that professionals were upset with the new policy and the tone that the Auditor-Generals had towards them, and she described how they had always been allowed to contact the Director-General at the former NAO – and that she knew that they would only do so in cases when it was considered absolutely necessary.

Wage setting and increasing wage differentials
Hierarchy also increased in terms of the wage span in the SNAO. The three Auditor-Generals were given one of the highest salaries in the Swedish public administration. Department managers also had a considerable increase in salaries as the SNAO was formed, compared to salaries at the previous agencies. Because the initial differences in salaries were not supported by a formal argument, the EOA, Equal Opportunities Authority (Swedish: *Jämställdhetsombudsmannen*), requested that the SNAO handed in a salary survey (Swedish: *lönekartläggning*) by November, 2004. This was done, but the survey was incomplete. The Auditor-Generals and the local unions could, however, not agree on how the new salary survey should be conducted. Therefore, unions were not part of the process, and consequently they handed over a formal reservation to the EOA regarding the salary survey that the SNAO produced (Bringselius 2008, p. 133ff).

Professionals were annoyed both with this process, and with the lack of correlation between salary or salary increase and performance, experience or education. In February, 2005, the EOA rejected the second salary survey as well. A new person was recruited to take care of the salary survey, and in the SNAO staff magazine (*Kuriren* no 2005/02), professionals were informed about the situation. Now, EOA requested that the SNAO was to be ordered to pay a fine (Swedish: *yrkande om vitesföreläggande*), unless a proper salary survey was presented before the summer. These salary issues continued through years 3 and 4, i.e. 2005 and 2006. In a union protocol (SACO-S/RiR board meeting May 2, 2006) from May 2006 it was established that the SNAO salary model and salary reviews violated collective wage agreements (Swedish:

kollektivavtal), as well as the Swedish law on codetermination (MBL), and the SNAO plan to improve workplace conditions. In this document, the union described how they had been left out of the process of establishing this salary model for the agency (Bringselius 2008, p. 134f). In a protocol two weeks later (SACO-S/RiR board meeting May 15, 2006), the same union explained:

> *"The employer tried to disregard personnel organizations and pit them against each other. Managers were asked to press employees into an unfinished model, that had not been negotiated according to MBL legislation. Matters of salary surveys, salary model, and equality work, which according to the JUSEK should be kept apart, have been jumbled together by RiR [SNAO]."*[5]

Titles and professional status

At the SNAO, all titles were removed as the agency started its operations. Professionals were requested to call themselves simply "auditors". Senior professionals explained that the title had been the only way that their experience really had been rewarded, except for perhaps salaries. After a couple of years, a system with different titles was again established (Bringselius 2008, p. 219). These titles were revised again in 2008.

Many professionals claimed that the SNAO did not make use of their competence. An auditor who returned with a PhD after a few years away from the agency explained how the Human Resources Director at the SNAO had refused to reward her effort by changing her work assignments in any way. Professionals experienced that they seldom were praised by management and how they were allowed very little influence. This lack of influence can be taken as evidence for a lack of trust, a trust which Evetts (2006a) argues is intertwined with occupational professionalism.

In sum, in this section we have revealed the increased hierarchy in terms of the organizational structure. Furthermore, we can also see how the way that professionals' salaries – and titles – were handled led to a further loss of trust in the Auditor-Generals among the professionals. The increased wage span was also taken as yet another sign of the degrading of their work, and was perceived as an increased distance between levels in the organization. All in all, when it comes to the organizational work conditions we have observed an increasing hierarchy, and very little room for the professionals to influence important aspects of how to organize – and assess – their work. It was the top management's perspective that pertained.

Whereas professionals previously had experienced a high degree of respect, they experienced rather the opposite after the SNAO had been formed (or actually already after the three Auditor-

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[5] *Jusek* is the Swedish Union of University Graduates of Law, Business Administration and Economics, Computer and Systems Science, Personnel Management and Social Science.

Generals had taken on their chores during merger preparations). Many spoke of two classes at the new agency. A performance auditor explained:

> "I believe that they have created some kind of medieval form of governance, medieval management. There is a feeling that you create different classes here at the SNAO. The nobility, that is all the managers and the Auditor-Generals. The peasants, it is us in the production. You have some kind of upper class and lower class. And in some sense it feels as if they have forgotten that there actually is a production, who is supposed to do everything – that they have thought of other things, such as managerial appointments, making sure managers are well paid and so on, that seems to be the most important aspect." (interview no xx)

The professional practice

How should the work be carried out?

Long-ranging attempts were made to standardize the practice of performance audit in the SNAO after the merger. A new performance audit approach was announced in the first year after the new NAO had been formed. The three Auditor-Generals explained that performance audit would from now on be focused on accountability and based on formal norms. This was described as a way to increase quality in performance audit. It was not clear what this meant in reality and professionals requested further guidance. The Auditor-Generals had requested that the new audit approach should focused on formal norms and regulations and thereby provide a basis for Parliament to be able to hold someone (a person or an institution) responsible for what does not function as expected (Bringselius 2008: 116f). Professionals claimed that this type of performance audit was a much more basic and unqualified type of audit, than the one that they were used to conducting, and they claimed that this was not what Parliament had intended with the reform. This is *compliance audit*, professionals explained, adding that such audit was much more trivial than the performance audit that they thus far had conducted.[6] However, the opposition to the new performance audit approach had little support from the Auditor-Generals, who were decisive on this matter. The three Auditor-Generals called this approach their "business idea" for the agency and added that those employees who did not support it had to leave the organization. One of the Auditor-Generals explained (interview no 85):

> "It is we, the Auditor-Generals, who own the right to decide how audit should be conducted at the authority. There is no general right for the personnel to decide what they think audit should be. We have precedence for interpreting this. When we were formed,

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[6] An auditor (interview no 92), explained how he had objected to this and how his department manager just had informed him that because of this, he was now degraded from 5 to 4 in the internal ranking system.

we decided that for us performance audit, and of course financial audit, is something else than a general investigation or research. Audit is that you audit something based on norms and simply review: Has the Government done what it should? […] We are of the opinion that this is the road that we have chosen. Either you are on that train, or you actually have to leave the organization, if you are not happy with it. We have taken a stand and there will be no more discussion on whether we shall do this or not."

This explicit point of view by on of the 3AGs is remarkable in its obliviousness to the fact that such a statement in fact is an assault on a specific professional field. We should bear in mind that none of the Auditor-Generals at the time had a background in the occupation of performance auditing. But nevertheless they here openly claim the right to define how to exercise a profession.

Moreover, along similar lines the performance auditors were also informed by the Auditor-Generals that specific templates should be used from now on in their audit work. Templates were distributed within the organization, but it was difficult to understand how to use these. The Auditor-Generals could not provide any guidance, but requested that professionals figured this out themselves (Bringselius 2008, p. 190). The suggested changes of performance auditing represented nothing less than a standardization of the work procedure. A standardization that would make the professionals' earlier training and work experience obsolete to some degree, since there would be less discretion left for their professional judgment. Moreover, a standardization of this sort clearly was in opposition with the recommendations of the international organization of supreme audit institutions' (INTOSAI's) guidelines: "*Streamlined and detailed procedures, methods and standards may in fact hamper the functioning of performance auditing.*" (INTOSAI 2004, p. 29). Interestingly enough, it was one of the AGs of the Swedish NAO that chaired the INTOSAI Auditing Standard Committee which developed these guidelines (*Implementation Guidelines for Performance Auditing* (2004)). That is, the guidelines must have been well known to the top management of SNAO.

Thus, according to the theory occupational professionalism relies on the profession's own judgment in terms methods for exercising the profession. It is striking that such influence could not be observed in this section, but instead the top management's rather radical perspective has supremacy even though none of the 3AGs had a background as a performance auditor. In no way can this be seen as a discourse from within the profession, but it is a clear example of a discourse from above (organizational professionalism).

External and internal communication in the auditing process
Furthermore, a new communication policy was adopted. This meant that professionals no longer had the right to initiate contacts with Director-Generals at the agencies they were about to study. Instead, this contact would be made by one of the three Auditor-Generals, or a manager to whom this had been delegated (Bringselius 2008, p. 119). There was a rage of protests against this.

Professionals had been used to doing this themselves and explained how they felt ashamed that they this way would be treated as inferior:

> *"We are used to going out and meeting Director-Generals. We have a power position when we are out there auditing and then it becomes very strange if you all of a sudden have a policy saying that someone who does not know the audit as well should take these contacts."* (interview no 64)

In addition to this, professionals were not allowed to present their audits themselves anymore, neither to the media, nor to the SNAO board. The Auditor-Generals instead requested that Department Managers presented these to the board. One project leader explained that this had not even been possible, since the department manager did not know the audit as well as she did. When professionals in the project had explained this to an Auditor-General, he had responded by requesting the project leader to write a script for the Department Manager, who then was called to rehearse in front of the same Auditor-General the day before the board meeting (interview no 64). Only project leaders were allowed to meet the Auditor-Generals for their feedback on the quality of their report. (Bringselius 2008, p. 119).

The meeting between Auditor-Generals and professionals was often described as unpleasant, and the tone of the Auditor-Generals as arrogant, sometimes even patronizing (ibid.). When a project member asked an Auditor-General to explain further what he meant, as he had opinions concerning a report, he responded by shouting that she was not allowed to "use that tone to him", she explained. She added:

> *"There were several occasions like that with him. You have to realize that this is not my teenage daughter sitting in front of me, to whom I can say anything I want."* (interview no 64)

Traditionally, professionals themselves had presented their reports to the media, but as part of the new contact policy, the Auditor-Generals would do this themselves. Professionals objected, again without result.

As concerns the internal communication, professionals in general were no longer allowed to present and defend their reports in the quality control process. When reports should be presented to an Auditor-General for quality review, only the project leader was allowed to participate and none of the other project members, regardless who the members of a project group considered to be the best person to speak for the audit. Also in this case, there is a conspicuous control from the top.

Performance evaluation

How to assure quality

A new quality assurance process was introduced after the forming of the SNAO. This would be subjected to heavy criticism over the years to come, by professionals, and it was changed several times. Professionals were critical especially to the lengthy process, and to the fact that the quality of their work was evaluated by people with little or no experience from the profession (Bringselius 2008, p. 158, 218). When asking one of the Auditor-Generals in an interview (no 85) how it was that personnel had been discontented with the quality assurance process at the SNAO for so many years, he responded:

> *"It is because we decide. It is not our employees who decide what quality audits shall hold, it is we who take the final responsibility for these audits. If you do not want us to be part of it and decide, then of course it is a tough feature that we have different opinions about audits."*

Already as the SNAO was formed, the three Auditor-Generals explained that there would be a heavy focus on quality in the new performance audit reports. The quality of reports from the previous two agencies had varied, and the Auditor-Generals explained that they had the ambition to improve this. Professionals, on the other hand, increasingly asked themselves if their previous work had been that poor. They also questioned the Auditor-Generals ability to understand what was of high quality and what was not, since they had little or no experience from performance audit work. A professional explained (interview no 65) that she had been proud over her former Director-General, at the former NAO, and considered her very competent, but added that she was not very convinced of the intelligence of the three Auditor-Generals at the SNAO. Another professional explained (interview no 39):

> *"The Auditor-Generals announce with pomp and splendour that there shall be quality in everything, as if that is something new. […] The Auditor-Generals do not know what quality in performance audit is anyway."* (interview no 39)

The first quality control process was based on peer review. A group of 16 readers, two for each audit report, was appointed. Professionals argued that this solution had several problems, one of which was the way that the readers were chosen. A separate Quality Department had been established (se organization plan in figure 2). This department had suggested a number of readers and these had then been discussed in a meeting with all department managers within performance audit. A senior auditor (interview no 39) explained that she had not even been suggested in the first round, despite her merits. Instead, her department manager had suggested her later. One of the readers that finally were appointed, had been known to have a very rude way towards female professionals, she pointed out, and not all of the readers were recognized as highly skilled

(Bringselius 2008, p. 119). It was also argued that this routine would complicate the organization, since department managers still should bear responsibility for the quality of reports.

As part of the new quality control process, new templates were distributed to the professionals (which has already been commented above). The performance auditors responded by arguing that it was impossible to use these in the audit process, because the audit work did not look the way that the template seemed to assume. Thus both department managers and the three Auditor-Generals were asked to describe how the template was supposed to be used, but no one could explain. Hence, many professionals chose to ignore these templates and only paste text into them in the final stage of the audit process (ibid., p. 192f, 302).

The quality control process grew over time. The Quality Assurance Committee ("kvalitetssäkringsrådet", previously called "lektörsrådet") commented on texts, and in the organization implemented 2006, this became a subgroup to the PKE, the Unit for Planning and Quality ("Planerings- och kvalitetsenheten") with a position above this committee (Bringselius, 2008, p. 148f). In the organization chart in Figure 3, the PKE was one of the groups working horizontally. These are found at the bottom of the chart, within brackets ("Assignments, projects, programmes"). More control stops were included in the audit process, but this was still centered around the three Auditor-Generals, who had the final say – and they often called for extensive changes. Professionals objected to the lengthiness of the quality assurance process, and argued that they often had different advice at the different control stops, and also from the Auditor-Generals. The criticism was also sometimes considered poorly substantiated. None of the Auditor-Generals had worked much with performance audit on a concrete level, and this was being increasingly questioned by professionals, who claimed that the 3AGs did not understand audit. The definition of quality was questioned, and professionals started to argue that, due to the lack of support in this ambition to increase quality, it was rather a matter of quality *control* than quality *assurance* or *support*, the latter being more cooperative and friendly (Bringselius 2008, p. 118). Only 13 percent of respondents in the first employee attitude survey, year 2004, claimed that the quality assurance process functioned well.

The quality control process had become highly demotivating. The professionals explained how they had almost given up already from start, because they knew that there would always be very different comments on different aspects. The three Auditor-Generals led the three main reviews – the first, the middle, and the final review. As mentioned earlier, in the new organization implemented in 2006, the three Auditor-Generals had been separated from the organization in order to be able to "focus more externally". However, they were still very much involved in this review process and the three control stops. A professional at the SNAO explained that neither the Auditor-Generals, nor some of the Department Managers, had the skills required to evaluate their audit work. She hesitated as to who actually was responsible for quality assurance and continued:

"Well, it has been said that your manager is responsible for quality, but at the same time, all of us know that the Auditor-General probably will accept what the reader says and that the Auditor-General will not always consider your manager very competent. Then, things will depend. The evaluation you have will depend upon what manager you have, what reader you have, and what Auditor-General you have [they were responsible for different audit areas]. And this is what feels so unfair, so floating - that everything depends." (interview no 65)

The numerous people and units that were involved in the quality assurance process contributed to making the process lengthy.

"There is a Quality Assurance Committee since earlier, where peers review audits. This was called the Group of Readers before. There is a Unit for Planning and Quality [PKE] now and this unit will examine what is said in the Quality Assurance Committee. The assessments made in the committee will be reviewed by this unit. On top of this, there are new quality assurance steps, such as the lawyers here who also shall review the report and that language experts shall review the report. Of course, all of this aims at achieving reports of higher quality. You understand the good thought, but for those on the floor it can feel as if there are incredibly many filters that must be passed and different people who should have an opinion." (interview no 77)

In general, professionals experienced that they had very little professional recognition. This was also a clear message from the employee attitude surveys (Sifo Research & Consulting 2004 and 2005). Professionals explained how they felt as people of "a lower rank" at the agency, and that there was "a mutual lack of confidence" between professionals on the one hand and the Auditor-Generals on the other hand. At the same time, they pointed at the lack of experience from performance audit among the three Auditor-Generals, arguing that it was inappropriate that they, despite this, should be able to define the quality of their work. This supports Pollitt's (1990) observation, as he claims that the autonomy of professions in the public sector is being challenged by managers from other professions, who claim to be able to make quality assessments. Moreover, very little occupational control of the work can be identified in this account. The profession's own input in what constitutes a work well performed is an uncontested element in the occupational professionalism-context ("occupational control of the work"). This input is conspicuously absent in a discussion as central as on how to define and reach good quality in exercising the profession.

The deprofessionalization of the performance auditor

In Pollitt and Summa's study of performance audit in five countries their conclusion was that the emphasis in the Swedish case was on scientific standards of procedure and method, and in the

generation of knowledge (1999, p. 211): *"Notions of compliance are much less to the fore at this pole. Instead the task of the performance auditor is to produce explanations which can be defended in terms of their analytical rigour and methodological sophistication."*(ibid., p. 212). This described professional role for the performance auditor at the SNAO forms the background for our analysis. Hence, in our study we disclose a lucid example of deprofessionalization. The performance auditors' professional autonomy in the Swedish context is unmistakably impaired by the controlling ambitions of the 3AGs. A generous interpretation would be that this might not have been the intention of the 3AGs, as the AGs' in public appearances have expressed their pursuit of professionalism of the SNAO (e.g. keynote speech by AG Eva Lindström, April 20, 2007; Protocol from the Riksdag seminar, February 26, 2009, p. 133). However, it is clear that the kind of professionalism that was has been pursued within the SNAO is what Evetts characterizes as *organizational professionalism*. This type of professionalism has nothing to do with the traditional perspective (what Evetts labels *occupational professionalism*) which presupposes a delegation of decision making to the profession, in order to make use of the professional expertise (to benefit from the professional judgment). The strive for standardization in knowledge-intense professions entails shrinking the scope for the professionals' judgment. The advantage – from the top managements' perspective – might be a sense of greater control over processes and outputs, but the cost is the loss of the profession's sense of responsibility for work- and quality development. At the new SNAO, this lack of trust in the professionals differed very much from the situation at the two previous agencies, and it can be illustrated according to figure 5.

Figure 5   The balance between flexibility/trust and formalism/control at the SNAO (RiR above), as compared to that at the Parliamentary Auditors (PA above) and the former NAO (RRV above). From Bringselius (2008 p. 188)

As described at the outset the initial horizontal resistance between the professionals of the two merging agencies disappeared and – in the literature – a less expected vertical resistance between the professionals and the top management developed. After having scrutinized how – and with what arguments – the SNAO was constructed in terms of work conditions, the professional practice and performance evaluation within the agency, the emergence of vertical resistance comes as no surprise. The preoccupation of the top management for performance auditor professionalism was not about allowing this professional group to continue to develop internal

norms and values (in dialogue with sister organizations internationally) or about trusting the auditors' judgment and skills, but instead in reality about redefining the role of the profession. As already mentioned, this is especially conspicuous since none of the 3AGs has a background in the profession they wish to reform past recognition.

Moreover, it should here be added that the results of our study is supported by the conclusions of the parliamentary follow up of the SNAO reform (in operation 2007–2009) which we referred to initially. The follow up resulted in two reports and, among other things, the 3AGs' new audit approach was contested. In this discussion the investigation referred to more recent research which confirmed that this new approach had been implemented, and that performance audit reports from the Swedish NAO were focused to a considerably higher degree on compliance than before (Akademirapport 2008:1; cf Pollitt & Summa 1999, p. 2ff). The parliamentary investigation established that the new performance audit approach had not been requested by the Swedish Parliament and that it was not in line with the intentions of Parliament with the reform:

> *"Neither in the Parliamentary guidelines, nor in decisions on the SNAO reform (1999/2000:RS1, 2000/01:KU8) or in other preliminary studies, can any writings be found that indicate that Parliament expected another performance audit approach than that which was adopted before the reform. This must be interpreted as it being so taken for granted that operations should continue with the same approach as before, and in accordance with the professional tradition developed over several decades, that this was not even necessary to state."* (Reports from the Riksdag Administration 2008/09:URF3, p. 23)

Writings as harsh and explicit as these are rare in parliamentary investigations in Sweden. The Committee on the Constitution endorsed the investigation's conclusion and it resulted in changes in the Swedish Act on Auditing of State Activities (SFS 2002:1022), where the meaning of performance audit now is stipulated in greater detail which is illustrated in table 3. By this amendment the Swedish Parliament has now laid down that performance audit should not be narrowed down to compliance audit, but sooner follow the discourse and practice within the academic field ("the three E's": economy, efficiency and effectiveness, see e.g. Pollitt & Summa 1999, p. 194ff) and the international professional organization (INTOSAI 2004).[7]

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[7] "Förslag till lag om ändring i lagen (SFS 2002:1022) om revision av statlig verksamhet m.m." This amendment was enforced January, 2011. SFS = Swedish Code of Statutes.

Table 3   The changed wording of the focus of audit in the Auditing of State Activities Act (SFS 2002:1022) (*amendment in italics*)

Previous wording	New wording
Focus of the audit	
Section 4	
The audit referred to in Section 2 shall primarily focus on circumstances linked to the national budget and the implementation and result of State activities and duties generally, but may also relate to the work of the State generally. The audit shall promote development whereby the State, having regard to the general public interest, receives the optimum return on its resources (performance audit).	The audit referred to in Section 2 shall primarily focus on circumstances linked to the national budget and the implementation and result of State activities and duties generally, but may also relate to the work of the State generally. The audit shall promote development whereby the State, having regard to the general public interest, receives the optimum return on its resources (performance audit). *The performance audit shall primarily aim at examining economy, efficiency and effectiveness. As an element of the performance audit suggestions may be presented of alternative measures to achieve intended goals.*
The findings of the audit shall, unless it is intended only for preparatory measures, be reported in a performance audit report.	The findings of the audit shall, unless it is intended only for preparatory measures, be reported in a performance audit report.

We argue that the felt need to amend the Swedish Auditing of State Activities Act (2002:1022) is indicative, and the result, of the substantial conflict between the 3AGs (the management) and those actually executing the performance audits (the professionals) within the SNAO. As we can see, the Swedish parliament lined up with the performance auditors (the professionals) sooner than their appointed Auditor-Generals.

Conclusions

- We argue that the national audit reform in Sweden has been seriously impaired by the deprofessionalization of the performance auditors.
- The hard currency of the audit reports is its credibility. What we observe here is the *control-paradox*: The top management is striving for maximum quality (approaching an

idea of "state truths"). In doing so, less and less scope is left for the professional expertise and judgment in exercising the audit, which in turn results in poorer quality. In this case the "professional judgment" was seized by the top management who did not know the craft of performance auditing.

- Professional attributes that are often neglected are professional ethic, autonomy and responsibility. These are values that most likely are lost or weakened in a deprofessionalization process (Exwothy & Halford, 2002).
- En stark yrkeskår är därför möjligen svårstyrd och svår att påverka men har i gengäld starka yrkesideal, kan ta stort egenansvar för verksamheten och garantera god kvalitet och hög klass. Omvänt är en svag yrkeskår lätt att styra och påverka men frågan är i vilken utsträckning den kan utföra ett gott arbete. Risken är därför att ledningen (alt. reformatorerna) i sin önskan att styra, påverka och genomföra sina intentioner samtidigt försvagar yrkeskåren och försämrar verksamheten. (se Stenlås 2009 för exemplet med lärarkåren, Ställvik 2009 vad gäller domarkåren, och Maycraft kall 2010 vad gäller socialarbetarna)

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Interviews (to be completed)

No 3   Parliamentary Director
No 39
No 40   Member of the Parliamentary committee which prepared the merger
No 48
No 50
No 51
No 64
No 65
No 68
No 77
No 82
No 85   Auditor-General
No 86   Auditor-General
No 92