Conceptualizing Concepts – The case of "trust" and "control" seen from a pragmatic constructivist view

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Abstract

Purpose – This article examines concepts of trust and concepts of control particularly found within management accounting research, for itself and together. The most prominent/influential concepts, and the underlying assumptions behind them, are problematized and re-conceptualized in order to generate new research questions.

Design/methodology/approach – A theorizing methodology is used, including the analysis and problematization of the content of important concepts, which is grounded in the relevant literature. The pragmatic constructivist approach is applied to structure the findings and relate them to different dimensions of reality.

Findings – Two distinct research perspectives, hence a realistic/positivistic versus a sociological/constructivist, can be made out in the field of control and trust within management accounting. Particular researchers' use of particular constructs, and the absence of conflicting constructs within the same perspective, demonstrates that reality out there is still mainly described in two different ways. However, both ways ignore some aspects of reality and the world as it is in practice. One interesting finding describes how trust could be seen as a 'package' as well, the same way as we in the field are speaking about 'management control packages' (Malmi & Brown, 2008).

Originality/value – Several new models illustrate the re-conceptualized constructs of trust and control, for itself and together. These models must be further evaluated in order to achieve real validity and can as such, in this paper only be seen as provocative. The aim with this provocation is to generate truly new research questions and this with help of 'thinking outside the box' as this research is not supposed to be 'footnote-on-footnote research' (Alvesson and Sandberg, 2011).

Keywords - Trust, control, management control, pragmatic constructivism, concept, conceptualization and problematization.

Article type – Conceptual

1.   Introduction

The concepts of trust and the concepts of control, within and between organizations, have been important elements for quite a while in research and in practice. It is generally acknowledged, and there is mounting evidence today (e.g. in Baldvinsdottir et al. 2010; Bijlsma-Frankema and Costa, 2005; Möllering, 2005; Weibel, 2007; Sitkin & George, 2005) that both are essential components when coordinating, organizing and managing activities. Both concepts cross disciplinary, cultural, and generational boundaries and both are important, if not at the center, of relationships, whether with another individual, with a group, or an institution.

This paper focuses on trust and control within a particular research field, namely the area of accounting and, even more particular, management accounting. Within management accounting, there is a significant body of literature, representing a new paradigm, evaluating the relationship between the two concepts trust and control (Baldvinsdottir et al. 2011). 'Control', particularly from the view of economics, accounting and finance, means to regulate (financial affairs) or to examine and verify (financial accounts), whereas a more technical version of control is to use it as a device or mechanism for operating something (e.g. an organization). Management control (MC) is then, broadly defined, "everything managers do to help ensure that their organization's strategies and plans are carried out or, if conditions warrant, that they are modified" (Merchant, 1998:xi). Because control problems can lead to large losses and to organization failures, management control is seen as a critical function of management.

Many definitions and concepts of trust and control exist in research papers and in dictionaries. Above all within social science and the psychological literature, the concept and importance of trust has been acknowledged for a long time (Lewis & Weigert, 1985). Despite impressive advances during the last decades, however, there are several problems with today's assumptions about the relationship between trust and control. Bijlsma-Frankema and Costa (2005), Vélez et al. (2008) but also Stahl et al. (2004) believe that the control and trust concepts have been treated universally and a-contextual. Societal influences on the individual concepts but also the relationship in-between them have, according to them, usually been overlooked. Others point out the different views of the researchers. Blomqvist (1997) e.g. emphasizes that economists' rational and calculative view of trust contrasts strongly with philosophers' attitudinal and ethical view. Reed (2001), on the other hand, contrasts between materially-based and culturally-based theories of trust and control and he calls for more ontological and epistemological attention. This opens up for different discussions, conceptualizations and assumptions about what is important to look at and how trust and control function in the (business) world.

Numerous academics from different disciplines (Bijlsma-Frankema and Costa, 2005; Möllering, 2005 and Baldvinsdottir et al., 2011) therefore call for more theoretical but also empirical input in the area in order to facilitate a better understanding of how trust functions as a governance or control mechanism and how it relates to control. Particular attention should then be given to the diversity of contexts that may differentially influence the nature of the relation between trust and control.

In light of this, what seems even more important is to look behind the already 'taken for granted' or 'black boxed' concepts and to look at how trust and control concepts have derived and are structured, individually and in relation to each other. From a psychological point of view, this seems to be very important since concepts can be seen as "the glue that holds our mental world together" (Murphy, 2002). According to Murphy (2002), a concept is a mental representation that is used by the brain to denote a class of things in the world, things we encounter in our everyday lives. Theory can then be seen as, like Bacharach (1989, p. 496) defines it, "a statement of relations among concepts within a boundary set of assumptions and constraints". Hence, theories are not "free-floating statements" but "based on and bounded by researchers' assumptions about the subject matter in question" (Alvesson and Sandberg, 2011, p. 253). From a practical point of view, assumptions and concepts might not be a big problem since most of them in real life are part of our 'daily logic'. An

important issue to address, however, is how common concepts applied in research become researchers' daily practices and how they relate to each other.

The aim of this paper therefore is to discuss and, to some extent, re-conceptualize the multifaceted relationship between different concepts of trust and control in the research area of management accounting. In the sections that follow, I will deal with three particular issues pertinent to re-conceptualize the relationship between the concepts of trust and control:

1) How are different trust and control concepts, particularly in the field of management accounting, constructed?
2) What is the relationship between these concepts (and constructs) and in what way can these concepts be re-conceptualized?
3) How do these concepts relate to the concept of reality?

The present study is therefore supposed to contribute with at least two main issues. Firstly; it will combine a more sociological view with the relatively mainstream biased literature within management accounting and include the concept of trust in all this. Secondly; by elaborating on and problematizing different 'trust' and 'control' concepts and combinations of them, it intends to provide new models (concepts) that include a more holistic view of the reality described.

The reminder of this paper is structured as follows. It begins with a methodology section, separated into four areas. Here, the meaning of concepts is explained first before problematization as a methodology to develop new concepts and new research areas is described. This follows a description of how the pragmatic constructivist approach is applied in this study before issues regarding the selection of studies and concepts are offered. Section three continues with the presentation and examining of trust concepts before the most important of them are re-conceptualized in new models. The same structure is used in section four, it is the control and management control concept, however, and that is at center point here. A combined analysis of trust and control concepts follows in section five, which introduces with some statistics followed by a discussion on the topic of trust as a synonym for control. Re-conceptualizations conclude also this section. A more profound discussion and re-conceptualization is made in section six, here trust and control concepts are illustrated together, in relation to different realities and in relation to the four dimensions in the reality framework of constructive pragmatism. Finally, conclusions and the contributions are discussed in section seven.

2.   Methodological Issues

In this section I present a combination of three interconnected methodological assumptions I use in order to achieve the purpose of this paper. Firstly, I will apply the idea of 'concepts' (and to some extent even labels and definitions), what it means and represents but also what the problems are when we construct these artifacts. Secondly, I will use the ideas of Alvesson and Sandberg (2011), who recommend 'problematization' as a methodology in order to identify and challenge certain assumptions that underlie the existing literature. Thirdly, I will structure my findings with help of the 'pragmatic constructivist' approach (Norreklit et al., 2006 and 2010) since this concept helps to, more holistically than in most other to me known concepts, look at the nature and scope of knowledge (epistemology) and reality itself (ontology).

2.1 The meaning of concepts

First some issues about the meaning of concept. The above introduction has demonstrated that "concepts" are all over the place/world. Concepts somehow represent what exists or is thought of to exist. Within contemporary philosophy, the major ways to understand concepts is to see them as 1) mental representations - entities existing in the brain, 2) abilities - peculiar to cognitive agents, or 3) abstract objects - constituents of propositions that mediate between thought, language, and referent (Wikipedia, 2013). Concepts, but also definitions, are what researchers and practitioners work with every day, probably most of the time without knowing it. Sometimes, however, more deliberately, and this is the case when we question or problematize assumed or taken for granted concepts, which is exactly the main purpose with this study.

There exist many concepts of trust and also commonly used 'concepts of synonyms of trust' e.g. competency, credibility, confidence, faith, hope, loyalty and reliance (as outlined in e.g. Blomqvist, 1997). This is depending on various issues, fields, and contexts, but in this matter, there happen to be rather big differences depending on the (world) view applied and ontology embraced by the researchers in question, which is also this paper's main focus. Currently, the questioning and problematizing of more positivist mainstream management accounting and control theories, dating back some decades, for example, is what critical researchers (e.g. Alvesson and Sandberg, 2011 or in the overview of Cooper and Hopper, 2007) but also constructivists (e.g. as in the overview of Bisman and Highfield, 2012), like most. 'Critical research' and 'constructivists' approach the phenomenon under study with more skeptical lenses than what mainstream research has done. They also question many taken for granted assumptions, concepts, and definitions. They often call this 'opening the black-box', which is in most cases a re-conceptualization of things, hence new concepts are built or constructed, which the word 'constructivism' refers to. Thereby, they have been establishing new theoretical schools.

In their influential work 'Categories and Concepts', Smith and Medin (1984, p.115) summarized three types of concept views, namely a 'classical', 'probabilistic' and 'exemplar' one. The classical view holds that "all instances of a concept share common properties that are necessary and sufficient conditions for defining the concept" (p.115). Already here, researchers (and others) are not totally sure if there is really such a category. Natural kind concepts, e.g. a "bird", might only be a linguistic problem but concepts like "hammer" or "furniture", hence artifacts, can already provide great difficulties to agree on. The probabilistic view denies (universally) defining properties and argues for properties that are only characteristic or probable of class members, where there are better and worse or more and less characteristics. The exemplar view agrees on not to need universally defined properties and claims further that it is enough that individual exemplars have sufficient similarities to one or more of the category's known exemplars.

2.2 Problematization as a methodology to develop new concepts and new research areas

Alvesson and Sandberg (2011) propose to use 'problematization' as a methodology in order to identify and challenge certain assumptions that underlie the existing literature and to generate research questions that should lead to more influential theories. They argue that most research in management is done in order to fill the (small and often not really important) gaps in existing literature. Thereby, these researchers built on (or around) existing literature but miss the opportunity to identify and challenge the underlying assumptions (p. 249). The authors believe this is true for quantitative and qualitative research. The main problem with this approach, according to Alvesson and Sandberg (2011), is that we are going in each-others' footsteps only, or do 'footnote-on-footnote research.

'Genuine' problematization (emphasis on genuine by the authors as there are different strong types of problematization), on the other hand, is according to Alvesson and Sandberg (2011, p. 252) to challenge not only others' but also one's own theoretical position and built research questions on that. Actually, this point is connected strongly to the first and third area described in this methodology section since the problematization of 'concepts' and what they are made of, but also the use of the pragmatic constructivist framework, of which a more detailed description follows below, has two major aims. Firstly, I want to, in order to truly evaluate and understand, 'unpack' my own and others' position regarding the concepts of control and trust. Secondly, I want to open up and include several 'established' important theoretical streams of research from the field of management accounting. This will be done with the reality concept of pragmatic constructivism (more on this below).

The problematization in this article is structured after the advice of Alvesson and Sandberg (2011) overall and applies their six principles in order to identify and challenge assumptions, however, with some adjustments. The following six principles and the solutions chosen in this article, inclusive adjustments, are illustrated in Table 1:

Principles	*Solution chosen & adjustment*
1) Identify a domain of literature	A deliberate selection of trust and control literature in general and within the special field of management accounting and control in particular
2) Identify and articulate assumptions	The main word used in this text is 'concepts' rather than assumptions, however, this is a minor problem as these words could be seen as synonyms anyway. Apart from that, this advice will be followed entirely.
3) Evaluate articulated assumptions	The concepts will be identified, described, evaluated and summarized.
4) Develop alternative assumptions	The summary of the concepts will be made in a way that is new and reflects an alternative way to see the original assumptions behind the concepts.
5) Relate assumptions to audience	The major audiences are related to the specific challenged constructs, which mostly will be done with help of the pragmatic constructivist approach.
6) Evaluate alternative assumptions	Alternative constructs will be outlined in new models, mostly in order to provoke new ideas and to open up new areas of inquiry (to look at the issue in question from a new perspective).

Table 1: Alvesson and Sandberg's (2011) six principles applied in adjusted form in this methodology

2.3 The pragmatic constructivist approach

This paper uses the presumption that reality is a construct as well. Unlike much other research, however, reality is in this paper seen as an integrated construct when applied pragmatically in organizations or other social settings and when dealing with situationally relevant activities, problems, thoughts and actions. There are several motives for this. To begin with, Reed (2001) for example accuses the conventional dichotomy between "normatively-based trust and politically-based control" (p. 202) but also several other theoretical research streams' simplified assumptions. To avoid narrowness, he suggests the use of 'critical realism' in order to get a holistic picture when analyzing trust/control relations within and between complex organizations. He suggests that trust/control relations should be seen as structures of "interrelated positioned-practices, which generate, shape and constrain the development of contrasting forms of expert power" (p. 201). From this point of view, critical realism implements strongly the ideas of structuralism combined with notions of objectivism, which could be summarized as 'realistic structuralism'.

Another motive is the following, provided by Norreklit et al. (2006 and 2010), who question the validity of most research done within management accounting. They believe that, in order to address validity, one must integrate (at least) four aspects of reality, namely: facts, logic, values and communication. They have identified the following lack in contemporary management accounting (and control) research:

1) *Agency theorists and other positive researchers* have a tendency to apply a fixed logic but suppress human values, which leads to "instrumentalism without socially valid explanations".

2) *Social constructivism* mostly denies that there is a "(socio-) economic logic and individual values", which leads to the assumption that there is no "rational/logical economic calculation" at all in organizations when members choose between opportunities and control of their own futures.

3) *Mainstream management accounting research*, when combining facts and logic only, "relies on extrinsic common values and lacks communication about intrinsic values to the detriment of a valid workable control" (Norreklit et al., 2006, p. 43). Researchers then apply the universal structure of rationality that decides what is good for everybody and hence assume that managers are fully rational because rationality is supposed to lead to high performance, and rewards are linked to such particular performance drivers then. A major problem with this approach is that everybody's values in an organization are assumed the same (Norreklit et al. 2006, p. 43).

Reed's (2001) critical realism is an approach that has similarities with 'pragmatic constructivism' (as in Norreklit et al., 2006 and 2010). Pragmatic constructivism, however, applies the idea of individuals being constructors of their own reality (constructivism) where the pragmatic concern is the connection between each actor, or groups of them, and the world, which is a social context where activities have to function. In this respect, there are pragmatically true and false issues but also more or less successful actions. This is an issue that cannot be ignored when analyzing control/trust relations in real contexts. In order to address validity, the pragmatic constructivist approach, as illustrated in Figure 1, combines facts, logic (in newer versions replaced by the word 'possibilities', where logic is the mechanism to arrive at different factual, and non-factual, possibilities), values and communication. This integrated approach, together with ideas of, and above all the criticism in, the paper of Reed (2001) the underlying model used for the analysis.
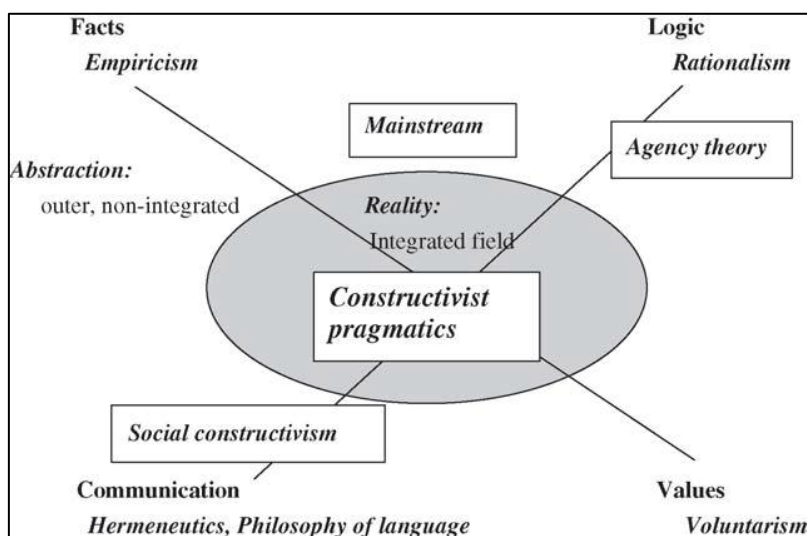

Fig. 1: Reality and the theoretical perspectives (Source: Norreklit et al., 2006)

These above proposed ways (or methodologies) to look at control and trust, and the issues of epistemology and ontology overall, have in common that they challenge or problematize some (or all) assumptions of prevalent existing theories (and concepts). They try to, critically, restructure almost taken-for-granted typologies and concepts. In Alvesson and Sandberg (2011, p. 260) this is done with help of 'a dialectical interrogation of one's own familiar position, other stances, and the literature targeted for assumption challenging'. In Norreklit et al. (2006 and 2010), and to some extent also in Reed (2001), this is done in a way that illustrates what is missing in the relation between an actor and the world in case a (researcher) describes only 'a corner' of reality but not a valid picture of reality itself.

2.4 Some issues regarding the selection of studies and concepts

Before I, in the next section, continue with the drawing and, above all, problematization of trust and control concepts, some issues regarding the selection of studies and concepts included in this study must be made, and some cautionary notes are needed. Firstly, because theorizing and conceptualizing about trust as well as control has been extensive, and often different across disciplines, the below review will be selective, focusing only on empirical evidence that is most relevant to issues as in the research questions stated. Thus, not all trust categories are used to the same extent (e.g. trust in teams, groups, etc.) and not all control types are discussed equally in-depth.

Secondly, the selection of papers to include started in the overview of Baldvinsdottir et al. (2011), where 82 papers, then having a primary focus on trust and control and this within the area of management accounting, are categorized. Since the aim of this study is not to provide all views and all concepts applied in the particular area, the by the authors mentioned main categories have been chosen and some essential work has been included here in order to illustrate the phenomenon in question. By essential, I defined this simply with help of citation-index data in order to check if the article in question has been an often-quoted one or not. However, no other measures have been applied to secure validity or reliability, since no such claims are made in this study. The same procedure has been applied regarding the selection of trust articles and control articles that do not combine the area. When it comes to frameworks of important text-books included here, my own experience as practitioner, student, teacher and researcher in the field of management accounting was the only guidance.

Thirdly, it is important to note that the cited authors did not, in all cases, explicitly specify their own assumptions about the dimensionality of trust or control, or both together. Hence, there are possible differences between the concepts as described by the original authors and how they are interpreted by the author of this paper (which of course might almost always be the case in social science).

Finally, the trust and control concepts are multifaceted themselves and in their relationship. To make semantic distinctions about various indicators and types of them is therefore a very delicate task, which I ask the reader to bear with me as I try to re-conceptualize the complex and entwined literature.

3.   The 'trust' concepts

3.1 Trust definitions and 'concepts'

Trust is a social construct or an element of social reality (Searle, 1995). One, of about 126 (Fink et al., 2010), definition of trust that is accepted by many scholars, and useful to at least introduce this section, is the following: trust is "a psychological state that presupposes (1) the intention to accept vulnerability and (2) positive expectations on characteristic similarities, positive exchange relations or institutional arrangements that evoke trustworthy behaviours" (Bijlsma-Frankema and Costa, 2005, p. 267). Trust as such is not seen as a behavior (e.g. to cooperate) or a choice (e.g. taking a risk or not) but "an underlying psychological condition that can cause or result from such actions" (Rousseau et al., 1998, p. 395).

This view is called the psychological tradition of trust which contrasts with the behavioral view (Lewicki et al., 2006). The psychological stream focuses on cognitive and affective intrapersonal states behind behavior, namely expectations, intentions, affect, and dispositions (Rousseau et al., 1998). The behavioral view, on the other hand, believes trust to be grounded in observable choices made by an actor in an interpersonal context, hence, a rational-choice behavior. This is the early view of Deutsch (1958, p.266), a view that apparently persisted during 30 years (Lewicki et al., 2006, p. 993). Particularly interesting in this matter is that Oliver E. Williamson, the father behind the in finance, economics but also management accounting very influential 'transaction cost approach', has had a great influence on the diffusion of this rational-choice behavioral approach (e.g. in Williamson 1981, 1985 and 1993). The primary element here is that rational expectations are what is behind trust, where the referent can be events produced by persons or by impersonal agents (Lewicki et al., 2006). 'Game-theory' and 'prisoner's dilemma' situations are then often simulated in laboratory conditions (observable?) and cooperative behavior is accepted as a manifestation of trust. Further, the trustor (often the decision maker) the must decide how much to cooperate with the trustee (the receiver of the trust), a decision that is assumed to be taken fully rational (Lewicki et al., 2006).

Particularly in economics, the transaction cost approach has dominated much research, and the trust concept has then been applied to reduce the cost of transactions between parties; hence trust has become a form of social capital. Within economic modeling, the measuring and quantifying (often in monetary terms) of trust has then been central and correlations between profit margin increases or decreases in transactional costs have been constructs used to indicate the economic value of trust (Bachmann and Zaheer, 2006). Trust in these frameworks assumes sanctions because from a rational point of view, trust is there because if not, sanctions would occur (e.g. law system on an institutional level and sectoral regulations and reputation on a more lower level).

These ideas, together with the advances of psychological models of trust led, during the 1990s, to several new concepts of trust. Three with major influence in research regarding inter-personal trust were Shapiro et al.'s (1992), Lewicki and Bunker's (1996) and Rousseau et al.'s (1998) model, as illustrated in the three Figures included in the overview of Lewicki et al. (2006).

In interpersonal relations, trust is often seen as something that develops over time and most research points towards two or three different steps or stages that can be reached. Rousseau et al. (1998) for example elaborated on calculative trust and relational trust, where the first existed fully (100%) early in a relationship in order to later decrease to zero percent, when relational trust replaces the calculative trust gradually. In Lewicki & Bunker's (1995) framework, all starts with the development of 'calculus-based trust' when only some relationships exist. Later, when there is calculus based trust, this changes to develop 'knowledge based trust, with many relationships. The final stage is the development of 'identification-based trust', then complementing the first two but not replacing them.

Before I will go into the more precise constructs/definitions of the frameworks illustrated in Figure 1, however, I will add some further important work and analyze it all together. Zucker (1986) is another influential trust researcher, looking particularly at trust as something that develops, when she discusses 3 central modes of trust production, each with associated measures, namely: (1) *process-based trust*, then tied to past or expected exchange; (2) *characteristic-based trust*, then tied to persons and based on social characteristics; and (3) *institutional-based*, tied to formal societal structures and based on individual or firm-specific attributes or on intermediary mechanisms. The author describes the ascendancy of institutional trust-producing structures critical during the early period of industrial formation in the US: spread of rational bureaucratic organizations, professional credentialing, the service economy, and regulation and legislation, which has helped create the third trust category.
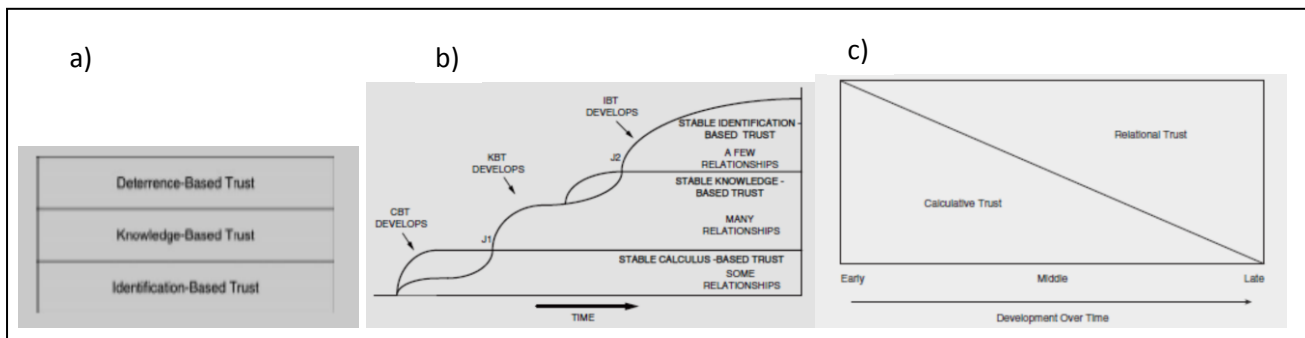

Fig. 1: The models of a) Shapiro et al. (1992), b) Lewicki and Bunker (1995) and c) Rousseau et al. (1998)

In this context, it is important to note that in some parts of the literature institutional based trust denotes trust *in* institutions (where institutions, like for example the law, are the object of trust) but more often, the concept of institutional-based trust refers to the phenomenon that individuals or collective actors develop trust *in the face of* specific institutional arrangements in the business environment. Trust *in* institutions is sometimes also referred to as *societal trust* and is, according to Child and Möllering (2003), often a vital precondition of trust developed between firms and/or managers.

Luhmann (1979 and 1988), also a respected authority in the field of trust, sees *system trust* or *institutional trust* (e.g. a major social agent in society such as legally qualified doctors) as a substitute for the need to trust at the interpersonal level. The system is then supposed to operate in a predictable way (bureaucratic sanctions and legal systems are simply expected to function. Trust is then placed into that function rather than in the people (Luhmann, 1988 and also Lewis and Weigert, 1985).

Particularly when it comes to organizations and trust, researchers have distinguished between *organizational trust* and *personal trust*. Organizational trust is then seen as trust in an organization's 'personality' or 'identity', its 'culture' or 'structures', and it is sometimes referred to as *routine trust* but also *generalized trust* or *general trust* (as summarized in Blomqvist, 1997). According to the same overview, a separation in *vertical trust* (trust between subordinates and superiors) and *lateral trust* (trust between work colleagues) has been made in organizations as well, and connected to this framework, different scales have been applied (e.g. weak, semi-strong and strong-form of trust).

3.2 An overview of some important 'trust concepts'

The above discussion has outlined a number of different trust concepts, some of which seem to be similar, others differ indeed. In order to structure them more properly for the particular purpose of

this paper, I provide here a summary of the most important differences and similarities, categorized in 10 groups.

1) **Deterrence-based trust:** Based on the threats of punishment if consistent behavior is not upholding (Rousseau et al., 1998). This punishment can in economic terms be seen as a potential cost (Shapiro et al., 1992). According to Bijlsma-Frankema and Costa (2005, p. 268), however, trust is, unlike control, not based on the explicit threat of enforcement of an agreement.

2) **Calculus-based trust:** Is based on rational choice and 'the calculation of outcome' where willingness to trust is limited to specific financial exchange and where trust is present because the alternative is more costly (Lewicki and Bunker, 1996) or Nooteboom (2002). This is also based on rational choice and interactions based on economic exchange, according to Rousseau et al. (1998) then deriving from the existence of deterrence but also because there is credible information regarding the intentions or competence of another.

3) **Knowledge based trust:** Is based on knowledge about the other (in interpersonal settings such as in Shapiro et al. (1992), Lewicki & Bunker (1996), and Nooteboom (2002) that makes things become predictable. Knowledge based trust can be applied to things as well as people.

4) **Character-based trust:** Relies on features such as ethnicity, age and gender (in interpersonal settings such as recorded for in Rousseau et al. (1998) or Zucker (1986) but this category can be applied to features of non-human, such as e.g. information systems, control mechanisms, accounting techniques, as well. Preferences for certain features, in humans and non-humans (systems/institutions), appear to have a strong impact on the level of trust we apply.

5) **Person-based trust:** Is based on a particular person's (or groups) characteristics, as in group 3 and 4 above and then simply distinct from group 6 (institutional/system/societal) that follows.

6) **Institutional/system/societal-based trust:** Is founded on legal, political, and social systems that support the monitoring and sanctioning of social behavior. Institutional-based trust can facilitate in establishing both calculus-based and relational trust. In organizational settings, "*formal mechanisms are used to provide* trust that does not rest on personal characteristics or past history of exchange" (Rousseau et al., 1998, p. 61). Emotional content is largely absent in system trust (Luhmann, 1979) or based on a presentational basis only (Lewis and Weigert, 1985).

7) **Relational/process based trust:** Is the result of repeated interactions over time, or past and future exchanges, where reliability and dependability give rise to positive expectations of the other, and emotions enter into the relationship (Rousseau et al., 1998). The longer people work together, the better they know each other and the more they trust each other.

8) **Identification-based trust:** Is based on the full internalization of the other's preferences, then making decisions in each other's interest (Shapiro et al., 1992) or if you identify with the other's desires and intentions, and you have a mutual understanding so that you can act for each other (Lewicki & Bunker, 1996).

9) **Vertical versus lateral trust:** Illustrates a separation in trust between subordinates and superiors *(vertical trust)* and trust between work colleagues *(lateral trust)*.

10) **Strength of trust:** e.g. *weak, semi-strong and strong-form of trust*, but also from *strongly distrust* to *strongly trust*

3.3 Trust concepts 're-conceptualized'

These ten trust concepts (in fact, I have not included the strength dimension due to illustration difficulties) can be re-conceptualized in a new model, which is done in Figure 2, that illustrates, on two axis, a horizontal scale from **system-based trust** (incl. *institutional* or *societal based trust*), hence group 6 in the overview above, to **people trust**, which is group 5 above. On the other hand, vertically I have separated between '**emotional trust**' and '**rational trust**' on two ends. However, I have illustrated two cross-dimensional illustrations for the same issues but behind each other, or almost three-dimensional. The reason for this is that there are two schools of thought, a school that sees trust as a behavior, hence the so called behavioral tradition of trust, and a more recent school that sees trust from a more psychological perspective (Lewicki et al., 2006). Clearly, the behavioral and more rational school on trust appears to have stronger focus on system-rational issues compared with the psychological school and the particular sub-groups of trust concepts are therefore drawn closer to these two dimensions.

Figure 2 illustrates the following: *deterrence-based* and *calculus-based trust* concepts are obviously situated closest to the dimension '*rational trust*' and *system-trust* as they both include

rational choice thinking respectively the calculation of outcomes as in 'transaction economics'. Therefore, they also belong strongest to the solid line that illustrates the behavioral school of trust. Both concepts believe trust to function in terms of certain systems or rules that are applied (societal rules, laws or game behavior), which means that they exclude *people* or *personal trust*, and, in principle at least, are free from emotions.
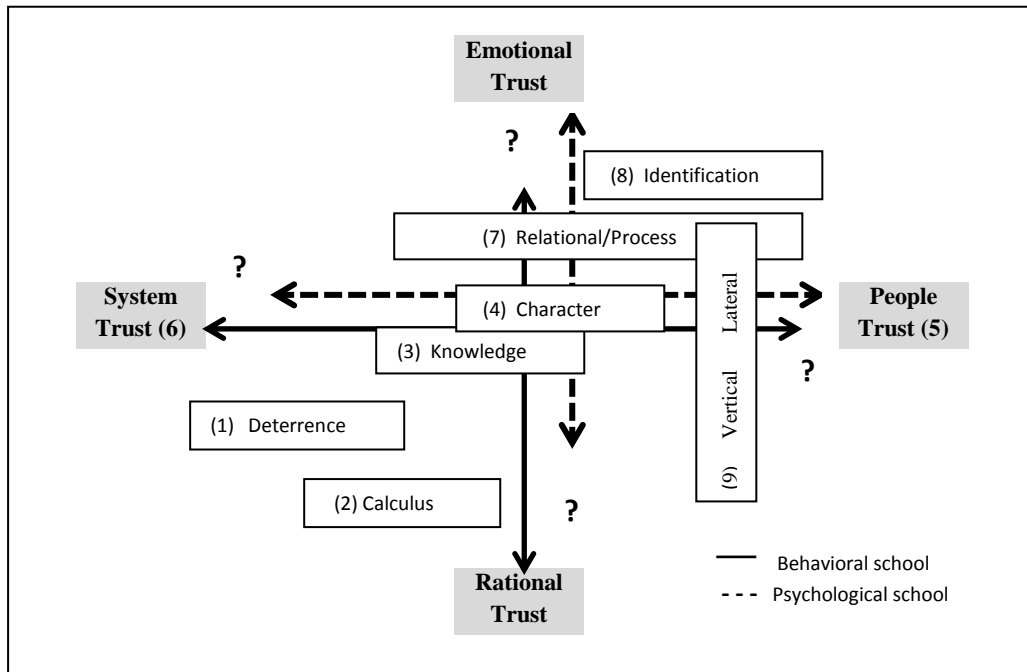

Fig. 2: Different trust concepts re-conceptualized

Moreover, *knowledge* and *character-based trust* are situated more or less in the middle of the crossing illustrating the four trust dimensions. The reason for this is that both concepts can include characteristics of systems/institutions/society but also of people and groups of people. In addition, *knowledge* and *characteristic-based trust* concepts can include emotional and rational elements, mainly depending on the context. These concepts are also very common in both schools, hence the psychological and the behavioral school. *Relational* and *process-based trust*, on the other hand, share the first mentioned characteristics with group 3 and 4 trust concepts (*knowledge* and *characteristics-based trust*), however, they are put much closer to *emotional trust* as this category requires more interaction over time, which normally gives rise to stronger emotional attachment to actors, but also, and this probably in a less emotional way, to system/institutional/societal characteristics. Both *vertical* and *lateral trust* are close to *people trust* because this involves actors and not primarily systems. However, v*ertical trust* is placed closer to *rational trust* than *lateral trust* because of the rational idea of managers and employees being on different hierarchical levels.

Finally, *identification-based trust* is situated in the middle between *emotional trust* and *people trust* because here it is about actors getting to know each other, getting to know each other's preferences, and also making decisions in each other's interest. Actors then identify with each other's desires and intentions. They therefore share a mutual understanding, which is a strongly emotional act, which are the findings of the psychological scholars particularly.

In Figure 2, interruptions of the line and question marks (?) illustrate that there most likely is no concept that includes this dimension of trust in the particular school of thoughts. It is thinkable that this indicates a possible research gap; more research could be done in these matters to find out where and how they actually could benefit from each other. Here, rational and instrumental researcher

could put stronger emphasis on more types of trust than only the rational ones and they could stronger try to understand that trust is not a construct that can be operationalized completely rational. More problematization is needed rather than assuming clear forward typologies of extremely complex constructs such as trust. And behavioral and process-oriented research streams would profit from taking into account some of the inherent dilemmas of cooperation settings, such as socio-ecological factors, factual interest conflicts, power asymmetries, competition, and reliance to abstract systems.

4. The 'control' concepts

4.1 Control and 'management control' concepts

The word 'control' can, according to the Oxford dictionary, be used as a noun (e.g. as represented in 'the power to influence or direct people's behaviour or the course of events') or as a verb (e.g. as represented in 'determine the behaviour or supervise the running of'). When searching for definitions of control on the Wide, Wide Web (WWW), however, most hits are within the area of management control or simply connected to the management of organizations, which indicates that control is a word, or construct, that is applied mostly to situations with management involved. The explanation can be that already in 1916, Henry Fayol, formulated one of the first definitions of control as it pertains to management and is used still today in many cases (1949, p. 108):

> *"Control of an undertaking consists of seeing that everything is being carried out in accordance with the plan which has been adopted, the orders which have been given, and the principles which have been laid down. Its object is to point out mistakes in order that they may be rectified and prevented from recurring".*

It is also within the area of management accounting and management control where one today can find numerous frameworks, typologies and other concepts that apply control in about the same way as Fayol intended, and that have had a great impact on researchers and practitioners around the world. Bestselling management books and readings for university students might have determined much of the socio-economic logic of at least one or two generations since around the late 1980s. Five such frameworks are William Ouchi's (1979) prominent framework on control from the late 1970s, Baliga and Jaeger's (1984) construct that built on Ouchi (1979) and Mintzberg (1979) and Robert Simons (1995) well known "Levers of Control" some 15 years later (he started with the book about ten years earlier). Two newer approaches then are Kenneth Merchants & Wim van der Stede's three different editions (2003, 2007 and 2012) of their famous "Management Control Systems" and finally the rather young but much cited "Management Control Package" from Malmi and Brown (2008). All together, these five control frameworks span more than four decades and represent perhaps half of the logic applied by today's management accountants worldwide.

Already more 40 years ago, Ouchi (1979) differentiated between output control, behavior control and social control, where:

- *Output control* means to focus on the measurement of the output of a manager or employee.
- *Behavior control* is a way to influence the behavior of a manager or employee.
- *Social control* is about the selection and training of highly motivated people who will perform their tasks without being forced to use expensive behavior or output control.

Baliga and Jaeger (1984) also used Ouchi's framework and included ideas from Mintzberg (1979), which they further developed to an own typology that combines two types and two objects of control. Thus, four different combinations are possible:

1) *Pure bureaucratic/formalized control* with: a) controlling output with formal performance reports or b) controlling behavior with company manuals
2) *Pure cultural control* with: a) controlling output with shared norms of performance or b) controlling behavior with a shared philosophy of management

About ten years later, Simons (1995) intent was to broaden the older definition of control and to establish a critical bridge between the disciplines of strategy, accounting and control, which he did by adding 3 new control systems to the already known and more traditional 'diagnostic control systems'. These four together are supposed to allow strategic change in the following way:

- *Diagnostic control systems* are used to monitor and optimize targets and outcomes (normally include the traditional tools such as: budgets, performance management and measurement, business plans, valuation standards, incentive systems and compensation systems).
- *Belief systems* should communicate core values and provide inspiration and direction.
- *Boundary systems* ought to frame the strategic domain and define the limits of freedom.
- *Interactive control systems* should provide flexibility in adapting to competitive environments and encourage organizational learning.

Merchant and Van der Stede (2012) on the other hand separate management control from strategic control and define management control as dealing with employee's behavior. From their perspective, these controls are necessary to "guard against the possibilities that people will do something the organization does not want them to do or fail to do something they should do…If all employees could always be relied on to do what is best for the organization, there would be no need for MCS" (p.8). The wording 'relied on' clearly indicates the underlying principle, namely that control is a substitute for 'trust' or the lack thereof. Thus, control is needed because trust is not enough to manage an organization. Merchant and Van der Stede (2012) divide their control framework into more or less four subcategories, namely 'results control', 'action control', 'people control' and 'cultural control'. In short, they include:

- *Results controls* (by far the most important control category in the book) influence the behavior of employees by using information from key measures for outcomes of their work (results) and by making sure that rewards are given to the most talented and hardest working employees. This approach is effective only when the desired result areas can be controlled (to a considerable extent) by the employee(s) whose actions are being influenced and where the controllable result areas can be measured effectively.

- *Action controls* describe the actions to be taken by the employees, which should ensure that employees perform (do not perform) certain actions known to be beneficial (harmful) to the organization. They are feasible only when managers know what actions are (un)desirable and have the ability to ensure that the (un)desirable actions (do not) occur.

- *Personnel controls* build on the employees' natural tendencies to control and/or motivate themselves, which particularly includes selection and training of employees.

- *Cultural controls* are designed to encourage mutual monitoring, which is a form of group pressure on individuals who deviate from group norms and values.

Finally, the last framework presented here is the one of Malmi & Brown (2008), who sees management control systems as a package (Figure 3). The authors of this package highlight the lack of research, theoretical and empirical, on the concept of management control systems (MCS). Their new typology is structured around five groups: planning, cybernetic, reward & compensation, administrative and cultural controls. The major intention is to include only those controls that "managers use to direct employee behavior" (p.287). This is a delicate use of words, as 'direct' and 'control' can be synonyms, but normally they are experienced as different strong, direct then less value loaded.

The 'package' idea is supposed to illustrate that organizations may apply numerous controls and control systems simultaneously to some extent in order to: "align individual's activities with organizational goals" (p.287), which has been a common theme since Otley, 1980) and Simons (1995). Malmi & Brown (2008) distinctively separate decision-support systems and MCS. They see control to be "about managers ensuring that the behavior of employees … is consistent with the organization's objectives and strategy" (p. 295). In short, the package it is about the tools, systems and practices managers need to control or direct employees behavior, thus behavior control.

Malmi & Brown's (2008) package model is just as its name indicates: a package with many things in it. Cultural controls are, e.g. in the package presented in the top to "indicate that they are broad, yet subtle controls" (p. 295), and "organizational structure" is included in administrative controls, although many other researchers see this variable simply as a contingent variable. The reason for this is, according to the authors, that the typology cannot be too narrow since "there is a risk that some controls may go unnoticed and existing links to other controls may obscure the research findings" (p. 295). At the same time, they have chosen to exclude "pure decision-support systems" and the reason for this is that "a typology needs to be parsimonious enough to create boundaries for an empirical inquiry" (p. 295). This specifies the need to always be aware of what to include and what not in a certain concept.

Cultural Controls				
Clans		Values		Symbols
Planning		Cybernetic Controls			Reward and Compensation
Long range planning	Action planning	Budgets	Financial Measurement Systems	Non Financial Measurement Systems	Hybrid Measurement Systems	
Administrative Controls				
Governance Structure		Organisation Structure		Policies and Procedures

Fig: 3: The Management Control Package of Malmi & Brown (2008)

4.2 A paradigm change for the 'control' concept

Numerous organizational researchers have witnessed a paradigm change from bureaucratic organizations to become post-bureaucratic during the last decades, and this has been explained and illustrated in terms of different ways regarding control. Barley and Kunda (1992), for example, reported on alternating shifts between ideologies of normative and rational control in American organizations from the 1870s until 1992. Here, the last normative paradigm, called organizational culture by the authors, started in the 1980s, then including control that relies on socialization, enculturation, and identification, which all are processes of subjectification. This period followed after a rational control period and a managerial ideology that had started in the mid-1950s, where system rationalizations where put at focus in American organizations overall.

Styre (2008), on the other hand, describes the difference between bureaucratic and post-bureaucratic forms of control the following way:

> *"Seen in this perspective, rational and technocratic forms of control, embedded in writing and thus derived from the symbolic register, constitute the predominant underlying mechanism of forms of management control in bureaucracies. Normative and socioideological control, dependent on ensembles of images separated from inscription and writing procedures and thus derived from the imaginary register, is the predominant form of control in postbureaucratic organizations."* (Styre, 2008, p. 651)

Styre (2008) observed a trend from written documents, scripts, and protocols to an increased emphasis on identity, culture, ideology and other unobtrusive (Perrow, 1986) forms of control. Other opposing terms Styre (2008) uses in order to describe the evolution that has been going on during the last decades is that control has changed from a symbolic to an imaginary way of expressing it, or also from the register of language to the register of images. The main reason for this, he believes, is a change in contexts where rather stable and fixed situations nowadays require more flexibility and adaptability due to changes in environment. Thus, rather predictable and determined work practices have turned into more ad-hoc solutions where creativity is needed, which also provide interesting and challenging work assignments for employees, as Styre (2008) summarizes.

Alvesson and Kärreman (2004, p. 152) have in a somewhat similar but still slightly different framework to the one of Styre (2008) separated control into two types, where technocratic control includes the "attempts to directly control worker behavior", socio-ideological control on the other hand are the "attempts to control worker beliefs". But the authors also find that bureaucratic-technocratic control systems were non-obvious sources of socio-ideological control, because in certain situations (at Global, the consulting company investigated by the authors), a strong socio-ideological control function was visible in form of the 'meritocratic ideology', where performance anxiety and a strong emphasis on career and elitism was the norm rather than the exception, and where titles and promotion speed apparently were valued strongly (p. 437). Thus, also this study concluded that there is a trend from technocratic control towards more normative control in general.

Bureaucracy Older management control types	**Post-bureaucracy** Newer management control types
Rational control System rationalizations Formulized control	Normative control Meritocratic ideology Organizational culture Cultural control Identification & subjectification
Technocratic Attempts to directly control workers behavior	Socio-ideological Attempts to control workers beliefs
Written (text, scripts, protocols)	Depending on images
Symbolic register	Imaginary register
Predictable & determined practices	Ad-hoc solutions need creativity

Table 2: Control types included within 'Bureaucracy' versus 'Post-bureaucracy'

4.3 Control concepts 're-packaged'

The above illustration of some important work from almost 40 years of research in the field of management control demonstrates several things. First of all, it is rather obvious that much of this rather revolutionizing conceptualizing that has been done actually is 'old wine in new bottles'. Certainly, the group studied and the analysis done above is not profound enough to scientifically

state that existing concepts have been, with some changes of course, offered as though it were new ones. The 'ocular' examining, however, indicates that, linguistically and content wise, similar 'mental representations' have been made in all typologies mentioned above. Clearly, properties have, in some cases at least, been defined in different ways but the final structuring in certain frameworks or concepts has often generated very similar outcomes. Thus, there are more similarities between the typologies than dissimilarities, which clearly make them all together look as there is a strong agreement among researchers on what control means in the field of management control, and in what kind of control types and control objects it can be operationalized. Figure 4 is an attempt to re-package the above presented management control concepts in a new and enlarged 'concept'. More in-depth analysis is needed though to, with a stronger certainty, show all directions and positions.
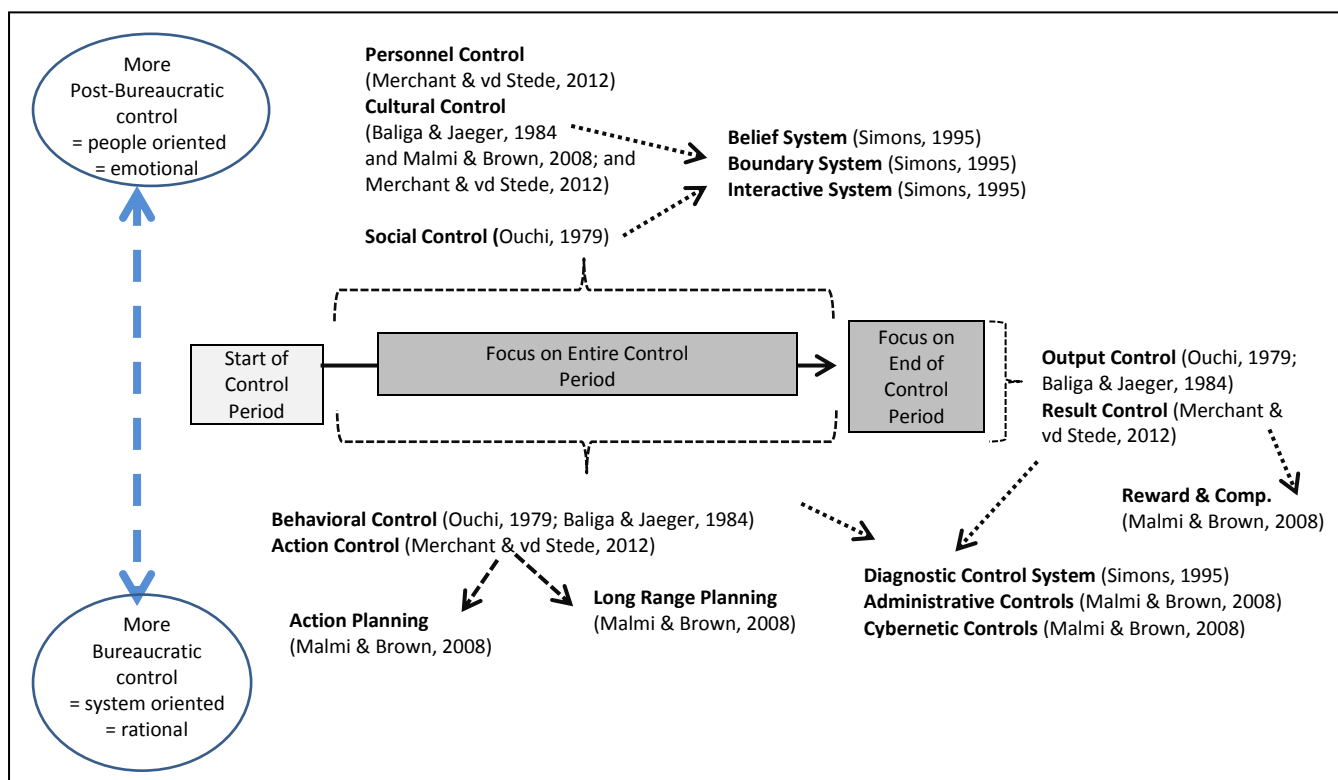

Fig. 4: An overview of the key constructs of almost 40 years management control research

The figure shows, on a vertical line, two distinct ends, namely one directing towards more post-bureaucratic control (more people oriented and therefore based stronger on emotions) and the other towards more bureaucratic control (stronger system oriented and rational). On the other hand, on a horizontal line, control types do focus on either the entire control period or the end of the control period. The arrows in-between the different concepts, inclusive their constructers, is supposed to illustrate where things came from and in which new (or re-modeled) concepts this resulted. Simons (1994) typology clearly stands out form the rest as he used a somewhat different concept, including stronger links to the strategic dimension of organizations. Figure 4 makes it quite clear: one can only hope that the old wine was a good wine as not very much has changed during the decades.

5.   The relationship between the trust and control concepts

5.1 Some statistics on the trust and control relationship within management accounting

According to the overview of Baldvinsdottir et al. (2011), the largest and latest in its kind, during 1995 to 2009, the journal Accounting, Organization and Society (AOS) has, with 42 publications, been the journal with by far most studies published on the issue of trust and accounting. During the same time period, Accounting, Auditing & Accountability Journal (AAAJ) and Critical Perspectives on Accounting (CPA) and Management Accounting Review (MAR) were second best, however, with only about half as many publications in each journal. The major reason for this is, according to the authors of the study, that AOS is the only journal that has provided a serious forum for this topic already during the early phase of the specific time period. Thus, trust is a rather new research topic within accounting.

Baldvinsdottir et al.'s (2011) overview further outlined that about 45 % of all studied research that described trust in the field of accounting (in total they examined 196 papers in important accounting journals) applied a sociological theory and somewhat less (about 35 %) an economic theory (in the others it was unclear what theoretical perspective they applied, or they changed perspectives in the study). Interesting is that only about 17 % of all examined studies within accounting apply en explicit definition of trust, where the most popular of them is the one given by Tomkins (2001), who has been referenced in 18 of the papers examined. Tomkins (2001) defines trust as the:

> *"...adoption of a belief by one party in a relationship that the other party will not act against his or her interests, where this belief is held without undue doubt or suspicion and in the absence of detailed information about the actions of that other party."*

About 75 % of all examined studies did not provide explicit definitions of the word 'trust', the reason for this absence is not discussed further in the article of Baldvinsdottir et al. (2011). It is clear to the authors though that Tomkins (2001) constitutes the starting point for a new research paradigm within accounting. At the same time, however, the large majority of studies that did not have an explicit definition indicate that the 'concept' of trust is not really paradigmatic. We lack a common understanding of what 'trust' is, hence, we are somewhere in-between the 'probabilistic' or the 'exemplar' construct level, if speaking in terms of Smith and Medin (1984).

5.2 Trust as a substitute for control

The major reason, from a rational point of view, why the trust-control relationship has attracted more attention from academics and practitioners in recent years is that monitoring and formal control has become less effective in governing relationships, and trust is then providing an alternative Bijlsma-Frankema and Costa (2005). In a literature review, the authors specify the following reasons for this trend:

- The ever increasing speed of change during the last decades requires increased flexibility
- More lateral and virtual relationships (e.g. networks, alliances) in many cases replace the more hierarchical structures
- Globalization increases the need for cross-functionality, often performed in cross-national or cross-cultural teams
- The growing importance of intangible resources has only intensified the call for trustful relations since control-based forms of governance often approve to be ineffective

- Increased tacit knowledge in order to gain competitive advantage only strengthens the need for more trust based governance. Tacit knowledge, the authors believe, "is a highly mobile resource that moves with the individuals that hold it", which apparently is particularly difficult to manage with formal control based methods in "knowledge- intensive industries where product life-cycles are short and each generation of products is expensive to develop" (p. 266)
- Increased flexibility of the work relations (temporary contracts, etc.) make the situation less easy to monitor
- Increasing problems when enforcing contracts, due to e.g. different law systems in different countries (in cases where the institutional system in form of laws would help to solve problems, problem solving often takes too long time, at least in high-tech partnerships)

The above points have, according to Bijlsma-Frankema and Costa (2005), in common that a specification of everything would, in such unpredictable and difficult to measure situations, raise "transaction costs to an unsound level and could slow down projects to such an extent that accurate appropriation of opportunities becomes impossible" (p. 266). This, of course, is a view best described as 'calculus-based trust', which is founded on the idea of rational choice and 'the calculation of outcome' (see Lewicki and Bunker, 1996 or Rousseau et al. 1998).

Increased complexity and distance in organizations due to delocalization and globalization of markets but also across specialist fields of knowledge within complex and dynamic industries lead to a large cognitive distance that is difficult to really monitor, according to Bijlsma-Frankema and Costa (2005), where trust can bring about a bridge and enable alternative modes of governance.

The mentioned change from bureaucracy to post-bureaucracy in Styre (2008) and the reasons for trust to increase in importance at the expense of control revealed in Bijlsma-Frankema and Costa (2005) support each other and a shift in ideologies or a change in paradigm has truly been observable during the last decades. Obviously, this general observation could easily be refuted if you look at individual cases, or specific geographical areas, but also at some typical industries, where yesterday's working conditions even today are current.

5.3 Some concepts of trust and control together

The trust and the control concepts refer to highly complex forms of social relations and processes which are necessary for the generation and maintenance of collective action (Giddens, 1990). Both have traditionally been treated as institutional systems (similar, dissimilar, alternative, etc.) in order to absorb socially-defined risk and uncertainty (Zucker, 1986). Since concepts are difficult to measure, assess, and built, researchers have normally been forced to break down the concepts and operationalize parts of them first.

When assessing the relationship between structure and agency, however, different theoretical lenses have been applied by researchers. Somewhat simplified, three different research categories can be found, namely the two extremes determinism and its counterpoint voluntarisms, and everything in-between. Determinism has it that an actor is completely determined by social structures in his or her behavior as a free will is an illusion. Our expectations of other actors' behavior is then structurally influenced (their actions as well). The opposite, voluntarism, has it that an actor is exercising agency in the sense of free will, that our expectations of other actors' behavior is intentionally, and their actions as well.

The middle way, called embedded agency, is when action and structure have to be understood as duality rather than a dualism (Zucker, 1986). Actors therefore take inseparable influence of structure and agency into account. For Möllering (2005), a respected researcher in the field of trust, the distinction between trust and control has to do with agency respectively structure, namely (pp. 287-288):

"When an actor rests positive expectations on structural influences on the embedded other, we speak of control", on the other hand, "when an actor rests positive expectations on an assumption of benevolent agency on the part of the other, we speak of trust."

Vosselman and Meer-Kooistra (2009) have in their research on trust and control seen a clear difference between rationalist and constructivist studies. In their summary of inter-organizational accounting literature, they find that:

"in a rationalist approach, control and trust are both instrumental in absorbing uncertainty and behavioural risks" … *"in a constructivist approach, control and trust are viewed as active forces in a relationship or network, where they help to mediate, shape and construct that very relationship or network" (p. 268).*

Vosselman and Meer-Kooistra (2009) also summarize several studies' main assumptions and findings about trust. The most significant finding, seen from the outside, probably is that rationalist studies try to figure out what mechanism (trust or control) to use and when. A large majority of studies mentioned here draw upon the substitution or the complementary perspective, the assumption of dualism of trust and control is the exception. Whereas Möllering (2005) believes in an 'optimal' combination of trust and control in certain space and time, Vosselman and Meer-Kooistra (2009) consider the process of interaction to be at center stage.

In the accounting and control literature, this separation has been applied by several researchers in order to evaluate the trust and control relationship. Das and Teng (2001) but also Inkpen and Curral (2004) found in their study that only informal control can built trust, referring to the taxonomy of Merchant and van der Stede (2003), thus excluding action and results control to enable such possibilities. Vélez et al. (2008), on the other hand, found that action and results control can also build trust since they provide evidence with a greater appearance of objectivity. In an inter-organizational setting, trust is then created by using management control systems together to coordinate new and complex tasks. Also Bijlsma-Frankema and Costa (2005, p. 268) believe that social control requires less codification and allows for more abstraction and ambiguity than formal control. Therefore, social control mechanisms are better suited to "sustain exploration of tacit knowledge and knowledge-based value creation, whereas formal control modes of governance are more adequate to sustain exploitation of knowledge" (Bijlsma-Frankema and Costa, 2005, p. 268).

Trust and management control systems can both be sources of confidence that a partner will cooperate, confidence then, according to Das and Teng (1998, being defined as a firm's perceived level of certainty that its partner firm(s) will pursue mutually compatible interests in the inter-organizational relationship. This conclusion could, however, most likely be applied to individuals or groups as well, not only between firms. It therefore seems to be assured that a trustor always is a human being, either in form of a single individual or in form of a group of individuals. The object that is trusted in different degrees, here called the trustee, however, may be things as well as human beings and their systems, thus including more or less all structural things.

From a neo-functionalistic or system view, focus has been put on the integrative and stabilizing role of trust and control relations (Reed, 2001). A positivistic epistemology has then been common (Donaldson, 1985), as such putting the regulative role of trust and control relations at center stage, embedded in power relations. From this view, organizing is seen as a culture-free, a-historical, universalistic task (Reed, 2001). Control, as defined and interpreted predominantly during the bureaucratic period, is then seen as a value-neutral mechanism, exactly the way Tannenbaum (1968) saw it already during the 1960s, and the way Max Weber (1999, p.100) described his ideal type of organization, namely free of personal motives or temper that could influence conduct, free of arbitrariness and unpredictability.

Several theories, such as the agency theory, the transaction cost economics theory and the contingency theory, produce and proclaim rational instructions for controlling and monitoring work processes that have their foundation in a multitude of labor and capital transaction attributes or environmental and structural contingencies (i.e. Chenhall, 2003 and Williamson, 1985 and 93). Control then regulates organizations and this view, to a large extent, ignores actors' different opinions and interpretations of what control means and what it takes. Whatever issue that cannot be controlled rationally and methodologically by means of formal control systems must then be controlled by peers (culture control) or the clan (clan-control).

In inter-organizational relationships, management accounting and control literature has been influenced strongly by transaction cost economics theory (Williamson, 1985) and the agency theory (Eisenhardt, 1989). Within transaction cost economics, trust is seen as a redundant concept (Vosselman & van der Meer-Kooistra, 2009), however, by definition, clans rely on trust (Ouchi, 1977), and clan control then involves the development of shared values, beliefs and goals among members so that the appropriate behaviors will be reinforced and rewarded. Thus, in such organizations, organizational goals are internalized by its members, commitment and motivation to achieve them will therefore be high (Das and Teng, 2001, p. 259).

The structuration theory, on the other hand, sees trust and control mechanisms as the preliminary driver of social action (for structuration processes), where agency and structure are ontologically and analytically inseparable (Reed, 2001). Here, ongoing social interaction occurs in organizations, which can be seen as a weak social constructivist approach, whereas a stronger social constructivist approach can be found in e.g. the neo-Foucauldian theory (Reed, 2001). Strong social constructivists look at trust/control relations as discourses and practices which become represented, communicated and internalized as 'things' or 'objects' relevant to actors' conduct (Reed, 2001). Trust/control are then symbolically created and mediated discursive formations that situate and interpret social action, because trust/control relations have, seen from this view, no independent causal or generative properties (only shaping influence as inter-subjective realities - linguistically).

Seal et al. (2004) is an example of a control paper that applies a process view on trust and control as the main intention of them is to problematize the role of trust in certain relations rather than to see trust as a given object. Here, trust, mostly in abstract systems, is seen as a resource for action. Hence, a direct dichotomy of trust and control is here, but also in Free (2008) avoided since inter-organizational trust is substituted with trust in abstract systems. In Free (2008) and Seal et al. (2004) structuration theory has been applied, which focuses strongly on the abstract systems and less on inter-personal and inter-organizational trust.

Coad & Cullen (2006), on the other hand, would like us to talk more in terms of 'truce' instead of trust in inter-organizational relationships since it is institutionalized routines that hide interest conflicts rather than good-will trust. They apply an institutional evolutionary theory in their study of cost management practices in inter-organizational settings and find that routines develop gradually over time. Another study with rather big impact in the field of trust and control is Mouritsen and Thrane (2006) who built on the Actor-Network Theory. For them, trust is not an object but a 'quasi-object' in the form of 'aspiration', a norm of a setting. Trust is then also seen as an 'idea or moralizing device', referring to good-will trust when it is felt absent. The question they ask themselves is not how trust and control is interlinked but whose argument that is stronger. With that, a clear focus is put on constructivism per se and the power of language and communication in all this.

5.4 The concepts of trust and control in new light

The above outline and discussion has brought some new insights which I will try to re-conceptualize in the following Figure 5 that includes two boxes. The main assumption then is that both concepts,

trust a s well as control, are by researchers treated in the literature as if there is a certain mix of trust (in the box to the left) respectively of control (in the box to the right) that can change over time. The illustration in the boxes has been simplified; hence not all dimensions discussed earlier are included.

First of all, the two boxes could be illustrated together and in that way, things could be compared when it comes to certain types of trust and certain types of control. What happens over time? Which things go on, and how do people react to certain types of controls? Or to particular happenings, such as a crisis, a change in management, a change in systems, changes in compensation plans, etc. What impact does information (and different types of it) have on all this (e.g. such as in Tomkins, 2002)? Interesting appears to be that researchers seem to have been thinking in this kind of way already, however, since they all have applied rather similar concepts, particularly when it comes to the concepts within control. What is rather new in the drawing here, however, is to illustrate both next to each other in a similar box and with curves that actually have strong similarities. Probably, this is the way researchers think in terms of concepts, but now, I also illustrate them, figuratively speaking.
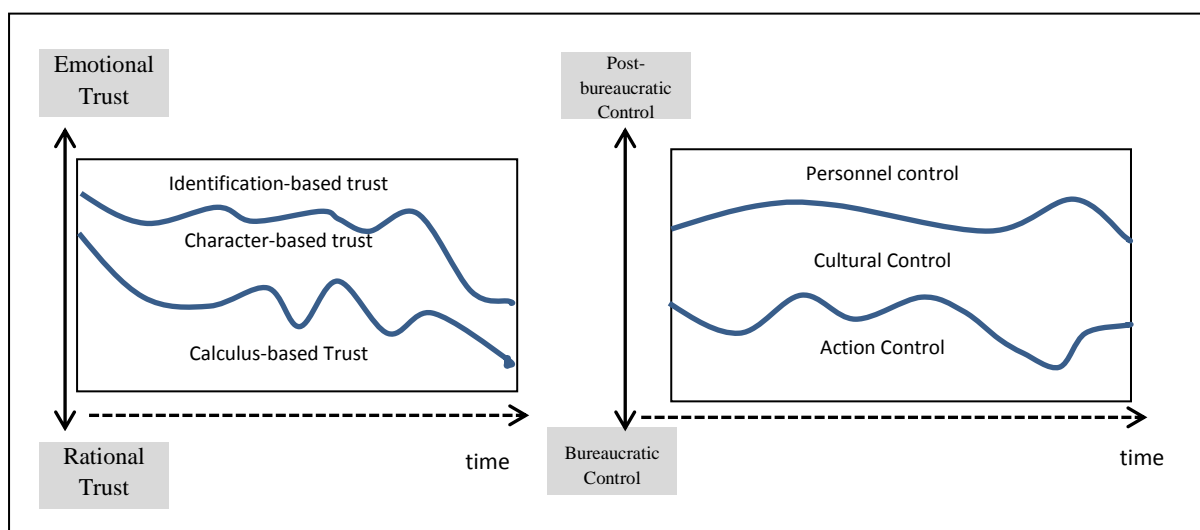

Fig. 5: Examples of the 'trust package' and the 'control package' (not all possibilities included)

I am here tempted to talk in terms of two 'packages', a control package, similar as the one illustrated in Malmi and Brown (2008) but also a '**trust package'**. Both have in common that most, if not all, of the different constructs are included in the package in normal organizational settings. However, the amount and the type of every concept differ from situation to situation and from time to time. With this I try to say that, with the kind of constructs we are using today in management accounting research, there is always some type of trust and some type of control existing in organizational settings. In daily speaking, maybe one considers trust not to exist in certain organizational (or private) situations and settings. However, some type of trust might always be there, but maybe not the simple type of trust one thinks of. Another type, such as trust in systems, book-keeping, etc. might be there instead of trust in people. Malmi and Brown (2008) talk about fit and that the control included in the management control package have to be in an appropriate way constructed together. If this is possible with the concept of trust is unclear and could be examined further. Since researchers (and probably everybody) use very wide and inclusive definitions and assumptions about trust but also control, this is not strange either. The question therefore arises if one could search for the entire 'trust package' in organizations, the same way as Malmi and Brown (2008) have done within the field of control. Could this be a road to go?

6. Discussion & Re-conceptualizing

6.1 Control and Trust together

The above rather provocative illustration of trust and control concepts, and the re-drawing of some of them, has opened up for a final discussion and re-conceptualization. Figure 6 illustrates the two main dimensions of trust on two axes, hence emotional versus rational trust (as earlier outlined), and people trust versus system trust. Also included here are the major distinct forms of control, namely system-based or mechanical control versus people or cultural based control. These control types have been assigned between the respective trust concept which include about the same assumptions despite the fact that we are in one case talking about 'trust' and in the other about 'control'. The major reason for this will be outlined in the next section that demonstrates two main perspectives (sociological versus positivistic) concerning concepts and how they are built.
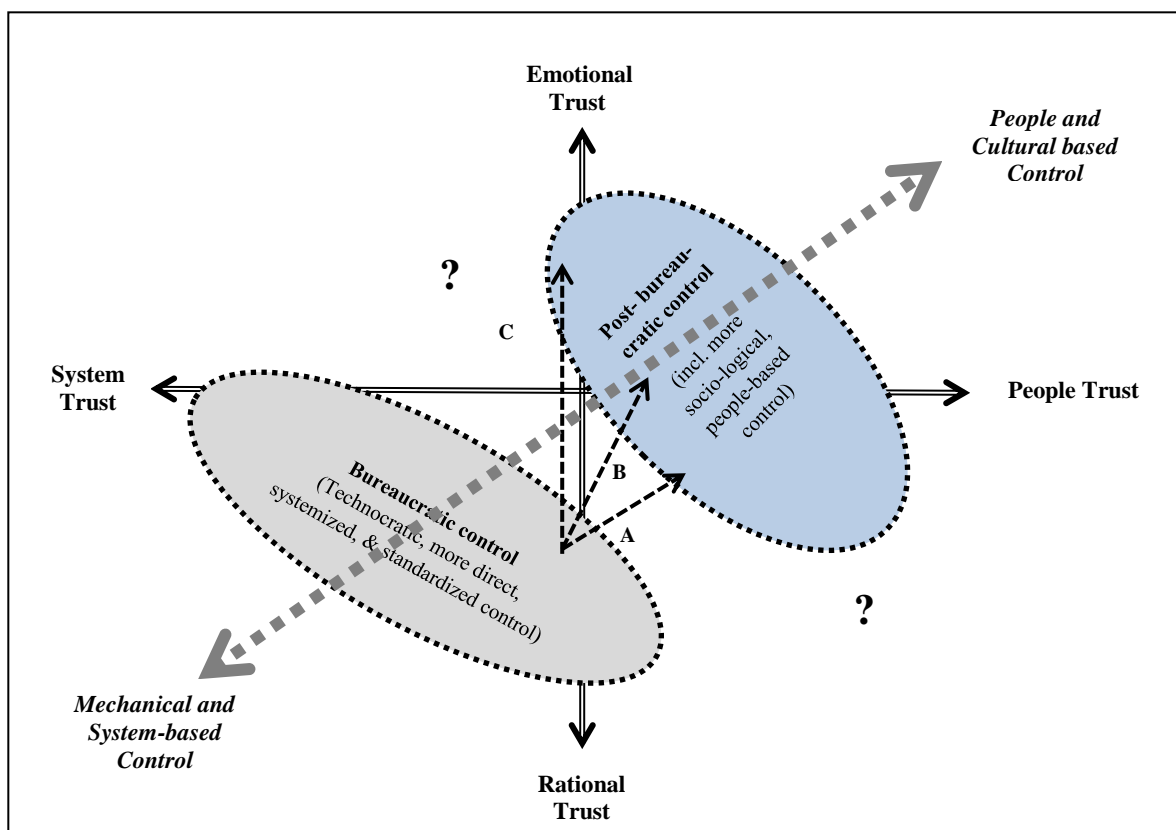

Fig. 6: Trust concepts and control concept re-conceptualized together

In Figure 6, one can see the change from bureaucratic to post-bureaucratic control, which go from a mostly mechanical and system-based to a more people based control approach. This in turn also implies a change in the 'trust concepts used as we move from rational or system based trust to people based trust and emotional trust concepts. In the lower left corner, Max Weber's (1999) ideal organization is located, illustrating an extreme type of bureaucratic control, where no personal motives or temper can influence control and where everything is predictable and free of arbitrariness. It would be able to put the different control types into this framework according to the assumptions made that make out their constructs. The movements from a bureaucratic to a post-bureaucratic control concept (and trust concept) do not automatically include considerably more trust in people

(interpersonal-trust). It can also point out that individuals and groups thereof control each other to a stronger extent (indirect) instead of applying direct and bureaucratic/technocratic control tools.

We can see this in three examples. The three changes (A, B, and C) from bureaucratic to post-bureaucratic control all go from a mostly mechanical and system-based to a more people-based control approach. The movement A illustrates a change from a typical 'action control' to more 'results control' (e.g. in Merchant & van der Stede, 2012), which means more freedom for individuals to decide on how to do things. This movement, however, does not automatically include considerably more trust in people (interpersonal-trust) but that individuals and groups thereof control each other to a stronger extent (indirect) instead of applying direct and bureaucratic/technocratic control tools. Movement B is a moderately large change compared to movement A, where we really move into the domain of more actor-based control and significantly less bureaucracy. System/institutional trust, however, is here still an important glue holding together the organization (e.g. often called clan-control or people-control). This 'socio-ideological control' can in fact be "attempts to control worker beliefs" and not only their behavior (Kärreman & Alvesson, 2004, p. 152), thus going from technocratic control to normative control (Alvesson, 2004). Movement C, on the other hand, leads to post-bureaucratic control that embraces a climate of much inter-personal trust and actor-based control. Here, one can describe the discourse more in terms of 'trust' rather than 'control' since we now are talking less in terms of institutional hierarchies, structures and systems but in terms of actors, their work, and tasks at hand.

Also here, two question marks (?) illustrate that there is some lack of knowledge, namely the area between rational trust and people trust. We do not know much about this connection and how it relates to control. On the other hand, the same is true on the opposite side of the trust framework, namely the connection between system trust and emotional trust, and how all this relates to control.

6.2 *Trust and Control in Relation to different Realities*

In Figure 7, four different realities are illustrated, a *Physical Reality* (products, parts, etc.) a *System-Technical Reality* (e.g. systems), the *Financial Reality* (e.g. book-keeping, budgeting, analysis, etc.) and the *Social Reality*, containing actors and their minds. The word (concept) r*eality* is used here to indicate that we are talking about different sorts of realities in different types of spheres or concepts. Further elaboration is required here of course in order to better illustrate what the concept 'reality' means, and if it can be seen as equal to the concept of reality as in Norreklit et al. (2006 and 2010).
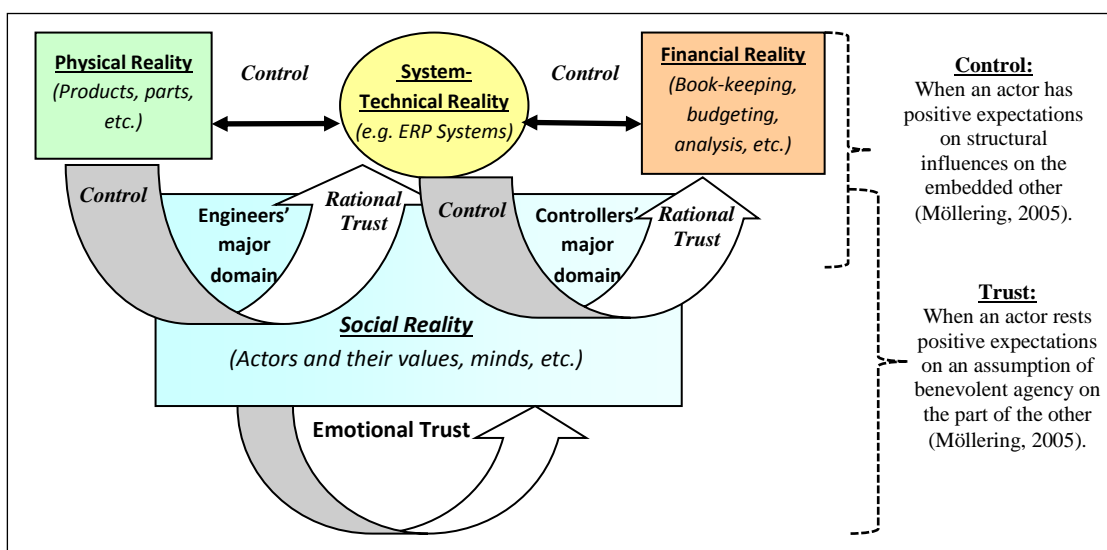

Fig. 7: Trust and control and four different types of reality

Trust and control are the other concepts that connect the different realities, and Möllering's (2005) research on structure and agency has partly been applied in order to construct the two major differences between the social reality and the other three realities. For illustrating reasons, engineers would probably be the major group of actors in-between the physical and technical realities, whereas controllers would be the main actor category combining the technical and financial realities.

The social reality, hence actors and their values and minds, are always needed in order to talk about trust. There can never be trust in-between the physical, the technical or the financial realities but only in-between these three realities and actors. Control, on the other hand, can be installed in-between the other three realities without actors involved (structural or institutional issues). Control can also be applied physically but not trust. Actors (the social reality) apply mostly rational, calculative and cognitive trust into different structural realities, where different actors have different preferences due to a certain background and knowledge. On the other hand, actors put mostly emotional trust (identification based or relation based trust) into their own kind of reality (other actors). The more positivistic (facts and logic oriented) an actor's worldview, the more is this actor inclined to find rational rather than emotional explanations/factors/issues to orient.

6.3 Trust and Control in relation to the four dimensions of reality

The earlier discussion and the different illustrations point towards a major finding, which are shown in Figure 8. We see that the trust and the control concept have, particularly within the field of management accounting, been explained from mainly two perspectives, a rationalistic-positivistic and from a more sociological-constructivist approach. Somewhat different names are used for almost similar concepts within both categories. Within the field of trust solely, researchers talk about the behavioral school that is the rational and rather positivistic one, then compared to the psychological one that stands for more emotional and affective conditions for choices rather than rational ones. This is not precisely the same as described in sociological and constructive studies within management accounting, indicating that these issues have been discussed differently in the different fields of research (sociology versus psychology). More research could look at these differences, as researchers' ontological and epistemological assumptions overall might have had a strong impact on the constructs built.

Figure 8 further illustrates the major rational/assumptions behind the trust and control concepts in the particular perspectives but also what academics (and practitioners as the empirical material in he studies provided covered their stories) focus on or talk about in their studies. The positivistic/rational perspective holds that control and trust are instrumental in absorbing uncertainty and behavioral risk (Vosselman & Meer-Kooistra, 2009), economic rationality and the idea of opportunism is the corner stone of the concept. The transaction cost principle inclusive the ideas of the agency-theory are guiding elements in these constructs as well. From this view, researchers have their focus on facts and figures but also mathematical models mostly, and the trust constructs applied can primarily be classified as calculative or contractual trust. In some work, researchers also talk about knowledge based and character based trust. In the reality model of Norreklit et al. (2006 and 2010), this perspective covers particularly the dimensions of Facts, Logic (an economic one at least) and Communication (in terms of transactions and costs for that). Actor's *Values* are, however, more or less excluded here.

Within the sociological/constructivist perspective, control and trust are seen as active forces in a relationship or network, where they help mediate, shape and construct this relationship or network (Vosselman & Meer-Kooistra, 2009). Trust is then seen as the reason for, or result of, something. Trust can have a moderating role in shaping something (a relationship). Thus, the sociological/constructivist researchers focus stronger on human beings and relations, institutional arrangements, identities, socialization and internalization and they apply mostly trust constructs such

as value-based trust, communicative trust, relational trust, process trust, and identification trust. This perspective now covers the dimension *Values* in Norreklit et al.'s (2006 and 2010) model of reality. What, however, in some studies is missing here is the dimension of *Facts*, as some researchers (radical constructivists) at least simply deny their existence, but also some types of *Logic*. In this perspective, researchers do not all share the logic applied in the predominant socio-economic structures, some reject all kind of socio-economic logic, some other only some types of logics, depending very much on how critical and how constructive one is.

The major problem concerning trust and control concepts applied by researchers in the past when examining practice seems to be that most of them have applied an un-complete, and thus, only partly valid picture of reality. Both perspectives probably would benefit if they could include the missing elements, which could be possible by applying the pragmatic constructivism approach (Norreklit et al., 2006 and 2010) that includes all relevant dimensions of reality.

Figure 8 illustrates that there could be a gap between how much of reality the constructs used in the field of trust and control (particularly within the area of management accounting) were able to capture and how reality (in practice and not only theory) really looks like.

Perspective:		Rational/Assumption:	Academics & practitioners focus on/talk about:	Main Reality Dimensions:	
Positivistic & Rationalistic Perspective (more mechanical view)	Rational Trust & Control concepts	Control and trust are instrumental in absorbing uncertainty and behavioral risks (Vosselman & Meer-Kooistra, 2009) It is economic rational as we apply opportunistic behavior (game-theory, prisoners-dilemma). It is about transactions with economic outcomes (agency-theory, transaction-cost economics).	Focus on Facts & Figures & Mathematical Models Constructs used are mostly: Calculative Trust & Contractual Trust & Knowledge based Trust & Character-based Trust	Facts & (economic) (Logic) & Communication	PRAGMATIC CONSTRUCTIVISM
Sociological & Constructivist Perspective (more actor-based view)	Emotional Trust & Control Concepts	Control and Trust are active forces in a relationship or network. They help mediate, shape and construct the relationship or network (Vosselman & Meer-Kooistra, 2009). Trust is the reason for something (e.g. relationships) to develop. Trust is the result of something (e.g. relationships). Trust has a moderating role in shaping something (e.g. causal relationships).	Focus on human beings, relations, institutional arrangements, identity, socialization, internalization Constructs used are mostly: Value-based Trust & Communicative Trust & Relational Trust & Process Trust & Identificational Trust	(Several) Logics & Values & Communication	

Fig. 8: Trust and Control in relation to the four reality dimensions

7.   Conclusion

Trust and control are both complex constructs as they refer to highly multifaceted forms of social relations, processes and activities that are necessary in order to generate and maintain collective action in organizations. Often, which is understandable, this complexity has been reduced by treating the concepts as functionally alternative institutional systems for absorbing socially-defined risk and uncertainty. Even more often, in the management accounting and control literature at least, there has been a too strong emphasis on an either or orientation (e.g. structural control versus cultural control; informal control versus formal control, etc.), which has overshadowed an examination of the real content in real (organizational) life.

'Pragmatic constructivism' (Norreklit et al, 2006 and 2010) has in this paper tried to bridge the gap between ontological and epistemological borders as it has included all (important) dimensions of reality and brought social life and researchers' own dimensions of what exists and what does not (social constructivism) together with different forms of, more or less, objective features (facts) of actors (in this case researchers') daily lives, in which certain logics, future possibilities, but above all values play an important role.

Regarding trust and control, different researchers have found different support for either the substitution or the complementary theory. This study indicates that there might be no universally applicable concept that is right or wrong. Instead, ingredients and core elements of both theories prove to be (partly) valid but in different contexts, but also at different times, and this rather much depending on what construct, or which ones if using several, of trust and control that are applied.

It further seems that both, the trust and control concept, have many similarities, which can be explained by the theoretical assumptions that are behind the constructs (e.g. rationalist versus constructivist). Apart from obvious lingual differences, there seems to be a greater difference between the concepts of trust seen from a constructivist view compared to the view of rationalists/positivists than compared to constructivist's view of control. The very act of 'book-keeping' versus 'promise-keeping' might be totally different at one hand side but almost similar at the other hand. To keep something, either a promise or a truck record, can have, to some people at least, the same meaning after all.

The study has shown that in certain control frameworks, particular trust concepts are applied and this seems to correlate strongly with the view applied by the researcher making a certain claim. Thus, how you look at the world and the epistemological and ontological assumptions you make determine the approach chosen, the vocabulary used, and the concepts applied. This also has an impact on the results you will find. Researchers might therefore seldom describe real practice (the real world) as it is but use ready-made concepts and pre-concepts. Consequently, what we find out in (social science) research is the results of a pre-conceptualized world and not factual reality. The only way to progress in this area is to refine and develop both conceptual typologies and the constructs contained in them (e.g. as in Malmi and Brown, 2008). This is paradigmatic research at its best.

The results of the journey taken in this paper demonstrate that researchers have a tendency to include only parts of reality in their analysis, typically due to the methodologies used. Applying the pragmatic constructivism concept would help to capture a fairly larger part of reality. For example, value-neutral control seems only be possible in Weber's (1999, p.100) very criticized ideal type of organizations where "personal motives or temper influencing conduct, free of arbitrariness and unpredictability" are not allowed. This rational and positivistic way of looking at organizations and activities, however, is still very common among researchers today. Control, in most settings, is very value-loaded rather than neutral, and this is most likely the case as soon as personal or organizational activity is at stake, which studies focusing on the elements of the post-bureaucracy period have illustrated. Thus, value-neutral control must then be separated from human activity in general, not

taking into account any dreams, hopes, and wishes, a theoretical ideal that, thank Good, does not exist in reality.

The above investigation clearly illustrates that theory is nothing else than a statement of relations among concepts (Alvesson and Sandberg, 2011) and that is why it is important to investigate the theorist's implicit assumptions or concepts that form the boundaries of that theory critically. The problem in all this seems to be that all theoretical schools appear to have an equal claim to constituting reality, because in all theoretical schools, reality signifies nothing more than a construction that is built out of our concepts and definitions. Thus, constructs, concepts and definitions might probably be the best thing we will ever get in human science, where total objective reality is missing. The question that remains after all this is: do the new concepts of trust and control illustrated in this study, and also their conceptualized relationships, simplify higher-level thinking or do they make life more difficult? I am afraid it might be the second one that is true.

The above also illustrates that the state of research within the field of control and trust truly has been developing to become, as Baldvinsdottir et al. (2011) call it, more paradigmatic in recent years. However, the still rather shattered picture of cross-referring of diverse groups of researchers, then applying similar and dissimilar theories, methods, and narrative styles and vocabulary, indicates that the different world-views of researchers, also in a longer future, will produce significantly different outcomes regarding the epistemological and ontological nature of trust and control. To see the concept of trust e.g. in terms of a *'trust package'* could be one way to go, to further enhance the paradigmatic nature of the concept of trust.

This paper has illustrated alternative concepts of trust and control, alone and together. The fundamental and final questions to ask the reader here is now: Has everything written here been there already before and therefore obvious? Have the assumptions made and concepts outlined been absurd? If the answer to these two questions is yes, I might not be able to sell this paper to a journal and the ideas to researchers. However, there could be a third alternative, namely when the outlined new concepts fall somewhere in-between "what is regarded as obvious and absurd" (Alvesson and Sandberg, 2011, p. 259) and precisely therefore can be seen as interesting (and innovative) since I might have spotted a gap.

The gap-spotting has been the major intention with this paper as it was not supposed to be 'footnote-on-footnote research' (Alvesson and Sandberg, 2011). I applied the gap-spotting and problematizing methodology in order to challenge not only your (the reader's) but also my own theoretical position and to, hopefully sow the seeds for new research questions.

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