Master Degree Project in Management

Acting the Municipality Vision:

The Manifestation of a Management Control Model

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Abstract

The role of management control systems (MCS) within the public sector has gained widespread attention among scholars in the field. Driven by a quest for legitimacy and the efficient management of public resources, many public organizations have applied management techniques traditionally developed for private corporations. This case study takes a managerial perspective and departs from two administrations of a Swedish municipality that has developed an own management control model (MCM). Even though proponents for management techniques suggest that it can help align overall goals with operations, other researchers question the use in practice, pointing towards increased management where control systems have been found de-coupled from operations. This study aims to describe and analyze the manifestation of a MCM in managerial practice using a loose coupling framework. The article will show how the MCM plays an interconnecting role where several couplings between the MCM and operations are identified. The findings contribute with knowledge of how different types of couplings can coexist in building a complete system.

Introduction and background

Within the field of management accounting, scholars have increasingly paid attention to management control systems (MCS) in public sector by studying different management control techniques (e.g. Cavalluzzo & Ittner, 2004; Johansson & Siverbo, 2009; Modell, 2001; Modell, 2009). Broadly defined, MCS encompass all the tools and techniques managers use in an attempt to ensure that the behavior of employees are in accordance to organizational strategies and objectives, for instance performance measurement systems (PMS) and the Balanced scorecard (BSC) (Malmi & Brown, 2008). The general trend of introducing management techniques, traditionally developed for private corporations, can be understood in the aftermath of management ideas pertaining to the New Public Management (NPM) reform which emerged in the 1980s (Hood, 1995). In general, this wider NPM reform has been driven by a quest for increased efficiency, transparency of public spending and accountability for performance, whereby MCS have become an integral part of many public organizations (Northcott & Taulapapa, 2012).

This wave gained its influence in Sweden in the 1990s and the use of performance management and evaluation has increased rapidly in the public sector (Holmblad Brunsson, 2002; Modell, 2009; Johansson and Siverbo, 2009). Swedish municipalities are autonomous (SOU, 2007:93) and thereby able to decide the extent of performance management use. This article concerns a Swedish municipality, which has decided to apply such system, by developing their own management control model (MCM). In this article, MCS will be used as a general concept, which includes the specific MCM developed for the particular case.

The rationale for adopting MCS, argued by proponents, relates to its merit in helping managers achieve organizational outcomes by creating consistency between individual action and overall organizational goals (Chenhall, 2003; Malmi & Brown, 2008; Andrews et al., 2011). As an example the BSC has been proposed to enable organizations to create alignment between strategy and operations, facilitate a strategic focus and generate consensus of overall strategy among organizational members. Thereby help organizations overcome the difficulty of aligning employee action with overall organizational goals by systematically decomposing the goals across administrations and departments into actionable performance targets for employees (Kaplan, 2001).

However, public organizations are often faced with multiple, sometimes conflicting goals by a variety of stakeholders. Swedish municipalities, as one example of public organizations, have a structure constituted by a political body and an administrative bureaucracy (Johnsen, 1999; Johansson & Siverbo, 2009). This implies a need to balance social and political processes and related power relations, while the overall purpose is to serve the citizen. In this context, the ability to create an alignment between overall organizational goals and the behavior of employees at different hierarchical levels can be a challenge. However, Kaplan (2001) proposes that the BSC has the potential to handle these challenges as it includes multiple perspectives of performance in an attempt to overcome the traditionally exclusive focus on financial measures. The BSC maintains a financial perspective, but incorporates the perspective of customers, internal processes, learning and growth whereby Kaplan (2001) concludes that it can be a suitable management tool in for instance municipalities.

A functionalist view of MCS, as being necessary for operative efficiency, has to a great extent driven research in the field of management accounting (Brignall & Modell, 2000; Chenhall, 2003). Even though MCS are suggested to benefit public organizations, research findings have shown difficulties with both adoption and use (e.g. Chan, 2004; Northcott & Taulapapa, 2012). Vakkuri (2010) shows that the use of BSC does not always simplify management exercise as intended, pointing towards increased ambiguity when used in local government. This proposes that a MCS can potentially lose its merit in practice. Vaivio (2008) proposes researchers to go beyond the view of management accounting as being a set of practical tools that help solve organizational difficulties related to rational decision-making and control, advising researchers to continue to question the application of novel MCS in practices. This is a call that this article attempts to address.

Due to the complexity that public organizations entail (Johnsen, 1999), researchers have increasingly approached MCS informed by institutional theory and in particular neo-institutional sociology (NIS) (Modell, 2001). As opposed to the rational view, insights from NIS opens up for a broader understanding of the prevailing interplay between political

regulation, social aspects and power relations (Modell, 2009). In this vein, the institutional perspective suggests that the application of new management accounting practices may relate to the need for institutional legitimacy as opposed to goal alignment efficiency (Modell, 2003). This appears to have opened up an intriguing contradiction as the rational view of MCS suggests efficiency to be a main motive for its application, while researchers informed by institutional theory suggest that the adherence to a general trend instead relates to an organizational endeavor to appear legitimate (DiMaggio & Powell, 1983).

Within this theory, the concept of de-coupling, as conceptualized by Meyer and Rowan (1977), has emerged as a way to handle the potential difficulty of adhering to a formal structure that changes according to what is currently legitimate, while maintaining necessary stability for efficient operations. Accordingly, the de-coupling of a MCS might be a means for public organizations to overcome the conflicting institutional pressures. The trend of implementing BSC has been proposed to represent a myth to enable a better coupling between objectives, resources and results where managers play an integral part (Modell, 2001; Modell, 2004). Johansson and Siverbo (2009) further suggest that de-coupling of MCS from operations occur more in public organizations because the efficiency criteria belonging to private organizations are more difficult to evaluate.

Researchers informed by NIS thus pay attention to the inconsistencies between how organizations present themselves compared to how they function. Specifically, this article will use a loose coupling framework, which can be understood as an analytical language to describe how a system is coupled in different ways (Orton & Weick, 1990). This framework opens up for a broad interpretation of the MCM in practice as it accounts for the possibility of tight coupling, de-coupling, loose coupling and non-coupling.

Drawing on these insights, this article will focus on the use of a MCM departing from the perspective of managers, as they are users and contributors to coupling the MCM into operations. The MCM subject for this study was introduced during the last decade with the aim to create a common direction for the municipality through the use of a living vision, which is intended to be translated into goals suitable for different administrations. The municipality has received a quality award, announced by The Swedish Association of Local Authorities and Regions, in which the MCM was one of the contributing factors.

This study is delimited to the perspective of managers at three organizational levels within two administrations subject to the common MCM. The aim of the article is to describe and analyze how the MCM is manifested in practice guided by the following research questions:

1. How do managers at different organizational levels account for their use of the management control model?
2. What role does the management control model have in managerial practice?

The rest of this article is organized as follows; first we present a selection of previous research addressing MCS within the public sector, secondly our theoretical framework is outlined drawing on a loose coupling conceptualization. Thirdly the method used to collect and analyze the data from the case is described including the case setting. The fourth part presents the empirical findings, followed by an analysis identifying different couplings. The fifth section entails a discussion including theoretical and practical implications. Lastly our

concluding remarks will be presented connecting back to the aim and the research questions, and the final section will outline limitations of the study and some suggestions for future research.

Studying MCS in public sector

This chapter presents current knowledge about MCS in the public sector. The studies have been selected for their relevance for the purpose of this report, showing how both rational and institutional explanations can be used to study MCS in a public context. The main focus will lie on findings in previous research that are related to managers, since this is the focus of our current study.

In the field of management accounting research, numerous studies have focused on the development, implementation and use of MCS in public organizations, commonly with the aim to identify best practice, factors for success or lack of success in the pursuit of improving organizational efficiency (Modell, 2001; Modell, 2003; Modell, 2009; Van Helden & Northcott, 2010). In this manner, Kloot and Martin (2000) study the development and use of PMS in Australian local government. They emphasize the importance of adapting the PMS to the local government context and managers' active engagement with employees in order to create a beneficial organizational culture to support its further use. Their findings also show that managers view PMS as an opportunity to justify own achievements to citizens and politicians. Besides contributing with factors for success, this study gives an understanding of how managers may use MCS for own accountability purposes.

Chan (2004) studies the application and use of BSC in municipal governments in the USA and Canada. The study finds that managers perceive the benefits of BSC to lie in its ability to clarify the vision, strategy and outcome. On the contrary, lack of highly developed information systems to support the BSC was suggested as an inhibitory factor. This study makes evident the MCS' role in creating a common vision and the importance of using compatible technology. Chan (2004) further argues that more studies on the role of BSC are needed, which supports the aim of this article. Similarly, Northcott and Taulapapa (2012), examines the use of BSC in New Zealand local government arguing that few studies have examined how the BSC is used and modified in practice within a public sector context. The authors suggest that the BSC should be adapted to the organization's particular needs, strategy should be clearly communicated to all managers, and sustained use is needed to create management commitment to the BSC. The study contributes with knowledge about the importance of persistent use of an implemented MCS in order for it to be anchored within the organization. However the study does not provide an in-depth account of how managers describe their use of the BSC in practice, something this article will address.

Cavalluzzo and Ittner (2004) further accentuate the role of managers, investigating factors that influence development, use and perceived benefits of PMS in US governmental organizations. Their results indicate that managers' autonomy to make decisions and their commitment and participation in the implementation process have a positive effect on the development and use of PMS. Similar to Chan (2004), Cavalluzzo and Ittner (2004) also find that lack of use may be due to inadequate information systems. However, findings also revealed that the PMS has been developed in order to fulfill outside requirements and may

therefore act as a symbol rather than actually influencing operations, a finding compliant with institutional theory. Cavalluzzo and Ittner (2004) thus make apparent the important role managers play in realizing MCS ambitions but also argue for the possibility of institutional influence.

The literature on implementation and factors for success mainly informed by a functionalist perspective, in order to create a more efficient public sector is described as vast. Langefield-Smith (2007) argues that there is limited value in conducting future quantitative research of the adaptation or implementation of management accounting techniques. She suggests a shift in focus towards studying diffusion in general practice, which supports our aim. Moreover, despite the value of such studies, the rational view of management control techniques has been questioned by scholars in the field (Vaivio, 2008). Critique has been raised towards the ignorance of power relations among different stakeholders and the associated social and political processes, something that managers are often involved in (Brignall & Modell, 2000; Modell, 2009; Nilsson, 2010). Many researchers have increasingly used institutional theory and in particular NIS in order to study MCS, involving managers, in public organizations.

Studying MCS in public sector: Institutionally informed

Several researchers have turned to healthcare when studying different management techniques from an NIS perspective (e.g. Brorström, Hallin & Kastberg, 2004; Kastberg & Siverbo, 2013; Northcott & Llewellyn, 2003). For example, Modell (2001) draws on NIS to investigate managerial rationales for PMS adoption and diffusion in a Norwegian public hospital. Informed by the notion that managers do not only passively comply to institutional pressures, Modell (2001) found evidence for both efficiency- and legitimacy-seeking rationales. He concludes that these might be more intertwined than previously acknowledged. The findings suggest that resistance among professionals might lead to a de-coupling between quality control systems.

Other researchers have turned to local government settings informed by institutional and multi-theoretical frameworks. Johansson and Siverbo (2009) draw on rational, political and institutional explanations in order to study finance directors and staff members utilization of Relative Performance Evaluation (RPE) in Swedish local governments and found evidence of de-coupling between RPE and its use. Further, Nilsson (2010) studies actors' expectations when faced with a new administrative reform evident in the intention to implement a BSC in a Swedish municipality. Administration managers saw how it could potentially increase legitimization of operations but feared losing influence, while politicians hoped for more power and trust among citizens and the employees feared that the reform would lead to layoffs. Nilsson (2010) argues that the different expectations may result in potential failure of a BSC reform, as it may lead operational managers to not use the model as intended. This study contributes with knowledge about how expectations and perceptions among different actors affected by a MCS may influence the use after an implementation.

In addition, researchers have studied MCS using a loose coupling conceptualization (e.g. Covalesky & Dirsmith, 1983; Marriott, Mellett & Macniven, 2011; Pettersen, 1995). In their study, Van Hengel, Budding and Groot (2014) study the utilization of PMS in Dutch municipalities from a managerial and political perspective. They found that many

municipalities seemed to have their control system loosely coupled across various levels in the organization, while providing evidence that the coupling between intention and use were tighter. They further argue that difficulties in coupling the PMS in practice are derived from incompatibilities between the reporting and organizational structure and lack of communication between politicians and managers. The study shows that coupling between elements is of importance in order to create a well-functioning MCS in practice.

Table 1 summarizes the presented studies, their setting and key findings related to implementation, adoption and utilization from a managerial perspective. Altogether, the selection of previous research point at the potential merit in going beyond the rational view of MCS. Researchers informed by NIS further show the substantial role managers have in integrating MCS in practice. In addition, many scholars have studied the phenomenon in healthcare settings, while researchers increasingly have turned to local government. Thereby there is reason to continue this direction and increase both the theoretical and practical understanding of how managers use a MCM on a daily basis and their involvement in coupling the model to operations. Our intention is to shed further light on this research area by studying a complete MCM within two municipal administrations. The following chapter will present our theoretical point of departure, further discussing institutional theory and introducing a loose coupling framework for the purpose of the analysis.

Table 1 Summary of presented studies

Author	Study	Key findings
Kloot & Martin (2000)	PMS development and use in Australian local government.	Success factors – MCS adaption and management engagement. Managerial use of PMS to justify – accountability purposes.
Chan (2004)	Application of BSC in American and Canadian municipalities.	Perceived benefits – ability to clarify vision, strategy and outcome. Lack of success – inadequate information system.
Northcott & Taulapapa (2011)	Implementation and use of BSC in New Zealand local governments.	Success factors – strategy clearly communicated, adaption to needs and sustained use to create commitment.
Cavalluzzo & Ittner (2004)	Implementation of PMS in American governmental organizations.	Success factors - managers' autonomy and commitment Lack of success – inadequate information system Results to some extent compliant with institutional theory.
Modell (2001)	Adoption of PMS in a Norwegian public hospital.	Managers do not only passively comply with institutional pressures. Efficiency- and legitimacy-rationales for adoption. De-coupling of quality control systems instead of unification.
Johansson & Siverbo (2009)	Adoption and utilization of RPE in Swedish local government.	Evidence of de-coupling between RPE and its use.
Nilsson (2010)	Expectations of BSC in a Swedish municipality.	Expectations – Administration managers saw potential to legitimize operations, politicians hoped for power and trust and employees feared layoffs.
Van Hengel et al. (2014)	Utilization of PMS in Dutch municipalities.	Evidence of loose coupling across various levels, tighter coupling between intention and use. Difficulty in coupling - lack of communication and conflict between structures.

Theoretical point of departure

Researchers within management accounting have to a great extent drawn on economic theory where the utilization of management tools is explained in relation to instrumental and efficiency-based rationales. (Abrahamson, 1991; Johansson & Siverbo, 2009) This perspective has been criticized for its sole focus on efficiency and many researchers have adopted an institutional approach when studying MCS in public organizations (Johansson & Siverbo; 2009; Modell, 2009). In contrast to economic theory, institutional theorists extend the discussion and view the adoption of MCS as a quest for legitimacy (Johansson & Siverbo, 2009). Our theoretical framework rests on this latter view, following the development of a model entailing different types of coupling of organizational talk and action, explained in this chapter.

The importance of organizational legitimacy was put forward in the seminal work of Meyer and Rowan (1977), who assumed that organizations conform ceremonially to expectations held by external and internal constituencies to gain legitimacy. Meyer and Rowan (1977) employed the concept of de-coupling in relation to how organizations overcome the potential problem of symbolically adhering to ceremonial rules, according to what is currently legitimate, while maintaining efficient operations by separating the formal structure from daily activities. Researchers inspired by NIS acknowledge the potential that MCS can be de-coupled from actual practices, and the external presentation of a legitimate facade is explained by an endeavor to gain support (Johansson & Siverbo, 2009). For example, the trend of implementing BSC has been proposed to represent a myth to enable a better coupling between objectives, resources and results (Modell, 2004). However, the notion of de-coupling has been criticized for leading researcher to drift away from multidimensional explanations (Orton & Weick, 1990).

Parallel to the work by Meyer and Rowan (1977), Orton and Weick (1990) employed the concept of loose coupling, which should not be used interchangeably with de-coupling. Loose coupling can help illuminate answers to organizational problems where a unidimensional definition, such as using the concept of de-coupling, might diminish its explanatory value (Orton & Weick, 1990). They argue that loose coupling can be used as an analytical language.

In line with Orton and Weick, (1990) we believe in going beyond the concept of de-coupling. Previous research has shown that the concepts of tight and loose coupling have potential in being used to illustrate the prevalence of different couplings (e.g. Van Hengel et al., 2014). Therefore, for the purpose of our article, we will draw on a loose coupling framework inspired by Orton & Weick (1990) which will be used as an analytical language, described below.

A loose coupling framework
With origin in the work of Thompson (1967), loose coupling enables organizational theorists to treat organizations as both rational determinate, closed systems, searching for certainty and as indeterminate, open systems, expecting uncertainty in which managers have the potential to mediate between the two extremes. Some researchers who have employed the concept have turned to the description by Glassman (1973), which considers loose coupling in relation to

the extent of coupling between elements constituting a system, based on the interaction of common variables. This means that when elements have weak or have few variables in common the coupling will be loose. Others have applied the definition by Weick (1976) who defined loose coupling as a situation where elements have a close connection, but retain evidence of separateness and identity. Elements refer to anything that can be tied together such as people, actions, systems or attitudes and the connections (also referred to as variables by Glassman) can be manifested in for instance communication, authority or workflows (Beekun & Glick, 2001).

Orton and Weick (1990) view a system in any organizational location, as consisting of elements that in various degrees are linked. This means that some elements in the system will preserve a certain degree of determinacy, resulting in some parts being coupled and closed on a technical level. Simultaneously, other elements will preserve a certain degree of independence, which makes them loose, resulting in that other parts of the system will be open on an institutional level. Thereby, a system can include different types of couplings. Orton and Weick (1990) posit that the description of a system as solely tightly coupled is inaccurate because not all elements or linkages are affected whereby other parts of the system remain loose.

Orton and Weick (1990) argue that the concept of loose coupling should be used in a way that goes beyond simply concluding what type of coupling defines the system. In addition, Weick (1976) states that researchers using loose coupling should not view couplings as static but acknowledge that they are changeable and have impact on other couplings. Thereby creating a pattern and ultimately an outcome.

To clarify, in this article we will view two or more elements coupled together as creating a system, and different systems can in turn create a joint pattern of couplings leading to an outcome. The framework elaborated below is based on Orton and Weick's (1990) account for the notions of tight coupling, de-coupling, loose coupling and non-coupling between different elements. The descriptive and analytical ambition, according to the aim of our study, lies in using the concepts in order to understand how the MCM, through its manifestation and different elements, is coupled to operations from the perspective of managers.

Figure 1 makes visible how the two dimensions of responsiveness and distinctiveness can be used to describe whether elements are tightly coupled, non-coupled, de-coupled or loosely coupled. In this article, we will adhere to the descriptions by Weick (1976) and Beekun and Glick (2001) in order to define responsiveness and distinctiveness. Thus, a responsive system consists of elements that have a strong, direct and dependent connection between each other while a distinctive system is one where the elements are separated and maintain identity by, for example, having different use, components or focus. The loose coupling framework further suggests that a system can have different degrees of responsiveness and distinctiveness. For instance, a system does not need to be completely tight to be defined as a tightly coupled system, but it is tight when there is more responsiveness than distinctiveness. Consequently, a system can be placed anywhere within the different squares. The four types of couplings will further be presented in their outermost shape below.
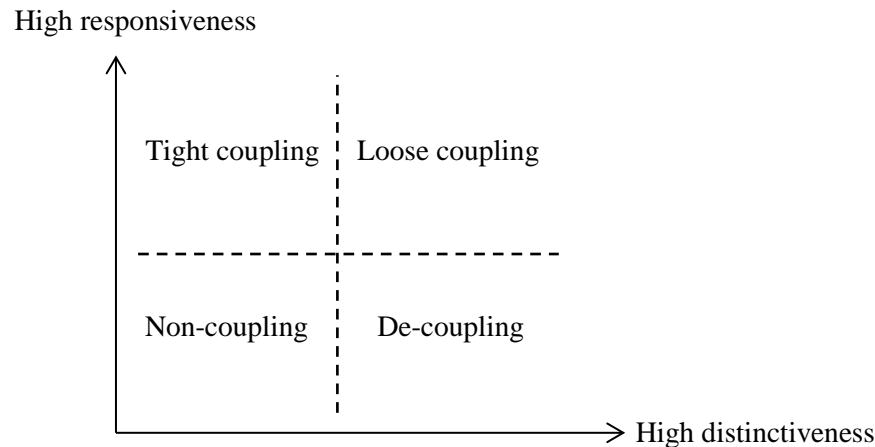
High responsiveness

Tight coupling | Loose coupling

Non-coupling | De-coupling

High distinctiveness

Figure 1. Loose coupling framework – freely elaborated
based on the work by Orton and Weick (1990)

Tight coupling

A tightly coupled system is a system that is responsive but not distinctive. According to Beekun and Glick (2001), the stronger, more direct and consistent a linkage is the tighter is the coupling between the elements. For instance, frequent communication between two people would imply a tighter coupling (Beekun & Glick, 2001). Researchers adopting a rational view of management accounting tools can be understood to view a tight coupling between elements as ideal (Modell, 2004).

De-coupling

Orton and Weick (1990) describe de-coupling as a system that is distinctive but not responsive. For example, performance indicators can be de-coupled from organizational objectives as suggested in the findings by Johnsen (1999).

Loose coupling

Loose coupling accounts for the simultaneous occurrence of distinctiveness and responsiveness, where a system can act both at a technical level producing stability, and an institutional level open to outside forces (Orton & Weick, 1990). According to Beekun and Glick (2001), loosely coupled elements will be relatively independent but not completely as compared to de-coupled elements. For example, if the communication between two actors needs to go through intermediaries the coupling becomes looser (Beekun & Glick, 2001).

Non-coupling

A non-coupled system is a system that is neither responsive nor distinctive (Orton & Weick, 1990), meaning that the concerned elements do not have any connection and consequently there is not really a system.

The next chapter will outline the method used in order to fulfill the aim of this article as well as present the setting describing the context for this study.

Methodology

In order to study the manifestation of the MCM, how managers use it and its role in practice, we decided to conduct a case study. According to Yin (1994) a case study is preferable when studying contemporary and complex phenomenon but has limitations regarding the generalization of results. Still, this approach was suitable as the intention of this article was to get a close understanding of the MCM and thereby provide a sound case description. This requires both knowledge of how the MCM is intended to work and a broad understanding of its actual use. Brignall and Modell (2000) propose that a case study approach is appropriate as the core concepts within MCS are complex which requires thorough studies of both intention and use. Vaivio (2008) suggests that when studying subjects related to management accounting, a qualitative method is particularly suitable as it may help unfold underlying social phenomena in a unique context. It further enables the researcher to go beyond the rational view in which management techniques are proposed as a "toolbox" for rational decision-making and control (Vaivio, 2008). Thus, a case study is appropriate for the purpose of this article as it opens up for a broader interpretation and understanding of the phenomenon in relation to how managers at different levels accounts for their use of the MCM in a unique context.

Case setting

In Sweden, there are 290 municipalities that all need to obey laws and regulations from the Swedish government but which also have autonomous right to make decisions and levy taxes from citizens. The self-government of municipalities is a fundamental principle and statutory in the Swedish constitution. (SOU, 2007:93)

The following description of the municipality and its administrations, subject for this study, is based on the municipality's annual report and accounts from respondents. The municipality is one of the 30 largest in Sweden and the organization consists of two parts – a political body and a bureaucracy. The Municipal Council is the superior governing body, elected every four years, and responsible for the overall direction and goals of the municipality as well as how tax money should be spent. The Municipal Executive Board is responsible for planning and coordinating operations and realizes the decisions made by the Municipal Council. The political body also consists of 14 committees, responsible for different areas within the municipal operations.

The bureaucracy, operated by civil servants, is organized in 12 administrations that are subsequent to the different committees. The Head of Local Government office together with a management team is part of the Municipal Executive Board and act as a link between the bureaucracy and politicians. The remaining 11 administrations have the ultimate operational responsibility to ensure that the decisions from the politicians are executed.

The administrations have three hierarchical levels with administration managers, department managers and unit managers. The administrations also have one or more development managers, part of a stab function, which operate on the same level as the department managers. The political body, bureaucracy and the different political and managerial levels are presented in figure 2.
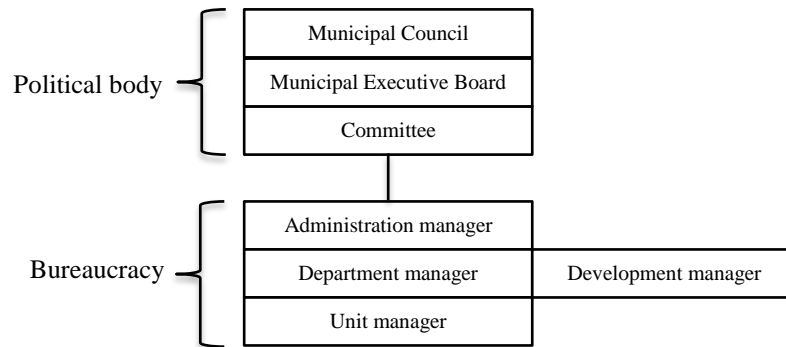
Figure 2. The municipality structure

This study departs from two administrations, the administration for community care and the administration for secondary and adult education. The former administration with 530 full time employees is responsible for providing care to citizens under the age of 65 with disabilities related to illness, injuries and enduring mental illness. The administration for secondary and adult education has 560 full time employees and is responsible for, among others, secondary education, adult education, guidance and counseling and school of arts. Both administrations operate under the same overall vision of the municipality, which intends to be translated through the MCM subject to our case.

Collection of empirical material
When embarking this thesis project, an initial meeting was held with the Head of Local Government Office and the CFO in order to obtain a comprehensive description of how the MCM is intended to work and its structure. Based on the meeting held, two different administrations were selected in order to give a basis for a broad understanding of how the same control model is used and perceived in different settings. One administration was selected based on how the MCM was described, as potentially having impact in practice, while the extent of impact in the second administration was not entirely clear. Thus, we limited the amount of administrations due to time and resource limitations but we also wanted to allow for context based similarities and differences to unravel. In addition, we wanted to ensure access to a satisfying amount of managers at different levels. The choice to study two administrations helps increase trustworthiness of the study, as it allows for more robust and compelling descriptions (Yin, 1994).

In proceeding with the data collection, our second step was to make contact with the two administration managers, providing them with short information about the study and asking for contact information to both department managers and unit managers. In selecting respondents, we contacted them randomly but sought an even distribution between the two administrations and the different managerial levels. We scheduled a meeting with all the managers responding to our request. They were told that they did not need to prepare before the interview, and were only given a brief description in an introductory mail where the MCM was mentioned.

In total, we have conducted sixteen in-depth interviews during a period of ten weeks with managers, each lasting between one and one and a half hour. In-depth interviews enable the respondent to reflect upon experiences and provide examples based on their interpretation

(Charmaz, 2006). However, according to Czarniawska (2013) there are also limitations using interviews as a method due to its inability to capture the true reality but only the perceived reality based on the interpretations and opinions of the respondent. Still, interviews are valuable to the researcher as it can be assumed that respondents' interpretations inform their actions (Czarniawska, 2013).

We have conducted interviews with managers at administration, department and unit level. We chose the administration managers since they are the link to the politicians and involved in the decomposition of overall goals in their particular administration based on the budget of the committee. Further, interviews where held with department managers who are responsible for the development of action plans and subsequent goals adjusted for lower levels. During meetings with department managers, we were recommended to also interview development managers responsible for compiling reports and develop operations whereby we also included these. We also met unit managers who are involved in the development of agreements with individual employees based on the action plan of the administration. Lastly, we interviewed the Director of Quality who has had an involvement in developing and concretizing the MCM. We limited our study to account for managers as they are directly involved in managing, reporting and monitoring the performance of employees in relation to the MCM. Table 2 summarizes basic information about the interviewees.

Table 2. Summary of the collected interview materials

Interviews	Position	Description
2	Administration managers	Head of administrations and the link between politicians and operations
4	Department managers	Responsible for operational units
2	Development managers	Responsible for compiling reports
6	Unit managers	Responsible for daily activities
1	Director of Quality	Ensure quality according to the control model
1	Representatives of the City Council Administration	Head of Local Government Office and CFO

Note: total of 16 interviews with 17 people

The interview questions were prepared in advance and constructed based on the information held from our initial meeting. The questions were also carefully elaborated to the different managerial levels as their responsibilities in relation to the MCM based on its description differs. However, the overall topics, relevant for the purpose of our study, were kept the same for all respondents, namely the purpose of the MCM, the value orientation, the process of decomposing goals, reporting and feedback. The interviews were started with questions regarding the respondents' own description of the MCM and their use of it. In the final stage, respondents were given questions regarding their perceptions of the merit of the MCM and were given opportunity to add additional comments. The interviews were semi-structured in the sense that we used pre-set themes but the questions were open-ended in order to enable the respondents to explicate and give examples (Charmaz, 2006).

All managers gave permission to have the interview recorded and notes were taken throughout the interview process. All interviews were held in Swedish and subsequently the records were transcribed verbatim together with the notes in Swedish. Selected parts have

been translated to English and used for this paper. Further, and due to suggestions that anonymity allows respondents to speak more freely (Walsham, 2006), all names of individuals have been kept anonymous in this paper upon request from those concerned. The individuals will therefore be referred to as "she" throughout the paper.

In order to provide a sound case description, the interviews were complemented with a systematic study of formal and informal documents. This secondary data consisted of written documents of the MCM, annual reports and the municipality's budgetary reports. We also collected internal documents such as action plans for the administrations and assessment templates for employees. The complementary documents were used to broaden our understanding of the empirical material as we could use the annual report to see what information was included resulting from how managers for instance described the reporting process. Also, the budgetary document helped us grasp the intended alignment of overall goals.

The material was complemented with several observations of the municipality's performance management system. This IT-system, hereafter referred to as Act-IT, was demonstrated to us in a comprehendible manner in which we were able to view the different topics used in both in relation to how the goals within the MCM were translated throughout the hierarchy and subsequent reporting process. This demonstration facilitated our understanding of how designated managers described their use of the reporting system, which in relation to the MCM became central because Act-IT has a clear connection to the MCM where the information it provides is the ultimate base for monitoring. By combining different sources of empirical data, a more comprehensive and trustworthy account of the studied subject can be made (Silverman, 2006).

Analysis of empirical material

The empirical findings were analyzed inspired by grounded theory techniques (Martin & Turner, 1986). As the theoretical framework was not elaborated in advanced our approach can be understood as abductive (Czarniawska, 2013) in the sense that we did not aim to verify or test any pre-given theory. We entered the field open minded but we had the perception that using an institutional logics framework (e.g. Goodrick & Reay, 2011) could be helpful. However, as we started to analyze the material using concept discovery (Martin & Turner, 1986) categories started to emerge, whereby we changed direction as we realized that a loose coupling framework could help us gain a broad understanding of our material supporting the aim of the article.

In the first stage of analysis, the transcribed material was studied carefully in an open way, in order to allow for a broad interpretation of the material. We started by studying the transcribed material sentence by sentence and discussed our associations regarding what the particular sentence meant and what it could be an example of. Inspired by constant comparative analysis as proposed by (Czarniawska, 2013), we continuously compared the first sample of collected empirical material with the second and the third etcetera. This led to the identification of incidents, which further were assigned within a concept describing the association between different incidents (Martin & Turner 1986). For example when the respondents talked about how information was compiled into reports or what happens to the information along the hierarchy we named the concept "Aggregation of information".

The different concepts were collected in a document that made visible what incidents where assigned to what concepts. After a while we started to see patterns emerge where the concept could be linked together and form a broader category. We continued the constant comparative analysis until we had gone through all the transcribed material, continuously assigning concepts and adding them to existing or new categories. For example, "Aggregation of information" were linked to the concept of "Feedback" and at a higher level of abstraction, the broader category was named "The value of reporting". Ultimately, we selected broader categories which provided the structure for our empirical findings in relation to how the MCM is manifested, how it in multiple ways are connected to operations and how it is connected back through reporting.

As stated, the selected loose coupling framework was not elaborated in advance but rather, as our analysis proceeded we felt that using a loose coupling framework as theoretical language helped us understand the empirical findings based on the categories. For instance, when managers were talking about connection, alignment of goals and keeping the reporting chain, these were further interpreted in relation to different couplings. The analysis then acted as foundation for the subsequent discussion.

Empirical findings: Managerial accounts of the MCM

The following chapter will present the empirical findings divided into four parts. The first section will describe how the MCM is manifested. The second part will describe how managers use the MCM when decomposing overall goals, their communication of the MCM and with their account for the purpose of the MCM. The last section will present findings of how managers describe their involvement in the reporting process where operations are connected back to the MCM, and their perception of the value of the reported information.

The manifestation of the MCM
During the initial meeting and throughout the interviews it became clear that the MCM is manifested and reflected within different budgetary documents and also technically through the use of an IT-system. Subsequent section will outline the main areas of the MCM for the purpose of this article, while a complete presentation of the MCM and its content is beyond the scope of this study.

The manifestation in documents
The MCM in its completeness is conceptualized in a 44 pages long document. Underpinnings for its development are described in the politicians' and civil servants' endeavor to create coherent management and monitoring across all administrations within the municipality. The MCM is further concentrated around the management of the most important goals, referred to as prioritized areas. Central to the development of the MCM was an ambition to manage the municipality using values and results actually achieved, as opposed to manage using the budgetary goals as the primary focus. The MCM was described by the Director of Quality to have similarities with a BSC, but it was stated that it has been carefully elaborated to suit the municipality where the citizen perspective is made the ultimate focus.

In brief, the MCM describes the overall steering across the administrations within the municipality where the politicians focus on what should be done while the civil servants decide how to do it. The MCM document outlines the decision authority and how responsibilities and goal decomposition processes are dispersed involving the politicians, committees, administrations, departments and operations, down to individual employees. The translation of the overall vision into operation is a recurrent process evident when the Municipal Executive Board makes decisions about the municipality budget. The budget contains the prioritized goals, directives and the orientation, which the politicians use to manage the municipality. The goals are concrete in character, measurable and possible to monitor. The directives are the most concrete form of management where an administration that is subject to a specific directive must execute and report the directive within a certain time frame.

The politicians also manage with an orientation, which consists of common values concerning the employees' relationship towards the citizen. The values are evident in an acronym TIAS that stands for Treatment, Influence, Accessibility and Security. Each administration can develop its own interpretation of the values and translate them to suit the administration's particular operation. The TIAS goal accomplishment is measured based on a citizen survey. The municipality also has other parallel steering documents such as policies and programs. Also, the MCM is ultimately manifested within the annual reports for the administrations, committees and the municipality budget.

The manifestation in the IT-system
The technical instrument that concretely connects the MCM to operations is the IT-system, Act-IT, in which the content is a visual reflection of the MCM. Act-IT makes evident the coherent management chain, described to be when the politicians manage and control the municipality in a unified way in the pursuit of a common vision. Act-IT enables a systematic visualization of the process of decomposing overall prioritized goals, directives and orientations and displays how theses are addressed across the administrations evident in the performance targets, directives and orientation of the committees. The system provides an opportunity for each administration and lower departments to explicitly write action plans, assign areas of responsibility and time frames by following the templates within the system. Act-IT also contains electronic budgetary documents whereby managers can use the system to access current information in their daily work and track performance on a daily basis.

The application of Act-IT is relatively new, and the use of it across all departments therefore differs. Some managers are designated to use the system while others do not have to use it. The Director of Quality described Act-IT as vital in relation to how the MCM is anchored on a daily basis because of its ability to disentangle how politicians prioritized goals, directives and orientations connects to operations at the unit level. In the end, Act-IT also generates an aggregation of reporting across the administrations, which is used in the annual report of the committees, and ultimately in the annual report for the municipality.

Turning vision into action
In order to understand the process of goal decomposition throughout administrations, managers were asked to describe how the MCM is used in practice. The managers mentioned

the municipality budget as point of departure, followed by each committee budget. According to one administration manager, the committee budget is partly a proposition from civil servants but mainly the politicians endeavor to manage with questions regarding what to do. The committees are in turn responsible for concretizing the goals by clearly making them relevant for their particular administration through the committee budget. The administration managers stated that they were directly involved in deciding what goals should be addressed to their particular administrations.

The managers explained that when the goals have been addressed, they are further elaborated in collaboration with the department managers, where the goals are carefully considered in order to ensure that everyone has interpreted them correctly. The committee budget was referred to as a bible, in regards to the goal decomposition process. It is also the foundation for each administrations budget. One interviewee referred to the MCM as the instrument that linked the politicians and the civil servants, but explained that in the actual work, the municipality and committee budget is the point of departure for specific action plans:

> We get the preconditions from the Municipal Council, and then the committee announces their budget including instructions regarding what should be done. At the same time, the administrations work with the action plans. /.../ The MCM is the instrument but when we start to work, the committee budget is our bible.

The administration managers described the development of the action plans as being a collaborative work with the department managers, discussed during management team meetings. This was further described as an integral part in the process of translating the overall vision into concrete activities. One department manager described her work with developing the action plan for the department in collaboration with her unit managers and how the action plan is connected to individual agreements with her unit managers:

> My unit managers and me have a planning day in order to decompose it [the action plan for the administration] to an operational level. /.../ based on the action plan for the department, I make an agreement with each of the unit managers

The process of translating the action plan for the department continues at unit level where a subsequent action plan is developed. The translation process within the administration for secondary and adult education was at this level described as different compared to the administration for community care, in regards to accountability for the MCM and external legal requirements. Within the administration for secondary and adult education, department managers have the ultimate responsibility in relation to the MCM. Unit managers are accountable for the realization of the national control and requirements from the Swedish Schools Inspectorate. One unit manager described this separation of accountabilities as remedial, and further stated that she could direct her attention to the national control as opposed to the MCM. However, she explained that the goals from the administration are to a great extent in accordance to the external learning goals, but the national learning targets were described as superior regardless.

Within the administration for community care, one unit manager explained how she was involved in the development of the action plan for the department and simultaneously

responsible for developing an action plan for the unit in collaboration with the employees. Several unit managers described that the translation process of goals and directives through the use of action plans also facilitated the development of individual targets of employees. When the managers were asked if they considered that the individual agreements ultimately were connected to the politicians' overall goals, many stated that particularly the value orientation, including TIAS, was a concrete example with impact in operations. One manager explained how the consistent work with the values has lead them to be evident at operational level:

> I think that the way we work with TIAS in the municipality is impressive. That we have worked so earnestly out into the units so eventually, people start referring to TIAS when things are not working accordingly/…/ It is really a sign that it works.

Communicating the MCM

When the managers were asked if they have had the MCM communicated directly to them, the general agreement was that the MCM has been raised as a topic. All managers mentioned that it was communicated to them in connection to its introduction while it nowadays recurs mainly during management and budgetary meetings. Based on the interviews, it became apparent that all interviewed managers had an understanding of the MCM, both in its completeness and in relation to its content. However, when asked if they in turn had communicated the MCM in its completeness to employees, the answers differed. Almost all managers agreed that employees at least should have a basic understanding and awareness about the MCM and that there is an overall vision for the municipality. In general, the managers considered that knowledge about the MCM was most relevant for those working in a management position. When asked to elaborate their answers further, different views unfolded regarding how detailed the employees' knowledge should be. One manager thought that employees should have some knowledge about what the MCM is, but that they do not need to know, specifically, the concept of prioritized goals and directives:

> I think that it is to demand too much but they [the employees] should know that our politicians have decided something that has been written, regarding what direction to go. /…/ I think that there are other things that are more important when working in the operations.

The managers expressed that they had made different choices in regards to how to communicate and diffuse the MCM among employees. For instance, one manager described how she spoke very little about the MCM with her employees: *"We might have had some review of it but mostly because you [as manager] feel the pressure to communicate it."* Another manager had decided not to communicate the MCM in its completeness but instead it was communicated in the form of the action plan. On the other hand, one manager saw it as her mission to diffuse the MCM on a continuous basis in order for the employees to see their contribution to the annual report:

> My mission is to diffuse it [the MCM] to make it become an instrument that every single employee recognize and when they see the results in the annual report they should recognize themselves and feel they have been a part of it.

Similarly, another manager described her effort in order to familiarize the MCM to employees:

> We have received, in writing, the MCM of the municipality very beautiful in color. I copied it, and used it to show my employees. /…/ They should know about the concept of the MCM, where it comes from, but on a daily basis we talk about it in terms of action plan since the goals are stated there.

Since the MCM outlines who has authority to make certain decisions, one manager mentioned that it enabled her to disclaim responsibility regarding a cost: *"It can be convenient to say; it is not me [as a manager] it is the politicians who has decided about the cost"*. A second manager also mentioned how she tends to rely on the MCM when explaining for employees why certain tasks must be carried out in order to achieve the prioritized goals:

> If questions regarding why we do this or that occurs, then I can refer to the fact that we have a MCM that tells us what to do. /.../ such as an explanation for why we make the action plans, why it is so important that we do this, and if I receive a comment such as - this should not concern us? [from an employee] then I can explain using the MCM

Even though it is up to managers themselves to decide whether or not to communicate the MCM among employees or solely focus on the action plans, one manager expressed that communicating the MCM in an understandable way was in itself difficult. From her perspective, the MCM felt distant to the employees who she thought had difficulties embracing it: *"The employee survey revealed that employees had no idea about the overall goals for the administration despite the fact that the administration management had recently spent an entire day presenting the MCM to them."* To circumvent this lack of understanding it was described that they have now worked heavily to make an action plan in which all should take part and be aware of the goals.

In summary, there was an agreement among the managers that it is their responsibility to ensure that the employees have an understanding of the MCM as they decide whether or not to emphasize the MCM in its completeness, or only in relation to the action plan. The idea of not concretely communicating the MCM to employees opened up for additional questions regarding how managers perceived of the overall purpose of the MCM, besides their concrete work with it.

Perceived purpose of the MCM
During the interviews, it became evident that many of the managers saw the purpose of the MCM in relation to how it creates coherent management. There was further a widespread consent among the managers that the MCM creates a common direction across the entire municipality. One manager emphasized this by explaining that all employees, regardless of position, should be able to feel that they are part of something bigger and that their work is important in reaching the overall vision.

For the managers, the MCM made clear what to focus on which gave them a sense of security, knowing that what they are doing is the right thing. One manager explained that in order to know how high to jump you must know where the bar is located, stating that the MCM is the instrument envisioning where the bar is. In a similar vein, the idea of how the MCM creates clarity was also related to how the MCM outlines who is responsible for

realizing certain decisions. One manager referred to it as something to lean on in regards to her responsibilities and obligations:

> I have something to lean on. /…/ I am not responsible for making this decision but I know I need to follow it. My task is to realize the decisions made by politicians and find solutions /.../ I am a civil servant and this is my task and if I do not like it, it is up to me to look for another job.

During the interview with the Director of Quality, it was described that one intention behind the MCM was to create a common language across the administrations. Without mentioning this as a question, some managers that were interviewed stated that the MCM has helped create a common language: *"We call it a language that everyone understands - what is a committee budget, what is an orientation, what is a directive?"* This perception was shared with other managers, where one also expressed that this facilitates the work over administration borders and within workgroups:

> It is [the MCM] a help for me to easier execute my task /…/ everyone has the same preconditions, the same management and the same MCM to work according to. The MCM is beneficial when working across administrational borders as we think alike and we speak the same language.

In summarizing, the prioritized goals, directives and orientations are to varying degree connected to operations through the process of goal decomposition where managers across the hierarchy collaborate and interact to make action plans relevant for their particular operation. The MCM is not always communicated in its completeness but understood by employees in relation to how it can be derived within the action plans. The MCM is described as an instrument that creates a common direction, a common language and something to both lean on and blame. The next section will outline how managers account for their involvement in reporting performance and goal attainment.

Reporting Action to Vision

The MCM does not only outline how to translate overall goals for the purpose of coherent management, it also intends to elicit execution at unit level in accordance to the action plans which must be monitored.

The reporting process from unit managers to administration managers departs from the idea of a coherent reporting chain, which was a notion referred to by many managers. The reporting chain implies that reports from unit managers are passed forward to department managers who then make an adequate compilation, which is further transmitted to authorized users at administration level. At the administration level, the process of reporting continues and the main content is compiled and becomes the foundation for the committee annual report.

When managers were asked about the reporting process in its entirety, several managers at all levels stressed the importance of maintaining the reporting chain. This was described to mean that each managerial level is responsible for summarizing and aggregating information from previous levels and submit reports to the next level without questioning previous reporting. That is, administrative managers should not question the reports from department managers and turn directly to unit level for additional information. It was stated that this is

important in order to show trust and enable all managerial levels to be involved. Maintaining the reporting chain was also stated to ensure that relevant information reaches the decision-makers and that the amount of information is manageable. One department manager explained her part in reporting the priorities and knowledge of details regarding operations in her department units:

> The thought is that we [the department managers] should be more involved, that it [the reporting] should go through us because it may be difficult for the administration managers to see what I think needs to be prioritized in this. /…/ We should maintain the reporting chain because we have more knowledge about details compared to the administration managers who does not work as close to the units.

Maintaining the reporting chain was described as important, and all managers are to varying degrees involved in reporting. The unit managers stated that they were responsible for delivering interim reports as well as yearly reports to the department manager, where important events that have happened during the year is included.

When unit managers were asked to explicate their part in the reporting process, the system Act-IT was mentioned by those assigned to use it. One unit manager stated that she had tried it, but met obstacles: *We tried Act-IT last year and we got caught in the system, therefore we said that this year we should not use the system and instead think of the actual goals because we got so fixated with Act-IT.*

Unlike the unit managers, most department managers stated that they use Act-IT for the purpose of reporting. One department manager stated that the ambition of Act-IT is to ensure a coherent reporting chain that enables managers to write in a coherent way as reports previously had looked very differently. Another department manager pointed to the fact that the intention is to inhibit an overload of irrelevant information whereby the system is supportive as it guided how to write. However, one department manager described how she felt limited by the system and had to force the information to fit the templates. She further stated that as a result, the fulfillment of the requirements of the templates became a goal in its own right:

> There is a risk that you get stuck in the need to meet all the requirements within the templates and in the template there is a red, evil checkmark until I have written something in the box. In the end, I go in, write a dot so I can move on. In this way you become a bit of a slave under the instrument.

In continuing, when department managers have made their compilation it is submitted through Act-IT to administration level where both administrations have one or more development managers who have the ultimate responsibility to compile the reports. One development manager explained that a substrate from what is written in Act-IT is used in order to produce the annual report for the administration.

Overall, the reporting process was described as a sequential work in which managers emphasized the importance of maintaining the reporting chain. The reporting process implies an aggregation of information, which led to more questions related to the value of reporting and feedback.

Value of reporting

All managers expressed an understanding that the information originating from units and departments need to be aggregated in order for it to be compiled into a readable annual report. Managers responsible for compiling material stated that the aggregation is of importance in order to select relevant information, necessary for the purpose of the reporting, and also to create a report that is representable of the work. Managers at higher levels argued that it is a challenge to create an aggregation of the different reports, where managers and employees across different levels can see and recognize their own contribution. One manager described how she went through all the information she had received from the units and selected what she thought was the most important:

> I look at the information and may feel that something is more important than something else, even though it is not unimportant, it can unfortunately not be included on the list of the most essential information. It may be important when we report to the department managers what the unit managers have done and there it has its place. However, it is not enough to be included in the report for the whole administration [the annual report].

In regards to possible implications of the aggregation of information, one manager stated that unit managers had expressed a disappointment when they were not able to recognize their contribution: *"We have many different operations and so much work is going on, and groups of employees mention that they cannot recognize anything of what they have done [in the reporting]."*

When managers were asked to reflect upon the value of the reports they are involved in producing, different views unfolded. One unit manager described how she saw herself as the main beneficiary of the reporting as it enables her to summarize the year and see whether thoughts and actions correspond, and what results have been achieved. Several managers questioned whether politicians and higher-level managers actually read all of the material and how much is actually used in the end. One manager explained the lack of feedback as salient:

> I do not get any feedback. As a manager I do not get feedback more than – 'Yes I have seen that you have finished [the report], thank you'. There are no comments on the results. /…/ I have never received a reaction. Sometimes it feels as if you could sneak in a strange word somewhere and still no one would react.

An example of the lack of feedback was given in relation to the work with the values TIAS. One unit manager explained how she referred frequently to TIAS during workplace meetings contemplating how they could improve their work towards the citizens. However, she expressed a wish for feedback from higher-level management regarding this matter. Other managers described how they are given feedback through an active dialogue with the closest manager, politicians and employees.

Ultimately, the general acquiescence among managers was that the providence of feedback from higher managers is essential. They also stated that they see it as their own responsibility to give feedback to their employees, which they did mainly during the yearly follow-up meetings. The MCM was described as an instrument, which embodied everything from management, monitoring and planning. However during the interviews it became apparent that these processes did not necessarily proceed in a coherent order, which will be addressed in the final section.

Creating a process of management, monitoring and planning

Most of the managers mentioned that the MCM provides an overview of what they called "the management year". The management year was described to encompass the process of managing daily operations, monitoring of performance and of planning through the work with the budget. Managers explained that the MCM clearly outlines the management year but some parts of the year these activities overlap. This was described as leading some of the managers to perceive that they focus on three years simultaneously. Several managers expressed difficulties with this way of working; one is that they feel as if they spend more time on planning than actual operations. One manager stated: *"You are very much in the future and at the same time a year back so you do not really have time to work with the goals in the present."*

Some managers described the management year to be too short to complete certain tasks and that some processes take longer than a year to complete. These managers also stated that the timespan between budget effectuation and the first quarterly report is insufficient, as operations have barely started before they should be reported. This was accordingly one reason for why the committee had decided to cancel the interim report for the first quarter. One manager further questioned if this way of working creates efficiency and if it ultimately is beneficial in order to create value for the citizens, stating:

> It [the management year] needs to be completed even though some processes should run over five years /.../ the process goes too fast because of the monitoring and it does not become good enough, and there is no time for reflection - where are we now?

On the contrary, other managers did not describe the management year as hampering when asked if they saw it as a challenge to operate within three years concurrently. Rather, they expressed that is was part of their role as a manager. One manager explained it as: *"I am used to it, that is the way it is and I do not perceive of it as a problem"*

In relation to the management year it was described that the budget for the current year is not based on the most recent annual report as the budget is established before the annual report is written. This was described as a one-year gap, where the budget is based on the monitoring of performance one year in advance. Managers expressed that this sometimes becomes a problem in relation to funds and investments. However, one manager mentioned that the collaboration with the politicians made it possible to solve funds for an unpredictable event even though it had not been included in the budget. On the contrary, another manager pointed to the fact that you can never ask for additional funds. A third manager stated that it is notable that deficient performance as reported in one area is not reflected in subsequent planning, pointing to the fact that it would be convenient to see a connection. Managers stated that the one-year gap had not been questioned, but rather the general impression was that this is how it works and there are no easy solutions to the problem.

In summarizing, managers' account for the reporting was related to their involvement in the reporting chain, which is the basis for the final monitoring of performance evident in the annual report. The use of Act-IT as a tool for reporting differed among managers. In addition, what information was forwarded, how the reports were used, whether they were read and if feedback was given, was described as central. Ultimately, the MCM was described as outlining the management year which both made it clear what to do but also created overlaps.

The next chapter will draw on the theoretical framework in order to analyze the empirical findings, identifying couplings within the MCM.

Analysis: Identifying couplings within the MCM

The findings presented above have described how the MCM is manifested in managerial practice and how managers account for their use of the MCM. Based on the empirical findings, different processes can be understood in relation to how the MCM, to varying degree, is coupled in practice. The analysis aims at identifying different types of couplings using the previously presented loose coupling framework. The chapter is divided into five parts where the first four present evidence of the different types of couplings - tightly coupled systems, de-coupled systems, loosely coupled systems and non-coupled systems. The last section will discuss how the different couplings act jointly to create a complete system.

Tightly coupled systems

Tightly coupled systems have a high degree of responsiveness and low degree of distinctiveness where the relation between the elements is strong, frequent and direct (Beekun & Glick, 2001; Weick, 1976) Departing from the described purpose of the MCM, managers stated that it creates a coherent management chain, clarity and a common direction where the MCM was described as a recurring element in management team meeting. We interpret this as a sign of tight coupling since the direct and frequent communication becomes a connecting mechanism within the organization, creating a coupling between managers.

It also became apparent that the MCM has created a common language that, based on the managers' account, had facilitated communication at cross-functional meetings. This implies that managers have responded to the MCM through adhering to a common language, which also was presented as a purpose behind the MCM. The common language is conceived of as a connecting mechanism, again creating a tight coupling between managers as it elicits the use of a common language departing from common objectives.

In proceeding, the MCM intends to create a coherent management from the politicians overall goals outlining how these should be coupled into operations. The managers explained the process of goal decomposition as an enduring work, where managers from administration, department and unit level are highly involved in cooperating when decomposing overall goals to suit their particular operation. The description of how overall goals are translated through the goal decomposition process enables different managerial levels to directly collaborate with each other creating a tighter coupling. Here, it is the collaborative workflow that acts as a connecting mechanism between the different hierarchical levels.

However, the goal decomposition *per se* does not have to imply a tight coupling between overall goals and operations as the prioritized goals and directives set by the politicians are relatively wide and applicable for the entire municipality. Still, one example of tight coupling between the overall goals and action is apparent. The orientation, containing the common values of TIAS, is a direct and integral part of the individual agreements. As the orientation directly applies to the individuals without being translated in the goal decomposition process, the coupling between the orientation and individual managers becomes tight.

Further, a tight coupling can also be understood at a technical level related to the system Act-IT. Act-IT has been described as the technical manifestation of the MCM and it fosters a coupling between the MCM and operations by reflecting the coherent management and reporting chain. The templates within Act-IT enables the direct visualization of the politicians' management across the entire municipality all the way down to action plans for the units. Thereby, a tight coupling between overall goals and the action plans are created through Act-IT, at least visually. On the reporting side, there is also a tight coupling evident between the users and the system where users respond to the templates and are required to fill in information, which ultimately ends up in the annual report. As the managers need to directly respond to the system's templates, there are little room for distinctiveness, which creates the tight coupling between operations and monitoring at a technical level.

De-coupled systems

De-coupling occurs when there is distinctiveness but no responsiveness within a system, leading the elements to be de-coupled from each other. In general, the findings point towards few signs of apparent de-coupling. However, there is one example involving managers at the administration for adult education and upper secondary school. The exercise of public authority was described as equally controlling as the MCM where legal requirements was stated to be prioritized over the MCM in case of divergence. This implies that actions and targets within the MCM can be de-coupled. Nevertheless, this has to a large extent been circumvented as the divergence among goals from the politicians and national legislation rarely contradicted each other. Therefore, the elements of action and targets are not always de-coupled, but can be if necessary.

Further, one manager described how an employee survey had revealed lack of understanding of the overall goals among employees. This suggests that the MCM could potentially can appear de-coupled from the perspective of employees but that is outside the scope of this study as it is concerns employee-level.

Loosely coupled systems

Drawing on Orton and Weick's (1990) conceptualization a system, which is both distinctive and responsive, can be understood as a loosely coupled system. Even though the process of goal decomposition have been described as a tightly coupled work process, support of loose coupling is found between the political body's management and the bureaucracy. As described, the politicians state what to do thereby causing responsive action, however the civil servants have discretion to decide how to achieve what the politicians have set out as elaborated in the action plans. We consider this as an example of loose coupling as it allows for both responsiveness and distinctiveness between politicians and civil servants.

In addition, the managers described that it was their responsibility to decide whether to communicate the MCM in its completeness or not. The empirical findings point towards different approaches, where some managers did not communicate the MCM directly to employees while other managers did. The direct communication of the MCM was previously stated as creating a tight coupling, whereby we understand the decision to communicate the MCM indirectly through for example the action plan as leading to a loose coupling.

In regards to the reporting chain, it has been identified as tightly coupled in relation to Act-IT. However, the reporting process involves a heavy aggregation of information made by managers where information provided from lower levels passes the hierarchy before compiled in the annual report. Since the information or communication needs to pass several intermediaries and thereby losing its strength along the way, this is interpreted as an example of loose coupling similar to the example given by Beekun and Glick (2001). It furthers enables managers to use their own judgment when deciding what information to include. This can according to Orton and Weick (1990) be understood in relation to loose coupling where both responsiveness and distinctiveness can occur. In contrast to the process of goal decomposition, which is characterized by close collaboration across the hierarchy, the lack of collaboration between all hierarchical levels in regards to the reporting seems to contribute to a looser coupling.

Non-coupled systems

As it has been argued that the MCM is characterized partly by tightly coupled elements, the notion of a non-coupled system does not apply to the entire MCM. This is because it would suggest that there is neither responsiveness nor distinctiveness to the MCM. Still, in relation to the reporting, several managers mentioned that they did not receive any feedback. As explained in the findings, the forwarding of the operational accounts felt more like a ritual for the purpose of responding to higher managers' demand. We consider absence of feedback from the recipients to the managers as a non-coupling between the two elements.

In continuing, another example of non-coupled elements unfolded when managers described how the MCM provides an overview of what the managers referred to as the management year. Based on their description, it became apparent that the budgetary planning departed from the annual report for the prior year as the annual report for current year was established after the completion of the budget. We conceive of this as a non-coupling between the current budget and the most recent annual report. Instead the budget is connected to the reporting from the previous year causing a gap of one year.

Coexisting couplings

According to the loose coupling framework, different couplings act jointly to shape a pattern constituting the total outcome (Beekun & Glick, 2001; Orton & Weick, 1990). The different couplings presented in this analysis should therefore not be seen as independent but they act together to build a complete system. The clarification of the couplings makes evident the simultaneous occurrence of tight and loose coupling as suggested by Orton and Weick (1990) but also the occurrence of de-coupling and non-coupling. The dependence between couplings also creates a situation where tight coupling between some elements foster loose coupling between others and vice versa. For example, the described loose coupling between the political body and bureaucracy between "what and how" allows for a tighter coupling in the goal decomposition process where civil servants can collaborate when directing and decomposing the goals to suit their operation.

Also, our findings support the ideas by Orton and Weick (1990) who state that couplings are changeable and indeterminate. This further proposes that the different couplings impact each other, which in this case can be illustrated by how the decision to communicate

the MCM or not further suggests that the couplings are changeable and produces different outcomes.

The idea of using different couplings as an analytical language opens up for a broad discussion. This will enables a broader understanding of the manifestation of the MCM beyond the solely identification of couplings. This will be further elaborated in the discussion.

Discussion: Implications from the field to theory and practice

This article set out to study the manifestation of a MCM, responding to recent calls of questioning the practical role of novel MCS within the public sector (Vaivio, 2008). In an attempt to overcome the potential shortcomings drawing on rational explanations (Brignall & Modell, 2000) a theoretical framework inspired by Orton and Weick (1990) was used adding layers beyond the concept of de-coupling, allowing for multiple interpretation of the findings. The key argument in this article is that the MCM is manifested, both in documents and within an IT-system and to varying extent coupled in practice. Managers' accounts of how the MCM is used have made visible their contribution to its operationalization. The following discussion will depart from the research questions and is summarized in the concluding remarks. In the first section, the findings will be discussed in relation to selected research mainly informed by NIS research together with some functionalist studies. Secondly, the practical implications will be discussed.

Theoretical implications

The findings in this study are related to, and extend the knowledge gained from previous studies of MCS and its coupling to practice, in four main ways.

Firstly, our analysis indicates that managers play an integral role in coupling the MCM to operations, similar to Brignall and Modell (2000) and Modell (2001) who argue that de-coupling requires pro-active managerial intervention. However, the need to de-couple performance requirements from work practices in our case was contradicted by managers' involvement in adapting performance measures to actual work practices. This finding adds to Modell (2001) who suggests that managers' perception of insufficiently adapted performance measures to actual work practice was a cause for de-coupling. Our findings also show that the managers described the citizen as the main stakeholder, meaning that managers do not need to de-couple their work for the purpose of meeting conflicting demands by multiple stakeholders as proposed by Brignall and Modell (2000).

Secondly, our analysis made evident both tight and loose couplings across the hierarchy and between overall goals and managerial operations. We have identified a tight coupling in regards to goal decomposition, where managers respond to overall goals, and the use of an IT-system enables a technically tight coupling. Simultaneously, the process can be understood as loosely coupled where managers across the hierarchy have discretion to decide how to achieve their particular targets. This implies that the two couplings can coexist and together create a coupling between the MCM and operations. These findings are to some extent similar to Van Hengel et al. (2014) who found a loose vertical coupling. The prevalence of loose coupling elements can further be understood in relation to the studies by Brignall and Modell (2000) as well as Johnsen (1999) who argue that loose coupling can enable a balance if

managers are faced with inconsistencies. Our analysis does however not imply that a particular coupling is preferable over another. Rather the case illustrates that different couplings can act jointly.

Thirdly our case points towards a tightly coupled reporting process through the IT-system. This finding support previous studies arguing that a compatible and supportive IT-system is useful for the purpose of coupling a MCS into operations (Cavalluzzo & Ittner, 2004; Chan, 2004; Van Hengel et al., 2014). The reporting process can simultaneously be interpreted as loosely coupled in regards to the aggregation of information. This again demonstrates how two types of couplings can act jointly for the purpose of monitoring. This study has also highlighted the prevalence of non-couplings as described between managers' reporting and feedback and between monitoring and planning. The non-coupling between monitoring and planning found in our study is similar to Pettersen (1995) who noticed how the elements of budget decisions and the prior years accounting information were unrelated.

Lastly, from the perspective of managers, the MCM has not been described as entirely de-coupled from operations as managers contribute to its operationalization and the overall goals are directly included in individual agreements. This is a finding contrary to previous studies providing support for de-coupling where MCS has been applied for legitimacy purposes (Johansson & Siverbo, 2000; Modell, 2003). The managers described that the MCM is flexible and helps create clarity and a common direction across the administrations. Our case indicates that the MCM at least to some extent fulfills its purpose in aligning overall goals with operations. The top down alignment of overall goals and operations is by functionalist researchers described as a tight coupling and ideal for the purpose of efficiency (Kaplan, 2001). Similarly, our findings support previous studies arguing that a properly adapted MCS with the ability to clarify vision, strategy and outcome help the MCS to have impact in practice (Chan, 2004; Northcott & Taulapapa, 2012).

The MCM was also described in relation to how it creates legitimacy. The monitoring of operational performance is a way to legitimize operations towards the citizen and the reporting process is described as a way for managers to legitimize their actions. Thereby, it seems as if the MCM at the administrations serves an interconnecting role in allowing for both goal alignment efficiency and institutional legitimacy. These findings support Modell (2001) suggesting that efficiency enhancing and legitimacy rationales for MCS can be intertwined.

Overall, our case shows that using a loose coupling framework enables a broad interpretation of how a MCM can be coupled in different ways without undermining its purpose. The finding of different couplings also has implications for practitioners, which will be addressed below.

Practical implications

The findings in our study have implications for practice in three main ways. Firstly, the decision to use a value orientation as a point for departure within the MCM seems to facilitate cooperation between politicians and managers as they operate for the purpose of a common stakeholder. However, we suggest politicians to be attentive in ensuring that overall goals for the municipality are consistent to external and national legal requirements in order to inhibit an increased management. In this particular case the decision to focus on few prioritized areas

thus seems desirable as well as the split in accountabilities in the case of unit managers at the administration for secondary and adult education.

Secondly, flexibility within the MCM and in relation to the budget should be a prerequisite in order to handle unpredictable events. This, since the lack of connection between budgetary planning and the most recent annual report together with the notion that deficient performance at administration level was not reflected in subsequent planning suggests that it might be required.

Finally, the lack of feedback in regards to managerial reporting has shown that the purpose of the reporting is not clearly communicated. Thereby, we advise managers at different organizational levels to communicate for whom the report is written. In addition, the frequency of reporting could also be scrutinized as the cancellation of one interim report indicates that activities might hardly begin before they should be reported on, which further undermines the value of the reports. Public organizations, compared to private corporations, do not provide monetary incentives connected to performance but the need for recognition still seems to remain. This suggests that the providence of feedback for small activities on a daily basis can increase perceived value of both reporting and performance and be solved at low expense.

Concluding Remarks

When embarking this thesis project, the aim of this article was to describe and analyze the manifestation of a MCM in managerial practice guided by the questions: How do managers at different organizational levels account for their use of the Management control model? What role does the Management control model have in managerial practice? This study has demonstrated how the MCM is manifested in two main ways, in written documents and also within the IT-system. Managers described their use of the MCM in practice, both in relation to goal decomposition and the reporting process. All four types of couplings in our loose coupling theory framework were identified in the study, where the MCM plays an interconnecting role. Tighter forms of coupling were more present in the descriptions of goal decomposition activities while loose or non-coupling was more present in the accounts of the MCM reporting. Our findings thus add to previous studies suggesting that a MCM can create both goal alignment efficiency and serve institutional legitimacy purposes concurrently.

This article contributes to the field of management accounting research in public sector with a descriptive case study of managerial use of a MCM in two municipality administrations in Sweden. The main contribution of this study is that the case has shown that the different types of couplings, previously often described separately, can coexist and function side by side in one organization. One type of coupling does not exclude the other. Thus the study further demonstrates that the use of a loose coupling framework can be fruitful as a theoretical lens in order to reconcile multiple interpretations of a MCS.

Limitations of the study and suggestions for future research
The limitations of the study are mainly related to the amount of administrations included and the choice to focus on managers as users of the MCM. First of all, as the study is limited to

two administrations and the MCM applies to the entire municipality the findings do not enable any generalizations regarding the overall role of the MCM across the entire municipality. Secondly, this study focuses only on managers whereby the direct point of view among employees is left out. It is likely that employees would provide a completely different picture of the MCM, adding additional nuances, in particular if managers have decided not to communicate the MCM at all. Thirdly, even though we approached all managers possible, the selection of managers was based on those who were interested in participating. This implies that the motives behind participation are unclear and could be based on a personal interest. However the study still provides a sound description of how the MCM is used across three organizational levels where the managers' work on a daily basis is described.

Based on our findings, this article opens up for additional questions worth studying in future research. First of all, as this article is limited to managers, it would be valuable to conduct a similar study from the perspective of employees. Since they on a daily basis are in contact with the citizen it would be valuable to understand whether their work is aligned with overall municipal goals or rather subject to an overload of management by multiple external constituents. Further, as this study is limited only to two administrations, it would be convenient to conduct a longitudinal case study encompassing all administrations within a municipality using a similar control model, in order to assess its total impact by mapping the pattern of couplings the model produces and what outcomes it induces.

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