

# Navigating a Network of Competing Demands

Accountability as Issue Formulation and Role Attribution  
across Organisational Boundaries

Eva Hagbjer



# Navigating a Network of Competing Demands

Accountability as Issue Formulation and  
Role Attribution across Organisational Boundaries

Eva Hagbjer

Akademisk avhandling

som för avläggande av ekonomie doktorsexamen  
vid Handelshögskolan i Stockholm  
framläggs för offentlig granskning  
onsdagen den 10 december 2014, kl 13.15  
sal 720, Handelshögskolan, Sveavägen 65, Stockholm



Navigating a Network  
of Competing Demands

Accountability as  
Issue Formulation and Role Attribution  
across Organisational Boundaries



# Navigating a Network of Competing Demands

Accountability as  
Issue Formulation and Role Attribution  
across Organisational Boundaries

Eva Hagbjer





Dissertation for the Degree of Doctor of Philosophy, Ph.D.,  
in Business Administration  
Stockholm School of Economics, 2014

Navigating a Network of Competing Demands: Accountability as Issue  
Formulation and Role Attribution across Organisational Boundaries

© SSE and the author, 2014  
ISBN 978-91-7258-952-0 (printed)  
ISBN 978-91-7258-953-7 (pdf)

*Front cover illustration:*  
© Shutterstock/Garsya

*Back cover photo:*  
The Studio

*Printed by:*  
Ineko, Göteborg, 2014

*Keywords:*  
Inter-organizational accounting, accountability, inter-organizational  
accountability, management accounting, networks, public services, public-  
private relationships, elderly care

*For my parents*





# Foreword

This volume is the result of a research project carried out at the Department of Accounting at the Stockholm School of Economics (SSE).

This volume is submitted as a doctor's thesis at SSE. In keeping with the policies of SSE, the author has been entirely free to conduct and present her research in the manner of her choosing as an expression of her own ideas.

SSE is grateful for the financial support provided by the City of Stockholm, which has made it possible to fulfil the project.

*Göran Lindqvist*

Director of Research  
Stockholm School of Economics

*Johnny Lind*

Professor and Head of the  
Department of Accounting



# Acknowledgements

Many people have offered support, suggestions, and encouragement during the years it has taken to write this thesis. My research, as well as me personally, has benefitted greatly from your contributions.

First, I would like to thank my informants at East, North, AlphaCare, and BetaCare. Thank you for welcoming me into your organisations and allowing me to benefit from your experience. I am pleased and honoured to have met you.

I also wish to thank my supervising committee. Professor Johnny Lind, my main supervisor, read countless versions of this thesis and offered insightful comments on each one. Thank you, not only for your guidance throughout this winding process, but also for your final piece of advice: that the thesis is finished and it is time to let go. It was Associate Professor Kalle Kraus who initially made me consider writing a PhD thesis, for which I am eternally grateful. Thank you for your unwavering encouragement, helpful suggestions, and interest in my work. Assistant Professor Cecilia Lindholm was always available to discuss accountability literature and act as a sounding board while I struggled to make sense of my empirical data. Your advice on theory and deep knowledge of the Swedish public sector were both invaluable to my research. Finally, Assistant Professor Ebba Sjögren has been an important source of insight and inspiration, both as a supervisor and as a friend. I can honestly say that without you, I would never have finished this thesis.

I also owe a great deal of gratitude to my colleagues at the Department of Accounting. A special thank you goes to the methodology seminar regulars: Anna-Stina Gillqvist, Malin Lund, Per Åhblom, Christoph Schneider, and last but certainly not least, my office mate Carl Henning Christner. Thank you, all of you, for many interesting discussions about research and

life in general throughout the years! My thanks also to Linda Portnoff, who gave generously of her time when I was new and confused, and to Professor Trevor Hopper, who has always been ready with a word of wisdom or encouragement.

Beyond the Stockholm School of Economics, I am grateful to Professor Falconer Mitchell for welcoming me as a visiting student at the University of Edinburgh Business School. Our discussions offered new ideas and shaped my thesis in ways that has improved it significantly. The many insightful comments made by Assistant Professor Lars Frimansson during and after my final seminar had a large and positive impact on my thesis as well. Thank you also, to Anna Krohwinkel for giving me an excuse to occasionally leave my office and work on a different project. In addition, I am grateful to the City of Stockholm and Jan Wallanders and Tom Hedelius Stiftelse for providing financial support for my research and my time in Edinburgh.

Finally, my parents Anna Karin and Lennart, my sister Annelie, and my brother Paul have all supported me throughout this long journey. Thank you for understanding my frequent absentmindedness and helping me stay grounded during the high and low points of my research!

*Stockholm October 24, 2014*

*Eva Hagbjer*

# Contents

<u>ACRONYMS .....</u>	<u>XIII</u>
<u>TECHNICAL TERMS .....</u>	<u>XV</u>
<u>TABLES AND FIGURES.....</u>	<u>XVII</u>
<u>1. ON ACCOUNTABILITY .....</u>	<u>1</u>
1.1 ACCOUNTABILITY PROCESSES .....	1
1.2 ACCOUNTABILITY NETWORKS.....	3
1.3 ISSUE FORMULATION AND ROLE ATTRIBUTION.....	5
1.4 ACCOUNTABILITY IN THE PUBLIC SECTOR .....	10
1.5 THESIS OUTLINE .....	13
<u>2. ACCOUNTABILITY AS ONGOING PROCESSES .....</u>	<u>15</u>
2.1 INTERPRETATIONS OF ACCOUNTABILITY .....	17
2.2 ACCOUNTABILITY: TWO INTERTWINED SUB-PROCESSES OF ROLE ATTRIBUTION AND ISSUE FORMULATION .....	21
2.3 ACCOUNTABILITY IN ORGANISATIONAL PRACTICE .....	24
2.3.1 Drawing on Norms to Make Issues Visible and Roles Legitimate.....	24
2.3.2 Interpreting Norms to Act on Issues and Shape Actors' Relational Importance .....	29
2.3.3 Interpreting Conducts to Trace Issues and Enforce Actor Accountability 35	
2.3.4 Issue Formulation and Role Attribution Processes in Organisations .....	38
2.4 ACCOUNTABILITY BETWEEN AN ORGANISATION AND EXTERNAL ACTORS .....	42
2.4.1 Accountability Relationships between an Organisation and its Environment .....	43

2.4.2	Accountability Relationships between Organisations .....	47
2.4.3	Issue Formulation and Role Attribution Processes between an Organisation and External Actors .....	52
2.5	ACCOUNTABILITY IN NETWORKS: A FRAMEWORK .....	54
<b>3.</b>	<b><u>STUDYING ACCOUNTABILITY.....</u></b>	<b>59</b>
3.1	RESEARCH METHODOLOGY .....	59
3.1.1	Research Approach .....	60
3.1.2	Theoretical Approach .....	61
3.2	RESEARCH METHODS .....	63
3.2.1	Study Design .....	64
3.2.2	Data Collection .....	68
3.2.3	Data Analysis .....	71
3.3	RESEARCH PROCESS .....	74
3.3.1	Understanding the Setting: A Focus on Outsourcing .....	74
3.3.2	Theoretical Honing: A Focus on Accountability .....	78
3.3.3	Understanding Key Processes: A Focus on Issue Formulation and Role Attribution .....	82
3.4	RESEARCH REFLECTIONS .....	85
<b>4.</b>	<b><u>ACCOUNTABILITY CONTEXT: CENTRAL ACTORS AND FORMS OF ACCOUNTING IN METROPOLIS' ELDERLY CARE .....</u></b>	<b>87</b>
4.1	CENTRAL ACTORS IN ELDERLY CARE.....	88
4.1.1	Actors within the Focal Dyads and their Hierarchies .....	90
4.1.2	Actors in the Elderly Care Market .....	99
4.1.3	Actors at a National Level.....	101
4.2	FORMS OF ACCOUNTING FOR ELDERLY CARE .....	105
4.2.1	Accounting within the Focal Dyads and their Hierarchies .....	106
4.2.2	Accounting in the Elderly Care Market .....	115
4.2.3	Accounting at the National Level .....	118
4.3	THE ACCOUNTABILITY CONTEXT OF THE EMPIRICAL FIELD .....	120
4.3.1	Environmental Complexity .....	120
4.3.2	Environmental Conditions for Accountability Processes .....	124
4.3.3	The Accountability Network for Elderly care .....	129
<b>5.</b>	<b><u>EPISODES OF ISSUE FORMULATION .....</u></b>	<b>133</b>
5.1	EPISODES ORIGINATING FROM THE FOCAL DYADS .....	134

5.1.1	Episode 1. Debating the Operational Feasibility of a Norm: Meal Choices.....	135
5.1.2	Episode 2. Interpreting Norms: Staffing Levels .....	138
5.1.3	Episode 3. Introducing New Norms: Start-up Evaluation .....	143
5.2	EPISODES ORIGINATING FROM THE NETWORK.....	147
5.2.1	Episode 4. Debating External Potential Issues: Renovations .....	148
5.2.2	Episode 5. Debating External Accounting Information: Client Survey ..	151
5.2.3	Episode 6. Changes in External Codified Norms: Restrictive Measures	154
5.2.4	Episode 7. Sudden Changes in Norms within the Network: Night Staffing	160
5.3	ISSUE FORMULATION PROCESSES .....	164
5.3.1	Issue Formulations in the Dyads .....	165
5.3.2	Issue Formulations in the Network.....	167
5.3.3	Issue Formulation: Visibility, Traceability and Capability of Inducing Action.....	169
<b>6.</b>	<b><u>EPISODES OF ROLE ATTRIBUTION.....</u></b>	<b><u>171</u></b>
6.1	EPISODES OF CONSTITUENT ATTRIBUTION .....	172
6.1.1	Episode 1. Prioritising Conflicting Constituents: Ward Size .....	172
6.1.2	Episode 2. Attributing the Constituent Role: Premise Manager .....	179
6.2	EPISODES OF ACCOUNTOR ATTRIBUTION .....	183
6.2.1	Episode 3. Attributing the Constituent Role – and the Accountor Role: New Security System .....	183
6.2.2	Episode 4. Sharing the Accountor Role: Occupancy Rates.....	192
6.2.3	Episode 5. Displacing the Accountor Role: Personnel Training .....	195
6.3	ROLE ATTRIBUTION PROCESSES .....	200
6.3.1	Attribution of the Constituent Role.....	200
6.3.2	Attribution of the Accountor Role .....	203
6.3.3	Role Attribution: Legitimacy, Coerciveness and Relational Importance	205
<b>7.</b>	<b><u>ACCOUNTABILITY AS INTERTWINED PROCESSES OF ISSUE FORMULATION AND ROLE ATTRIBUTION.....</u></b>	<b><u>207</u></b>
7.1	ACCOUNTABILITY TRIGGERS .....	209
7.2	ACCOUNTABILITY ARGUMENTATION .....	212
7.3	ACCOUNTABILITY RESOLUTIONS .....	216
7.4	ISSUE FORMULATION AND ROLE ATTRIBUTION IN DIFFERENT PHASES OF AN ACCOUNTABILITY PROCESS .....	219

<u>8. ACCOUNTABILITY PROCESSES IN NETWORKS .....</u>	<u>223</u>
8.1 SOURCES OF NETWORK COMPLEXITY .....	224
8.1.1 Actor Complexity .....	224
8.1.2 Accounting Complexity .....	227
8.2 ACCOUNTOR-CONSTITUENT DYADS AND NETWORKS .....	230
8.2.1 Dyads as a Resource to Manage Networks .....	230
8.2.2 Networks as a Resource to Manage Dyads .....	232
8.3 INFLUENCING THE CONTEXT OF ACCOUNTABILITY PROCESSES .....	234
8.3.1 Creating New Accountability Regimes .....	236
8.3.2 Creating a Relationship .....	239
<u>9. NAVIGATING A NETWORK OF COMPETING DEMANDS .....</u>	<u>241</u>
9.1 ISSUE FORMULATION AND ROLE ATTRIBUTION PROCESSES IN NETWORKS.....	242
9.1.1 Issue Fluidity in Accountability .....	242
9.1.2 Role Fluidity in Accountability .....	243
9.1.3 Accountability in Networks.....	245
9.2 FUTURE RESEARCH.....	247
9.3 PRACTICAL IMPLICATIONS FOR PUBLICLY FINANCED SERVICES .....	249
<u>REFERENCES .....</u>	<u>255</u>
<u>APPENDIX I: EMPIRICAL DATA COLLECTION .....</u>	<u>267</u>
<u>APPENDIX II: ACCOUNTING INFORMATION FOR METROPOLIS' ELDERLY</u>	
<u>CARE .....</u>	<u>281</u>



# Acronyms

MAS	Medicinskt Ansvarig Sjuksköterska (Medically Responsible Nurse); office responsible for overseeing municipal healthcare
SKL	Sveriges Kommuner och Landsting (Swedish Association of Local Authorities and Regions)
SFS	Svensk Författningssamling (Swedish Code of Statutes)
SEK	Swedish Krona
SOU	Statens offentliga utredningar (Swedish Government Official Reports); reports commissioned by the Swedish government to analyse issues in anticipation of a proposed legislation
SOSFS	Socialstyrelsens föreskrifter och allmänna råd (The National Board of Health and Welfare's Code of Statutes); regulations and best practices published by the Swedish National Board of Health and Welfare



# Technical Terms

Incident	An event that deviates from normal care procedures or from the normal development of a patient's condition (Swedish: avvikelse, literally: deviation).
<i>Lex Maria</i>	The requirement in chapter 3 § 5 of the Patient Safety Act (2010:659) for healthcare providers to report incidents that have “resulted in or could have resulted in serious healthcare damage” (emphasis added) to the Swedish National Board of Health and Welfare (the Swedish Health and Social Care Inspectorate after 2013).
<i>Lex Sarah</i>	The requirement in chapters 7 § 6 and 14 §§ 2-7 of the Social Services Act (2001:453) for social care professionals to report instances of mistreatment or a tangible risk of mistreatment to their superior. The incidents should be documented, investigated, and remedied and “serious mistreatment or a tangible risk of serious mistreatment” (emphasis added) should be reported to the Swedish National Board of Health and Welfare (the Swedish Health and Social Care Inspectorate after 2013).
Night fast	The number of hours that a person goes without food during the night (Swedish: dygnsfasta).
Personal carer	A care assistant who has the main responsibility for aiding a particular client (Swedish: kontaktman/kontaktperson); described in chapter 3 § 6b of the Social Services Act (2001:453).

Personnel density	The number of permanent employees per resident.
Plan of implementation	A document detailing the specifics of a nursing home resident's care. The plan is developed in cooperation with the resident and his or her representatives.

# Tables and Figures

## Figures

Figure 2.1 Accountability Process within an Accountability Network.....	56
Figure 4.1 Central Actors in the Accountability Network for Elderly Care	89
Figure 4.2 The Focal Accountability Dyads.....	91
Figure 4.3 Organisational Placement of Elderly Care Supervision Personnel within East .....	93
Figure 4.4 Organisational Placement of Elderly Care Supervision Personnel within North .....	95

## Tables

Table 3.1 Data Gathering through Participant Observations.....	69
Table 3.2 Data Gathering through Interviews.....	70
Table 4.1 Care Level Prices in 2012 (SEK).....	109
Table 4.2 Prospective Constituents and their Accounting.....	130
Table 5.1 Debating the Operational Feasibility of a Norm: Meal Choice	138
Table 5.2 Interpreting Norms: Staffing Level.....	142
Table 5.3 Introducing New Norms: Start-up Evaluation .....	147
Table 5.4 Debating External Potential Issues: Renovations .....	151
Table 5.5 Debating External Accounting Information: Client Survey .....	154
Table 5.6 Changes in External Codified Norms: Restrictive Measures ....	159

Table 5.7 Sudden Changes in Potential Issues within the Network: Night staffing.....	164
Table 6.1 Prioritising Conflicting Constituents: Ward Size.....	177
Table 6.2 Attributing the Constituent Role: Premise Manager.....	182
Table 6.3 Attributing the Accountor Role: New Security System.....	191
Table 6.4 Sharing the Accountor Role: Occupancy Rates.....	195
Table 6.5 Displacing the Accountor Role: Personnel Training .....	199
Table I Supervision Meetings.....	267
Table II Other Meetings .....	270
Table III Interviews.....	271
Table IV Accounting within the Focal Dyad.....	282
Table V Accounting within the Provider and Municipal Organisations ...	287
Table VI Accounting within the Elderly Care Market.....	294
Table VII Accounting at the National Level.....	301

# 1. On Accountability

This thesis is concerned with accountability. More specifically, it is a study of how organisations justify their actions to internal and external parties. Accountability is a central part of organisational life, not only in the private sector (Messner, 2009; Roberts, 2009) but also in the public (Power, 1997; Bovens, 2005) and third sectors (Berry, 2005; O'Dwyer & Unerman, 2007). Demands that an organisation, or an organisational unit, justifies a particular conduct may come from a collective of shareholders, a customer, a court of law, an environmental organisation, or other interest groups that surround the organisation. Should an organisation refuse to give a reason for its conduct, it immediately risks the suspicion of having something to hide (Messner, 2009). Hence, the possibility of being held accountable is something that every organisation has to be prepared for as it carries out its operations. This thesis explores the topic of accountability in the context of publicly funded elderly care that has been outsourced to private care providers.

## 1.1 Accountability Processes

Organisational accountability, in particular, is connected with accounting. Accounting is a collection of calculative and narrative practices whereby an accountant provides descriptions of its operations that allow a constituent to act on the accountant (see Chapman, Cooper, & Miller, 2009).<sup>1</sup> By providing these descriptions, the organisation renders itself “observable-and-reportable” to its constituents (Willmott, 1996, p. 27). This observability can be constructed in the form of a budget report, a report from an inspection or a set

---

<sup>1</sup> With the terminology of this thesis, accountant is used to refer to an organisation that is being held accountable for a particular conduct, while constituent signifies the party demanding or receiving a justification for the accountant's conduct.

of meeting minutes, but numeric accounting reports remain “the most important, authoritative and telling means whereby activity is made visible” in an organisational context (Roberts, 1991, p. 359).

They derive that authority partially from their standardised design, which lends them an air of objectivity (see for example Boland & Schultze, 1996). In comparison, non-standardised forms of accounting such as inspections or supervisory meetings are less authoritative, but allow for greater flexibility regarding what they make visible (*ibid.*). Both forms of accounting serve the same function, however: that of making an accountant’s conduct visible. Consequently, instances of organisational misconduct are often met by calls for increased transparency (Power, 1997; Roberts, 2009).

Accounting not only makes an organisation’s conduct visible, however. It also helps categorise it as satisfactory or unsatisfactory by drawing on norms that exist within organisations and their environments.<sup>2</sup> These norms can be codified, such as hierarchical guidelines and inter-organisational contracts, or exist in a less tangible form, such as professional norms or practices (see for example Czarniawska-Joerges, 1996; Willmott, 1996).

When accounting information on a particular satisfactory or unsatisfactory conduct is drawn on by an accountant and a constituent to discuss the outcome of and justification for the accountant’s conduct, accountability occurs (Hoskin, 1996; Strathern, 2000; Vollmer, 2007). Hence, it is the active use, rather than the mere presence, of accounting that creates accountability and determines its full extent and content. In this use, standardised accounting reports are often complemented with other forms of accounting information about an accountant’s actions (Roberts & Scapens, 1985; Ahrens & Chapman, 2002). The relative influence of the standardised information therefore depends on the situation and parties involved (Roberts & Scapens, 1985; Ahrens, 1996; Ahrens & Chapman, 2002).

Since accountability is created through the use of accounting, a research stream has emerged that studies how accounting information and norms are selectively drawn on to construct accountability (Roberts & Scapens, 1985; Munro & Mouritsen, 1996). In this literature, accountability is portrayed as

---

<sup>2</sup> The term “satisfactory conduct” is used to signify that accountability process are carried out to define a conduct that is at least acceptable to both accountant and constituent, rather than to determine the best possible conduct from the viewpoint of either party.



an ongoing, interactive process that plays out between accountors and constituents. The circumstances of the process, including which norms are drawn on to describe a satisfactory conduct, are constantly changing, which affects the processes' possible outcomes. This changing nature of accountability processes is particularly noticeable when the perspective is widened, so that accountability is studied not merely within the boundaries of one organisation, but also between organisations.

## 1.2 Accountability Networks

Although many accounting researchers study accountability as a process between employees and managers or between managers and shareholders (e.g. Roberts & Scapens, 1985; Roberts, 1991), this interest has widened to also include accountability processes between organisations (e.g. Messner, 2009). The prevalence of outsourcing relationships, supply chains, and other forms of business relationships that go beyond arm's length transactions have made accountability relationships between organisations equally important for an organisation's success. It is these types of accountability processes, which are carried out across organisational boundaries, that are the focus of this thesis.

A modern organisation has multiple direct and indirect accountability relationships connecting it to not only its own hierarchy, but also customers, suppliers, and "third parties, such as (competitors,) [...] customers' other suppliers, suppliers' other customers, regulators", customer's customers and supplier's suppliers (Lind & Thrane, 2010, p. 72). These direct and indirect accountability relationships create what this thesis calls an accountability network: a network of accountability relationships, where multiple organisations are interconnected through direct and indirect relationships (see Sinclair, 1995; Lindholm, 2003). Some of these relationships are the result of short-term transactions at an arm's length distance, while others last for years and involve the development of interdependencies between accountor and constituent (Tomkins, 2001; Håkansson et al., 2010). Accordingly, constituents might not only draw their influence from a hierarchical or contractual relationship with an accountor, but also from legal, social, or moral bases of influence.

When an organisation's boundaries no longer limit the extent of its accountability, a new set of dilemmas come to the fore. Most organisations are held accountable by multiple external constituents and according to multiple different norms for what constitutes a satisfactory conduct. Consequently, they need to consider which constituent or constituents to prioritise at which point in time (Sinclair, 1995; Messner, 2009). Meanwhile, prospective constituents are locked into an ongoing struggle for attention, in which they must find ways to become prioritized over rival constituents.

Multiple prospective accountors and constituents also make it more intricate to determine what constitutes an acceptable conduct in a given situation. The more complex an organisation's environment is, the greater the number of disparate norms it has to take into consideration when planning its operations becomes.

An additional source of complexity is that the various accountor-constituent relationships within a network are interconnected, so that a shift in one relationship can affect the entire network (Håkansson et al., 2010). From an accountability standpoint, this means that the constituent of one accountability relationship is itself accountable to other actors outside that relationship. Accordingly, a constituent's definition of a satisfactory conduct will be influenced and constrained by its own constituents' norms and demands for justification. Likewise, an accountor will have multiple prospective constituents as well as accountors of its own. A demand for accountability or an introduction of a new norm can consequently be transported from one accountor-constituent relationship, through the accountor's relationship to its own accountors to a different accountor-constituent relationship.

While these dilemmas have attracted attention in the accounting literature, previous research on the subject has mainly focused on accountability within an organisation or from the perspective of a single accountor interacting with organisations in its environment. Hence, there is cause to investigate two aspects of accountability processes further.

First, there is a need to explore how complex and contradictory criteria for a satisfactory conduct are weighed against each other to create a workable, if locally and temporally situated, accountability within a dyad consisting of an accountor and a constituent. In particular, this thesis will explore accountability processes within accountor-constituent dyads that have ongoing

and interdependent relationships, which warrant a mutual discussion about accountability rather than unilateral constituent demands.

Second, more research is required on how the accountability relationship between an accountor-constituent dyad is affected by its members' individual and sometimes contradictory or overlapping accountability relationships with other actors around them. This includes intra-organisational relationships with other units within the dyad members' respective organisations, as well as both arm's length and long-term relationships with actors outside the dyad.

To investigate these two questions, this thesis takes as its starting point a dyad consisting of an accountor and a constituent with an ongoing, interdependent relationship and investigates how accountability processes in this dyad are influenced by, and interact with, a surrounding accountability network.

### 1.3 Issue Formulation and Role Attribution

Introducing networks in accountability research places an emphasis on the complexity associated with determining which of several constituents is the most relevant at a given moment and which criteria to use when determining what constitutes a satisfactory conduct (see e.g. Kreiner, 1996). These dilemmas are at the centre of this thesis' understanding of accountability. Thus, in this thesis I will conceptualize the accountability process as consisting of two intertwined sub-processes: *issue formulation* and *role attribution*.

*Issue formulation* is the sub-process of determining whether an accountor's conduct is satisfactory or not. Previous accountability literature describes how a conduct can be brought up as a potential issue based on accounting information that portrays it as unsatisfactory. This portrayal is supported by codified or non-codified norms for what are considered important aspects of the accountor's conduct and the terms in which these aspects are discussed (Munro, 1993; Boland & Schultze, 1996; Willmott, 1996; Quattrone, 2004). However, a given organisation will have multiple norms and pieces of accounting information to draw on. It is therefore up to the involved actors to decide which, if any, norms to utilise (Munro, 1993; Ahrens & Chapman,

2002; Quattrone, 2004). This creates both flexibility and uncertainty concerning what may be brought up as a potential issue.

Besides standardised accounting reports, a prospective accountant can draw on additional pieces of information to make the context and practical circumstances of its operations visible and thereby affect *issue formulation* processes (Roberts & Scapens, 1985; Kirk & Mouritsen, 1996; Ahrens & Chapman, 2002). In a similar manner, the interpretation of accounting information and any norms implicit in them is influenced by other norms in an organisation and its environment (Ahrens, 1996). These norms interact, and can even conflict, with the codified norms that form the basis of an organisation's standardised accounting information (Laughlin, 1996). They also provide an alternative in cases where a potential issue falls entirely outside the organisation's codified norms or if the latter become unstable (Czarniawska-Joerges, 1996).

In cases when there is standardised accounting information available, however, any arguments around an issue will be influenced by and made in terms of that information (Boland & Schultze, 1996; Kirk & Mouritsen, 1996). Not even a constituent can disregard standardised accounting information completely. Codified norms can also protect a prospective accountant from accountability for an unsatisfactory outcome, since it is more difficult to raise an issue when the accountant has merely acted according to a norm (Ahrens & Chapman, 2002).

Research that studies accountability across organisational borders shows that organisations are held accountable by multiple prospective constituents according to multiple conflicting norms (Sinclair, 1995; Lindholm, 2003; Cäker, 2007; Frimanson, 2007; Brettell Grip, 2009; Messner, 2009; Kraus & Lindholm, 2010). The complexity of the accountability process is thereby multiplied. This is particularly true in situations when there is no clear counterpart, and therefore all the more difficult to determine which norms will be used to judge a potential issue (Power, 1991; Sinclair, 1995). Nor is it possible to negotiate with an undefined constituent to discern what it sees as an issue.

A similar dilemma occurs when an accountant's conduct is complex and therefore difficult to tie to an outcome. In these cases, the accounting information design often comes to define the norm for how a conduct is defined as well as what is considered a potential issue (Power, 1991; O'Dwyer &

Unerman, 2007). In particular, calculable aspects that are easy to make visible risk being emphasised over abstract, but potentially more relevant, aspects. In response, accountors may try to make positive potential issues visible to influence the *issue formulation* in a favourable direction (Samkin & Schneider, 2010).

*Role attribution* is the sub-process of attributing the roles of accountor and constituent to actors. as in *issue formulation* processes, the ability to draw on one of multiple norms carries with it the potential to change an actor from accountor to being unaccountable, simply by making the constituent's demand for accountability appear illegitimate (Munro, 1993; Ahrens & Chapman, 2002). In particular, displaying a more than satisfactory conduct can make a hierarchical accountor important enough to its superiors' superiors that this relationship helps it escape accountability for unsatisfactory conducts in a different area of its operations (Ahrens & Chapman, 2002).

Correspondingly, a constituent can choose to emphasise certain definitions of a satisfactory conduct over others to make it easier for its accountor to display a (at least partially) satisfactory conduct (Ahrens & Chapman, 2002).

Especially in cases where a prospective constituent and accountor interact closely with each other, the constituent may hesitate to coerce its counterpart into accepting an accountor role for a particular issue for fear of negatively affecting interdependent activities between the parties (Roberts & Scapens, 1985; Ahrens & Chapman, 2002). Accountability processes between close and interdependent actors can also bring in absent, mutual constituents and thereby act as a vehicle to interpret these constituents' potential issues (Roberts & Scapens, 1985).

Any negotiation between a hierarchical accountor and constituent is influenced by the constituents' potential to exert a coercive influence, however. Although accountability processes could potentially carry on as an endless stream of arguments back and forth without a resolution, hierarchical constituents in particular are usually able to enforce their preferred resolution (Kirk & Mouritsen, 1996; Ahrens & Chapman, 2002). To do otherwise may even affect a prospective constituent's influence over other accountors by hindering its ability to demand justifications from them in the future (Kirk &

Mouritsen, 1996), thereby allowing the outcome of one accountability process to affect prospective constituents' coercive influence in later *role attribution* processes.

Studies of accountability between organisations also show the results of being held accountable by multiple prospective constituents (Sinclair, 1995; Lindholm, 2003; Cäker, 2007; Frimanson, 2007; Brettell Grip, 2009; Messner, 2009; Kraus & Lindholm, 2010), where refusing a demand for accountability may be perceived as lacking a justification for the associated conduct (Messner, 2009). Prospective accountors find ways to manage network complexity by, for example, prioritising prospective constituents based on their relative and enacted influence (Carnaghan, Gibbins, & Ikaheimo, 1996; Messner, 2009). Accordingly, the perception of which prospective constituent is the most relevant changes with every change in the constituents' relative and enacted influence (Carnaghan, Gibbins, & Ikaheimo, 1996).

Consequently, a hierarchical prospective constituent is not necessarily seen as more relevant than an external one (Cäker, 2007; Kraus & Lindholm, 2010). In particular, a relationally important constituent or a constituent that shares its accountor's values is often seen as relevant regardless of whether it possesses hierarchical coerciveness or not (Lindholm, 2003; Brettell Grip, 2009; Kraus & Lindholm, 2010). Hierarchical constituents have one advantage over external ones, however: greater access to information about its accountor's conduct (Lindholm, 2003). Prospective accountors counter their constituents' influence by using strategies such as drawing on the influence of a constituent's constituents by building specialised knowledge about, or a close relationship with, valuable clients, or by cooperating with a constituent against external actors to strengthen their own relational influence to that constituent (Lindholm, 2003; Frimanson, 2007).

Together, these findings demonstrate that although the concepts of *issue formulation* and *role attribution* have not been used before this thesis, previous research has dealt with questions that are related to the formulation of issues and attribution of accountor roles. Consequently, although none of the above researchers explicitly studies accountability as *issue formulation* and *role attribution* processes, they study related areas such as the impact of accounting, norms, actor influence, and actor choice on accountability processes.

What the conceptualisation of accountability as *issue formulation* and *role attribution* sub-processes adds is the highlighting of new aspects of accountability, about which we still know very little. There is a need for additional research on how new issues are created, whether issues are always negative, and if acceptance and rejection of a potential issue are the only ways in which *issue formulation* processes can be resolved. As for *role attribution* processes, there is still uncertainty about whether an accountant and a constituent can change roles, whether both are able to trigger an accountability process, and whether the presence of both roles is necessary for an accountability process to play out. Finally, relatively few studies have explored accountability in a network setting (Messner, 2009) and none has studied the subject from the perspective of an accountant-constituent dyad interacting both with each other and with actors in the surrounding network.

This thesis therefore asks the question:

How are accountability processes carried out in an inter-organisational accountant-constituent dyad?

In order to answer the question, this study aims to do two things.

First, it will develop a conceptual framework that is suitable for analysing accountability between, as well as within, organisations. In particular, this framework will conceptualise accountability as an ongoing process that consists of two sub-processes: *issue formulation* and *role attribution*.

Second, using this conceptual framework, the study aims to explore how accountability processes are influenced by the presence of an accountability network. Taking into consideration accountability networks means that there are multiple potential issues as well as multiple prospective accountants and constituents, which need to be considered and re-considered as their characteristics change over the course of an accountant-constituent dyad's accountability processes. This increases the processes' complexity, but may also have other effects on accountability.

The study will be conducted as an ethnographically inspired field study of two accountability relationships, each consisting of a large, private provider of elderly care and a municipal region. The two relationships were studied longitudinally from 2008 to late 2011, using a combination of participant

observations of supervision meetings, semi-structured interviews with representatives from regions and care providers, and document studies of laws, policy documents, contracts, performance reports, and other written materials.

Although the study's focus is on accountability processes between the private suppliers and the municipal supervision units, their interaction took place within and was influenced by an accountability network which includes relationships with clients and their families, national supervision agencies, organisational headquarters, the media, politicians and the general populace of taxpayers.

## 1.4 Accountability in the Public Sector

Both private and public organisations are surrounded by larger accountability networks, but their presence and influence are particularly evident in the public sector. Sinclair (1995) describes how the CEOs of public sector organisations were held accountable by politicians, professionals within their organisation, the media, and the public. Different constituents, or interest groups, made different forms of demands associated with the CEOs' political, public, managerial, and professional accountability. In addition, Sinclair mentions the CEOs' personal accountability, which draws on what this thesis discusses in terms of non-codified norms.

Due to this multitude of interest groups, the public sector is characterised by uncertainty with regard to the sub-processes that are at the centre of this thesis: *role attribution* and *issue formulation*. Not only are there multiple actors with a constituent interest in the conduct of public service providers (Sahlin-Andersson, 2006; Aberbach & Christensen, 2005), but the diversity and number of accountors for the provision of public services is growing as private and third sector organisations become involved in the services' production (Hood, 1991; Broadbent & Guthrie, 1992; Bovens, 2005). The accountability complexity is exacerbated by the fact that the connection between a provider's conduct and the outcome for an individual client, or even what is considered a satisfactory outcome, is influenced by that client's behaviour, circumstances, and preferences (Aberbach & Christensen, 2005; Hagbjer & Krohwinkel, 2014). This thesis' empirical study will focus on accountability



processes carried out between private sector suppliers of outsourced elderly care and their counterparts at the local government administration, which finances, and is legally responsible for, the provision of the care.

### **Changing Issue Formulation and Role Attribution Processes in the Public Sector**

The demands for accountability in the public sector have become progressively stronger and more detailed, starting with the introduction of the so-called New Public Management, or NPM, movement in the 1980's. Up until then, the focus of public sector policy had been to trust the intrinsic motivation of public servants to ensure the quality and effectiveness of public services (Hood, 1995; 1991). Sweden in particular has traditionally had a large public sector and a reoccurring metaphor of the state as a home for the people ("folkhem"), which provides for all their needs. This started changing in the beginning of the 1980's, and the early 1990's brought a large financial and real estate crisis that resulted in welfare cuts and made the need for reform urgent (Olson & Sahlin-Andersson, 2005).

A strong motivator for the change in policies was a concern that the public sector had become inefficient and overgrown, and the NPM movement was lauded as a solution (Hood, 1991). New management methods, inspired by the private sector, were combined with the introduction of a focus on cost awareness (Hood, 1995; 1991) that persists in modern-day public sector (e.g. Pettersen & Solstad, 2013). In Sweden, the emphasis on cost efficiency was reflected in the Local Government Act (1991:900, Chapter 8), the ruling legislation for Swedish local governments: "Municipalities and counties shall each year draw up a budget for the next calendar year (fiscal year). (...) The budget shall be drawn up in such a way that income exceeds expenditure" (ibid, Chapter 8 § 4).

On the output side, the new management regimes led to an emerging focus on supervising certain aspects of public service quality, rather than the previous tradition of giving the profession freedom to prioritise goals independently (Hood, 1991; 1995). In particular, quality aspects that could be expressed in the form of quantitative quality measurements and performance standards were emphasised (Power, 1997).

These changing quality priorities were combined with a simultaneous introduction of new accountors and new constituents to the public sector. On the accountor side, the development of internal markets for public services (Olson & Sahlin-Andersson, 2005; Hood, 1991; 1995) was joined by outsourcing and privatisation of public services to private care suppliers (Hood, 1991; Broadbent & Guthrie, 1992; English & Guthrie, 2003; Bovens, 2005). However, outsourcing did not free the public sector of its responsibility for quality of service, neither in the eyes of the public nor in the eyes of the law. The Swedish Social Services Act (2001:453, Chapter 2 § 1) stated: “Each municipality is responsible for social services within its area and bears the ultimate responsibility to ensure that individual citizens receive the support and assistance they need”. In addition, healthcare and social care providers were bound by law to cooperate in providing elderly care (SFS 2001:453, Chapter 6 § 6; SFS 1982:763 § 26e). As a result, there was a need to create accountability across organisational borders.

On the constituent side, the emphasis on pre-set performance standards and hands-on management led to greater involvement by higher management in overseeing public services (Hood, 1995). The media also claimed an important role in demanding accountability for public services (Sahlin-Andersson, 2006) by publishing stories about dissatisfied clients and alleged malpractices.

This was combined with a shift in the view of the users of public services, from citizens with a collective right to services of a politically determined standard to consumers with an individual right to “personal satisfaction with the services they receive from government” (Aberbach & Christensen, 2005, p. 226). Reforms to let clients choose public service provider (Hood, 1991; *ibid.*) transferred some responsibility for removing substandard care suppliers to the service users themselves (Aberbach and Christensen, 2005; Hood, 1991; Hagbjer & Krohwinkel, 2014), but created a corresponding need to increase transparency and produce actionable knowledge so that customers could choose suppliers (Sahlin-Andersson, 2006; Lapsley, 2008). This constituted a particular dilemma in the area of elderly care, where a large proportion of the care users suffered from impaired cognitive abilities (Meinow et al., 2011) and a change of care supplier was associated with considerable logistical difficulties (Odenjung et al., 2010; Hagbjer & Krohwinkel, 2014).

Consequently, the market reforms were combined with strong elements of public sector supervision.

All of these changes created tensions in the *issue formulation* and *role attribution* processes within the public sector. The introduction of new issues was associated with the potential for conflict between professional and financial values (Laughlin, 1996; Pettersen & Solstad, 2013) and left constituents struggling for ways to quantify care quality (Laughlin, 1996; Hagbjer, Lind & Sjögren, 2013). These dilemmas were exacerbated by the addition of new, often external, accountors, which introduced inter-organisational conflicts of interest between purchasers and providers of care (Hart et al, 1997; Lindholm, 2003) or between organisational units in need of cooperation (Kraus, 2007). Finally, the multiple constituents in the form of managers, clients, and the media created tensions related both to the need to produce additional accounting information (Sahlin-Andersson, 2006; Hagbjer & Krohwinkel, 2014) and to keep track of demands from multiple constituents (Sinclair, 1995; Sahlin-Andersson, 2006; Cristofoli et al., 2010).

## 1.5 Thesis Outline

Following this introduction, Chapter 2 will start by locating this thesis among previous approaches to accountability in accounting literature. A conceptual framework of accountability as sub-processes of *issue formulation* and *role attribution* will be presented as a starting point for this study. Chapter 2 continues by reviewing previous theory on accountability in two areas: within organisations and between an organisation and external actors. The chapter ends by presenting an extended conceptual framework that places accountability processes within an accountability network.

Chapter 3 begins with an overview of the naturalistic research approach that forms the foundation of this study. The chapter discusses how this approach has guided the level of theorisation as well as the choice of research method in this thesis. It then describes important moments and choices in the course of the research process and finishes with a reflection on the authenticity and plausibility of the study.

Chapter 4 is the first of three empirical chapters. The chapter sets up the accountability context for elderly care in the municipality of Metropolis by

offering a closer look at the different actors and forms of accounting that exist in the network around elderly care. The description ends with a discussion of the contextual complexity that results from the network and of the resulting conditions for future accountability processes.

The empirical description continues in Chapter 5, which describes how contextual complexity is dealt with through *issue formulation* processes originating either from within the focal accountant-constituent dyads or from the surrounding network.

Finally, Chapter 6 describes how contextual complexity is dealt with in *role attribution* processes focusing on attributing the role of constituent or the role of accountant.

The empirical chapters are brought together in Chapter 7, which analyses the sub-processes of *issue formulation* and *role attribution* in the course of an accountability process. In particular, it studies accountability processes across three phases: triggers, argumentations, and resolutions.

Chapter 8 continues the analysis by placing accountability processes within a network of accountability relationships. It examines different sources of network complexity and investigates how an accountant-constituent dyad can be drawn on to manage that complexity – but also how the network itself can be a resource in the dyad's accountability processes. Finally, it analyses how members of accountant-constituent dyads make efforts to shape the context of future accountability processes between them.

Chapter 9 ends the thesis by discussing the main conclusions of the study and suggesting future avenues of research as well as practical implications of the findings.

## 2. Accountability as Ongoing Processes

Accountability has long been an established theme in accounting research (Roberts & Scapens, 1985; for example Roberts, 1991; Munro, 1993; Schweiker, 1993; Sinclair, 1995; Ahrens, 1996; Laughlin, 1996; Munro & Mouritsen, 1996; Ahrens & Chapman, 2002; Quattrone, 2004; Messner, 2009). The interest in accountability is part of a research stream that studies how accounting is drawn on in organisational daily practice to create accountability from one party, referred to in this thesis as an accountant, to another, referred to as a constituent. The research stream explores the influence of accounting on accountability using process-oriented research that places accounting within an organisational context.

Members of this research stream have in common a view of accounting information as one of many norms that are drawn on in the process of accountability. This enables sensitivity to the difference between the original design accounting – the “abstract potential system” – and its actual use in organisational practice (Roberts & Scapens, 1985, p. 447). This abstract potential of accounting includes the planning of future activities, execution of current operations, and evaluation of past performance (see for instance Anthony, 1965). After all, an accountant is not only accountable for past actions, but also for future goals and “the ability to respond to anticipated responses” (Schweiker, 1993, p. 243).

Roberts & Scapens (1985) take as their starting point the employment of accounting to establish norms for a satisfactory conduct and produce information about accountable actors’ conduct. Given this use of accounting, the authors describe how the ways in which accounting information is drawn on to evaluate or justify accountants’ conducts changes over time and between

situations (Roberts & Scapens, 1985). Accordingly, the “shift in attention from accounting to accountability is (...) a shift from a preoccupation with technique and its refinement, to social practices and their consequences” (Roberts, 1996, p. 41).

As described in the introductory chapter, this thesis defines accounting as calculative and narrative practices whereby an accountant provides descriptions that allow a prospective constituent to act on an accountant, be these descriptions a budget report, an inspection, or a supervision meeting. The way in which accounting assist in describing and acting on accountors is by embedding and drawing on various norms that exist in an organisation and its environment. These norms may be codified, meaning that they are written down as an instruction or manual for what conduct a certain actor is expected to display, or non-codified, in the form of implicit cultural or professional norms that exist in a particular setting.<sup>3</sup>

By defining what constitutes a satisfactory conduct, norms influence both the terms on which a prospective accountant’s conduct is discussed and whether it is seen as satisfactory or unsatisfactory. For example, a codified norm for what information to include in an accounting report will also codify a prospective constituent’s definition of the factors that differentiate a satisfactory conduct from an unsatisfactory conduct. The resulting accounting information is then drawn on and interpreted in the course of an accountability process.

Yet, the connection between accounting and codified norms can be more or less close. Standardised accounting, such as the preparation of an income statement or a set of performance measurements, follows a codified norm that dictates what data the resulting information should include. In comparison, non-standardised accounting, such as inspections or supervision meetings, has a design and information content that is determined by its preparers. Although non-standardised accounting may draw on a codified norm, for example a piece of healthcare legislation, its preparers are able to choose which parts of the norm to emphasise.<sup>4</sup>

---

<sup>3</sup> See for example Czarniawska-Joerges’ (1996) distinction between logics of justification and logics of appropriateness or Willmott’s (1996) distinction between systems of accountability and accountability frameworks.

<sup>4</sup> See for example Boland & Schultze’s (1996) distinction between narrative and calculative accounting.

However, the basic description of accountability outlined above is complicated by two sources of complexity that are at the centre of this thesis' understanding of accountability. All accountability processes take place in an accountability network, where each organisation is involved in accountability relationships that place them in the role of accountant and constituent to multiple other actors as well as make them subject to multiple contradictory norms for what constitutes a satisfactory conduct. As a result, neither the definition of a satisfactory conduct nor the attribution of the roles of accountant and constituent are possible to decide in advance. Consequently, and as will be expanded on in a later part of this chapter, this thesis suggests that accountability can be described as an ongoing process which consists of two intertwined sub-processes: *issue formulation*, or the determination of what constitutes a satisfactory or unsatisfactory conduct, and *role attribution*, or the attribution of the roles of accountant and constituent.

Before that, the next section delves further into the ways that accountability has been discussed in previous literature. This is followed by a section that proposes a new conceptual framework of accountability, which takes into account the complexities resulting from accountability networks. Building on previous literature, the accountability process is described as an interplay between the two sub-processes of *issue formulation* and *role attribution*. The third section of the chapter provides a literature review on accountability processes in organisational practice, with a particular focus on accountability as a mutual and interactive process. This leads on to a review of literature that deals specifically with accountability between organisations and external parties, be they a faceless environment or a number of individual external counterparts. The chapter ends with an evaluation and elaboration of the theoretic framework of the thesis and a recapitulation of the research question going forwards.

## 2.1 Interpretations of Accountability

The extant literature on accountability deals with a number of basic themes: the influence of norms on actor's accountability, the expression and influence of actor agency on accountability processes, the dilemmas that result

from being held accountable and the importance of accountability relationships with actors outside an organisation. Finally, accountability has been studied at different levels, ranging from an individual level to an organisational level.

Out of the group of accountability researchers that focus on the influence of norms on accountability, some focus on the interaction of norms embedded in accounting with other norms within and outside organisations to create different patterns of accountability and ways of defining satisfactory conducts. Many researchers draw inspiration from behavioural psychologists, such as Tetlock, and their research on how the norms and attitudes of prospective constituents influence the effects of being held accountable (Tetlock, 1985; Lerner & Tetlock, 1999). The existence of multiple and partially conflicting norms is a particular topic of interest, which also has implications for *issue formulation* processes. Ahrens (1996) studies how different cultural norms are translated into different definitions of satisfactory conducts, and thereby different organisational operations. In comparison, Quattrone (2004) and Berry (2005) both discuss the existence of multiple norms as an implicit or explicit way to reconcile multiple and conflicting aspects of an organisation's goals.

Other researchers have focused on the way in which norms are drawn on during accountability processes and how this influences the roles and relative influence of accountors and constituents, with implications for *role attribution* processes. Roberts (1991), Munro & Hatherly (1993) and Boland & Schultze (1996) all contrast two archetypical ways of enacting accountability: one that relies on a literal interpretation of the norms embedded in a piece of accounting information to dominate the accountor and one that allows for a mutual negotiation and interpretation of past events and the accountability for them. Roberts (1991) and Munro & Hatherly (1993) both associate the former with organisational hierarchies and the latter with less formalised relationships between hierarchical equals.

The depiction of two ideal types of accountability that occur separately and under different circumstances has been criticised by among others Lindkvist & Llewellyn (2003), who argue that the two archetypes are used in combination but with an emphasis on one of the two depending on the circumstances. This is supported by authors such as Kirk & Mouritsen



(1996), who describe how a subsidiary's accountability to its headquarters changed from relationally negotiated to hierarchically enforced over time.

Other studies forego ideal types entirely to focus on the role of constituent and accountor agency in an interactive accountability process, where actors try to influence both their roles as accountor or constituent and what conduct is seen as satisfactory. Czarniawska (1996) argues that accounts are made to repair a problematic social interaction, such as an unsatisfactory conduct, to prove conformity with a social norm, or to question such a norm. Here, as well, the existence of multiple and partially contradictory norms have been a topic of interest. Ahrens & Chapman (2002) and Law (1996) discuss how the multiple norms mean that constituents and accountors change which norms they draw on depending on circumstances, and sometimes within the course of a single meeting. As argued by Munro (1993) and Willmott (1996) the multiple norms can be used as a basis for influence within a relationship, since an actor can change the focus of an accountability process by drawing on a different norm.

In more recent years, accountability research has become increasingly focused on the dilemmas associated with accountability and, in particular, the inherent complexity associated with formulating what constitutes a satisfactory conduct. Messner (2009) argues that modern organisations are subject to demands for complete accountability to a variety of constituents, to which it is impossible to live up. Authors such as O'Dwyer & Unerman (2007) and Roberts (2009) show how demands for accountability can turn organisational activities towards goals other than those intended by the constituent. At the same time, Schweiker (1993), Kamuf (2007), and McKernan (2012) call for a different, moral accountability to the external actors that are affected by an organisation's actions.

The latter stream, which touches on the complexity of both questions of *issue formulation* and questions of *role attribution*, is indicative of a parallel concern with the fact that organisational actors are accountable not only to internal constituents but also to multiple external constituents. Although this dilemma was discussed as far back as Romzek & Dubnick (1987), Power (1991), and Sinclair (1995), the need to balance external and internal demands for accountability has received a renewed interest in the last decade by for

instance Lindholm (2003), Frimanson (2007), Cäker (2007), Kraus & Lindholm (2010), and Brettell Grip (2009).

The difference between on the one hand behavioural psychology and on the other accountability between organisations demonstrates the breadth in objects of accountability studies. Some researchers study accountability at the level of the accountable individual and the role that the accountability process plays in his or her identity work (e.g. Roberts, 1991, 1999; Munro, 1996). Others have focused on the accountability of organisations or organisational units in their interaction with other organisations and units (e.g. Czarniawska-Joerges, 1996; Lindholm, 2003).

Out of the different foci described here, this thesis primarily draws on the stream of research that studies accountability as an active and interactive process between an accountant and a constituent, although this process draws on the multiple norms that surround an accountant-constituent dyad as a basis for its *issue formulation* and *role attribution* processes. This interest in accountability as a process is combined with a focus on accountability relationships between organisations, where the *issue formulation* and *role attribution* dilemmas are the most obvious. In this regard, this study draws on Schweiker's (1993) argument that an organisation can give a reason for conduct through a fiduciary relationship, where an agent for the organisation – such as an accountant – gives a discursive account of the organisation and its actions. The accountant-organisation thereby “entrusts its identity to the accountant who accepts the task of faithfully rendering it (...) to others and itself” (Schweiker, 1993, p. 242).<sup>5</sup>

The next section will go deeper into the particular approach to accountability taken in this study by presenting its conceptual framework.

---

<sup>5</sup> Schweiker (1993) compares this relationship with that between an individual person's ‘present self’ and the ‘past self’ whose actions she or he justifies: in both cases, there is a separation between the original actor and the one accounting for the original actor's actions, “even if these are one and the same being” (ibid., p. 242).

## 2.2 Accountability: Two Intertwined Sub-Processes of Role Attribution and Issue Formulation

As demonstrated above, accountability is a complex and multifaceted concept. This study develops the concept further by taking a network view of accountability and arguing that the formulation of what is a potential issue as well as the attribution of accountor and constituent roles are made in the course of an ongoing accountability process that draws on norms in and around an accountability relationship.

The fluidity of accountor and constituent roles and the fluidity of what constitutes an issue can be illustrated with the help of from Kreiner's (1996) study of the formation of a European R&D project. Kreiner analyses a scenario where an actor finds itself accountable to multiple external parties. This actor had been collaborating with a particular organisation for a long time, when it received an invitation to join a new science project that conflicted with the interests of the long-time collaborator. As a result, the actor found itself torn between two prospective constituents: the old collaborator and the new one. The dilemma was eventually resolved by a decision to give advance warning to the actor's long-time collaborator, which allowed the latter to not only insert itself into the project but to gain a decisive influence over it.

Kreiner uses this empirical example to demonstrate how it is often uncertain "who the (evaluated) actor is, what the conduct is, and whom are doing the evaluation" (1996, p. 87). In this instance, the central actor had to determine which collaborator was its most relevant constituent, or appropriate significant other, whose approval it needed to obtain. Not only were future collaborations at stake, but also the actor's own interest in the project and its identity as a researcher.

Kreiner also shows how the two collaborators were themselves restricted in their possible reactions to the situation at hand. The former collaborator could do nothing to prevent its long-term partner from entering into a new project, since to do so would have put the collaborator in an illegitimate situation of seemingly arguing against scientific progress and free competition. However, collaborator's actions upon learning of the project turned the ta-

bles in such a way that the new collaborator suddenly found itself accountable for its reaction to a highly legitimate business proposal that would result in a modified and enlarged project – albeit controlled by the old collaborator. For the new collaborator, the participation of a business competitor in its science project was impossible to decline, since that could have been interpreted as an intention to monopolise the findings.

In other words, both constituents were themselves accountable to other actors outside of their dyadic relationship with the focal accountant. These other relationships constrained their potential reactions to their counterparts' conduct, as much as their accountant, the focal actor, had been constrained in its initial ability to account for its conduct. In the terms of this thesis, the collaborators were at once accountants and constituents.

Going back to the original actor and its accountability relationship with the old collaborator, Kreiner continues, there is a question concerning for what the accountant was accountable. Was the object of evaluation the actor's conduct of joining a new project, the intentions behind the conduct of joining, or was it the expected consequences for the old collaborator of the conduct? Although the immediate consequences of the actor's actions were negative, the subsequent move of the old collaborator to invite itself into the new project turned the previous, negative outcome into a success. In other words, the conduct to be accounted for is mutable and can easily change over time from being satisfactory to unsatisfactory, or the other way around.

To conclude, the fluidity of the issue or issues to be accountable for, as well as the existence of multiple prospective constituents that are at once constituents and accountants, turns accountability into an ongoing, interactive process, where each demand for or offer of accountability is connected to previous, later, and parallel demands and offers. What is more, Kreiner suggests, the accounts themselves offer an opportunity to find new and mutually beneficial solutions that could turn an unsatisfactory conduct into a satisfactory one, as happened when the old collaborator found a way to become involved in the project. Kreiner also shows the important role that time plays for the accountability process: had the old collaborator been informed about the project at a later time, it might have been too late to join the project and thereby turn the scientist's unsatisfactory conduct into a satisfactory one.

This fluidity of the potential issue and of the roles of accountant and constituent are at the centre of this thesis' understanding of accountability. The introductory chapter stated that one aim of this thesis is to develop a conceptual framework that considers these two sources of accountability complexity. As a first step towards this goal, it is suggested that accountability can be understood as an ongoing process consisting of two intertwined sub-processes: *issue formulation* and *role attribution*.

*Issue formulation* is the process of determining whether what will be termed a potential issue, that is a conduct for which a demand for or an offer of accountability could be made, is important enough to require a justification of the accountant's conduct. As demonstrated in Kreiner's study, the *issue formulation* involves both an initial reaction to an actor's conduct – the old collaborator's displeasure at being informed of the new project – and a continuous re-evaluation of that same conduct in light of subsequent events. Not even the initial reaction takes place in a vacuum, but happens in light of the accountant's and constituent's previous interaction, such as a long history of collaboration.

In contrast, *role attribution* is the process of attributing the prospective roles of accountant and constituent among the involved actors. The terms prospective accountant and prospective constituent will be used to underscore the fact that actors' roles may change over the course of the accountability process. On the one hand, the *role attribution* involves a decision on an accountant's part regarding which of multiple prospective constituents is the most relevant to please in a given situation. As demonstrated in the outlined case, however, this is not necessarily a clear choice between two alternatives, but a prospective constituent might also have the implicit support of more elusive constituents such as the research community. On the other hand, the *role attribution* process also involves the attribution of the role of accountant. One example is when the new collaborator found himself thrust into the role of accountant for the decision of whether to accept the proposal of the extended project, and lose control of his original idea, or refuse and risk being seen as monopolising scientific advances.

The two upcoming sections review the previous literature on accountability, first within organisations and then in relation to external actors. The review will serve two functions. First, it provides a review of existing

knowledge on accountability as seen through the lens of the perspective on accountability proposed in this section. As a result, it shows how this thesis' conceptual framework ties into and builds on previous knowledge of accountability. Second, the literature review will be drawn on to demonstrate how the proposed accountability framework can be expanded further to include concepts that are important in *issue formulation* and *role attribution* processes.

## 2.3 Accountability in Organisational Practice

This thesis draws heavily on a stream of research that studies accountability as an active process between the accountant and constituent. In the course of this process, actors draw on various norms surrounding their accountant-constituent dyad to interpret the issue at hand and the roles played by themselves and their counterpart in the accountability relationship. The following three subsections will review a body of research that studies the accountability process as it is carried out within organisations. Given that much of the previous accountability literature has focused on the impact of calculative accounting practices, there has been an associated focus on inter-organisational accountability.

The review begins by exploring how norms that are embedded in accounting information, or exist in and around an organisation, are drawn on in the course of accountability processes. Accountants and constituents use the accountability process to interpret both the meaning of the norms themselves and the meaning of the conduct that the process is intended to evaluate. A particular attention will be paid to how the previous literature on accountability overlaps with the processes of *issue formulation* and *role attribution* and can be drawn on to expand this thesis' accountability concepts further.

### 2.3.1 Drawing on Norms to Make Issues Visible and Roles Legitimate

To be accountable, Willmott (1996) argues, is an ongoing process of rendering the world and oneself "observable-and-reportable" (p. 27). This act of

making a potential issue *visible* is an important part of an accountability process and can be connected to the concept of *issue formulation*. Before something can become an issue, it must be visible. Visibility is also a social process, Willmott continues: an accountant is making itself visible to other actors who share the same social context and understanding of the world. Consequently, an accountant must relate to the norms, or frameworks, that exist in its social context. Norms specify the appropriate ways for an actor to make visible and justify its conduct if it wishes to be understood and have its accounts accepted by the actors around it. Norms also define an actor's social role, such as constituent or accountant, manager or employee in Willmott's terms, and the appropriate behaviour associated with that role. Although an actor's conduct and its justification are open to interpretation within a set of norms, a complete failure to deliver a socially acceptable justification will be met by hostility and sanctions.

Within organisations, Willmott (1996) continues, the emphasis is often placed on codified norms built into accounting information to make a prospective accountant accountable to a particular constituent. However, Willmott argues, an inherent risk of codifying an actor's accountability is that the focus of future accountability processes shift from the greater goal of the accountant's conduct to an exclusive concern with the correct accounting procedures with which make the accountant's conduct visible. At the same time, codified norms can be a source of security for an accountant, since it reduces the capacity for constituent discretion.

Boland & Schultze (1996) explore the role of codified norms in accountability processes further by differentiating between "the narrative and the calculative faces of being accountable" (p. 63). The latter is concerned with a rational evaluation of an accountant's conduct and its outcome as satisfactory or unsatisfactory judging by a pre-established – that is codified – norm. The standardised, calculative accounting information that is produced with the help of these norms appeals to the methods of formal logic and natural science in its production, meaning that it has the appearance of making an accountant's conduct visible in a way that objectively mirrors reality. Consequently, the visibility created by a calculative accounting report cannot be disputed without implicitly disputing the logic-based methods with which the information is produced.

In comparison, narrative and typically non-standardised accounting information is concerned with establishing a chronological story with a beginning, middle, and end, the authors continue. The information makes certain events and actors visible as more significant than others in order to establish a causal relationship between actors, their conduct and the outcome of that conduct. The construction of a narrative also enables actors to influence *role attribution* processes by bringing absent constituents, such as regulators and hypothetical customers, into their argumentation. By invoking the norms and potential issues of an absent constituent, an actor can make its own argumentation more legitimate by drawing on the constituent's hypothetical support. *Legitimacy*, another important concept in the accountability process, can consequently be connected to the ability of actors to engage in *role attribution* to increase their own legitimacy and thereby influence.

Boland & Schultze argue that both types of information are used in combination in accountability processes, although narrative accounting information is often seen as a supplement to the numeric one. The authors trace this deference to the seeming objectivity of calculative accounting information, which makes it more immediately convincing than a narrative. Narrative accounting information which is preserved, for example as electronic messages, will therefore be regarded as more authoritative as an effect of being made "visible, immutable and mobile" in a way that is similar to numeric accounting reports (Boland & Schultze, 1996, p. 78).

Munro (1993) goes deeper into the objectivity claims of standardised accounting information by pointing out the selective way in which accounting makes organisational conduct visible. The underlying norms of accounting information determine not only what conduct is significant, and thereby is made visible, but also how it is made visible. Norms decide which representations, such as assets based on historic cost or market value, are regarded as valid and allowed, and which are not. This, in turn, will shape actors' accounts to each other. For example, a budget variance is more easily explained as satisfactory if the accountant can draw on a different item of financial accounting information by pointing to an associated currency fluctuation.

Accounting information is given further weight through the simple act of being written down and made durable (here Munro draws on Robson,



1992). Once accounting has been formalised in a written report, there is always the potential that the report will be returned to later and reinterpreted as showing an unsatisfactory conduct. In other words, the potential to be held accountable is multiplied with each recording. Combined with the seeming objectivity of calculable accounting information, the durability also made it possible to transport the information to distant constituents (Robson, 1992; Munro, 1993).

This authoritative visibility of accounting information would seem to leave little room for agency on the part of the actors, were it not for the existence of multiple competing forms of accounting, each adhering to a different norm concerning what constitutes a satisfactory conduct (Munro, 1993). Munro describes accountability as a “language game” where managers and employees draw on different forms of accounting to influence, or displace as Munro terms it, each other.<sup>6</sup> In the course of this language game, forms of accounting and their different definitions of what constitutes a satisfactory conduct are drawn on in an interactive and reciprocal process to create or avoid accountability.

Just as there is not one single form of accounting, the decision of whether to draw on a given piece of accounting information is up to the involved actors. Munro notes that although accounting functions as a tool to make an accountant’s conduct visible even across spatial and temporal distances, visibility is only a precondition for an accountability process. The process itself, Munro argues, is concerned with not only making an accountant’s<sup>7</sup> conduct visible, but also its reasons for the conduct.

Hence, Munro argues, accountability processes start when accounting’s ability to act as a representation of an accountant’s conduct is mobilised by an actor. Put differently, a deviation from what has been defined as a satisfactory conduct, that is a potential issue, is only a deviation once it is drawn on to hold an actor to account. In mobilising accounting information, the actor imbues them with a certain meaning that makes it possible to pose statements and questions about them. For example, a manager might ask an employee why the financial results have decreased compared to last year. Accounting

---

<sup>6</sup> Munro (1993) differentiates between numeric accounting and ‘other types of control technologies’, but both fall within this thesis’ definition of accounting.

<sup>7</sup> Munro (1993) uses the term *accountee*.

provides a set of structures, or norms, which allow actors to create issues and to influence their power relationships with other actors.

The use of accounting information also influences *role attribution*. Munro suggests that power over others is associated with the ability to make a successful language move that forces the other actor to react in a certain way. A manager may for example, as suggested above, ask an employee to explain a certain accounting outcome and thereby force them into a reactionary position. This way, accounting information and expertise in how to interpret it becomes a source of coerciveness.

Yet, Munro argues, managers are not alone in being able to draw on accounting in their communication, although accounting information tends to be predisposed towards certain (managerial) uses. In particular, the author continues, the existence of multiple sources of accounting information within a single organisation creates a potential for resistance by gaining legitimacy from a rival source. Different accounting information has different norms and domains of expertise, which means that a question or argument that is a non-issue in one accounting report can be raised with the help of another.

Munro illustrates this with the example of a child who refuses to come down for dinner on the grounds that he or she is busy with homework. In this move, the child draws on a different set of control norms (the importance of homework) to make it impossible to legitimately dismiss his or her conduct as unsatisfactory. If the argument goes unchallenged, it may even have the potential to introduce a new norm to be drawn on in the future. In other words, the ability to switch skilfully between sources of accounting information to gain legitimacy is as important as knowledge about a single source of information.

The existence of seemingly disparate forms of accounting within an organisation is not necessarily unintentional. In a study of the accounting practices of the Society of Jesus from the 16th to the 17th centuries, Quattrone (2004) describes how different aspects of the order's way of serving God were incorporated in different forms of accounting. The order had three separate accountability norms, associated with accounting for the colleges' finances, for the sins of the individual members and for the souls of each college's members.

These accounts served both to make aspects of the order's operations visible and to provide an implicit norm for what could be considered a satisfactory conduct. The accounting for the soul is a particular clear example of this. The account was a report filed by each college to the order's headquarters in Rome, which contained an evaluation of the personal traits of each college's members, compared to the norm of 'the good Jesuit'. In determining the traits to be rated, the order not only provided a norm for what was considered a satisfactory outcome but it also determined which traits were made visible and which were left invisible.

To conclude, this subsection has discussed the use of accounting, and in particular standardised, numeric accounting, to make accountors' conduct *visible* in an authoritative way. Being able to refer to a piece of accounting information also gives an actor higher *legitimacy* in its demands for accountability or justification of a conduct legitimate.

The authority of accounting information is limited by two factors, however. First, whether or not to draw on a given piece of accounting information to present a potential issue is the choice of the involved actors. Second, a given organisation produces multiple competing forms of accounting information, which each follows a different norm for what constitutes a satisfactory conduct. This, in turn, has the potential of affecting the role of a prospective accountor from being accountable to being unaccountable.

### 2.3.2 Interpreting Norms to Act on Issues and Shape Actors' Relational Importance

Although the previous subsection both affirmed and problematized the authority of accounting information, the final discussion assumes that the meaning of a piece of accounting information, or of the norm that underlies it, is self-evident. As Ahrens (1996) points out in his case study of British and German breweries, "the numbers never speak for themselves. They need to be compiled, compared, and interpreted in ways which organisational members perceive as reasonable." He argues that the way in which the same piece of accounting information is drawn on to create a potential issue in two organisations will differ depending on what Ahrens terms the organisations'

‘style of accountability’ – that is, the notions of good management, or a satisfactory conduct, that exist within the organisations. Any argumentation that is made in the course of the accounting process must follow the local style of accountability, or it risks being seen as unreasonable or unintelligible.

The notions of a satisfactory conduct that are inherent in an organisation’s style of accountability are not a set list of characteristics, but rather a collection of non-codified norms that are enacted in the daily practice of the organisations. Precisely because they are not codified, the knowledge of what constitutes a satisfactory conduct is associated with a “certain contingency (and) temporary expediency” (Ahrens, 1996, p. 144). The internal norms of an organisation are influenced by the wider norms that exist in the surrounding society, such as the return-risk-framework in the United Kingdom and the emphasis on functional expertise in Germany. However, since the influence is subconscious on the part of the organisational actors, the general norms are adapted to what is seen as feasible within the local operations. The result is a fragile and temporarily situated outcome that merges the national rhetoric with local practice.

Ahrens & Chapman (2002) dig deeper into the situated use of accounting and accountability norms in the interaction between middle managers and operational managers at a British restaurant chain. Where for example Munro (1993) discussed the actors’ choice to draw or not to draw on a certain piece of accounting, Ahrens & Chapman focus on the uncertainty that surrounds the judgment of how a given accounting measurement should be interpreted to begin with. Even in an organisation with a stable set of codified norms for how to produce accounting information and a stable financial situation, the organisation’s norms were ambiguous enough that the accounting information could and was interpreted in different ways, and thereby different *issue formulations*, in different contexts. The same could be said for an identical piece of accounting information produced within the same context, but at a different time.

Ahrens & Chapman do not focus primarily on the visibility created by accounting, but rather on how accounting information and the implicit norms that are embedded in them are drawn on in the accountability process. In line with Munro’s (1993) suggestion, the authors find that both constituents and accountors drew on certain accounting measurements at certain

times, so that the accounting ended up having a selective influence on the practice. The accounting measurements in themselves were never questioned, but they were drawn on in such a way that they supported the speaker's desired *issue formulation* and *role attribution* outcomes.

This included interpreting the importance of acting on a certain piece of accounting information differently depending on the circumstances. For example, the importance of a potential issue associated with one accounting measure could be downplayed by drawing on another, favourable measure in the same accounting report. Ahrens & Chapman describe how a high profit could save an operational manager from having to take action against an unfavourable food margin, or how the centrally mandated service standards could be ignored, at least temporarily, if it meant that the sales volume was increased. It follows that whether a potential issue is seen as *action-inducing* or not influences the accountability process and, in particular, the *issue formulation* process.

In other situations, Ahrens & Chapman continue, the norms inherent in standardised accounting information were used as a protection to prevent the formulation of an issue. By strictly adhering to the norms for an appropriate conduct, an operational manager could prevent the accountability for any unfavourable outcomes from being traced back to him or her. After all, if a manager had done everything "by the book" they could not be held accountable for failing to act in a way that may have improved the outcome but would have been opposite to the codified norms of the organisation.

The middle managers' willingness to compromise on certain accounting targets also indicate that the *role attribution* between the middle managers and the operational managers was not as obvious as the organisational hierarchy might suggest. Ahrens & Chapman show how the outcome of an accountability process was affected both by the particular circumstances of the operational manager, such as a "difficult" restaurant location, and by the relative influence of the parties. Hence, both the importance and possibility of acting on a potential issue and the relational importance of the involved actors influenced the accountability process. While the capability of a potential issue to induce action was associated with *issue formulation*, the *relational importance* of an actor influenced its ability to engage in *role attribution*.

For instance, an operational manager who delivered unusually good financial results had the option to ignore other, less central, measurements. In that case, the operational manager had a greater importance to the senior management, the middle manager's own constituent, than its ostensible constituent did. On the other hand, the influence of an actor could change quickly. Once the operational manager's profits decreased to a normal level his relational importance decreased as well, and he was no longer immune to sanctions.

At other times, the middle managers worked together with their accountors to find mutually satisfactory solutions to operational dilemmas. For instance, Ahrens & Chapman describe how an operational manager in an unattractive area was given leeway to pay less attention to the quality of service, if this meant that he could more easily meet his sales target.

In other words, the *role attribution* between accountor and constituent was more complex than the antagonistic struggle for influence that was described earlier. Ahrens & Chapman describe how the relationship between accountor and constituent alternated between cooperation and antagonism, where the middle managers sometimes accepted – or were forced to accept! – unsatisfactory conducts and sometimes coerced the operational managers to take action by drawing on the authority of the divisional headquarters.

Ahrens & Chapman (2002) discuss the interpretation of existing accountability norms in a stable environment, whereas Czarniawska-Joerges (1996) explores accountability processes that take place when the previous norms are in a state of upheaval and can no longer be taken for granted. Her specific example is of a public sector organisation where the previous accountability norms, which emphasised solidarity as the basis for a satisfactory conduct, were changed to equate a satisfactory conduct with efficiency.

In a similar vein to Ahrens (1996), Czarniawska-Joerges differentiates between on the one hand explicit and rational norms for which actions are seen as justifiable and on the other hand locally negotiated, non-codified norms for what is considered appropriate locally, comparable to Ahrens' 'styles of accountability'.<sup>8</sup> The latter type of norms consists of shared ideas of appropriateness that exist among members of an accountability relationship and is

---

<sup>8</sup> Czarniawska-Joerges (1996) refers to explicit and rational norms as a 'logic of justification' and locally negotiated norms as a 'logic of appropriateness'.

concerned with the question of how an actor in a certain role should “act in a situation like this” (Czarniawska-Joerges, 1996, p. 310). It follows that these latter, locally negotiated norms constitutes the basis of any explicit or codified norms, since they help determine which arguments are accepted as rational in determining what constitutes an issue. As a result, an accountability process can be initiated either as a result of a potential issue in the form of an unsatisfactory conduct or in an effort to question an existing, typically codified norm by pointing to its inconsistency with local norms of appropriateness.

In the situation studied by Czarniawska-Joerges, the previously taken-for-granted assumptions within the setting were being questioned, which made the constructedness of the codified norms visible. Consequently, the codified norms were also easier to question and could no longer be relied on to determine what constituted an issue. Instead, the actors resorted to locally negotiated norms of appropriateness to help them construct a new agreement on which action ought to be taken. As shown by Ahrens (1996), these norms are influenced by local culture, time, and spatial aspects.

Given that these shared ideas of appropriateness are non-codified norms that may only exist in the local context, they are by their nature temporary and fragile. This does not mean that an agreement based on appropriateness cannot last for a long period of time, as long as it remains unchallenged. At a given time, a local sense of what is considered appropriate is influenced by a number of different norms, which must be balanced at an operational level. A second requirement is that the norms that form the basis of the agreement are not changed.

The potential dilemma, especially in the face of strong, non-codified norms such as within a professional organisation, is that the norms that are active at a local level can end up in conflict with a demand for accountability from a constituent that is located at a distance from the accountor and therefore do not share the same norms. Drawing on two cases, the Church of England and UK public service, Laughlin (1996) raises the question of whether an actor that provides financial resources for another actor should automatically assume the role of constituent and have a right to hold the recipient of the funds accountable.

In his example, the nominal accountors are primarily motivated by a ‘sacred’ accountability to what he calls a ‘higher principal’: that is God in the Church of England and professional values in the public sector. In the latter case, however, the norms for what constitutes a satisfactory conduct, and thereby what issues should prompt corrective action, are being challenged by the introduction of a new accountability norm that makes the provision of resources contingent on the fulfilment of certain activities. These activities are specified by the financier and made visible through various forms of numeric accounting information. The consequence is that the employees of the public sector are torn between their accountability according to professional norms, which has a higher legitimacy, and their accountability to the financier of the services, which has the coercive ability to withdraw funds.

The dilemma implicit in this new form of accountability, Laughlin argues, is that it relies on an assumption that the activities of the accountors are possible to define in such a way that they can be made visible through numeric accounting. As Laughlin states (drawing on Gorz 1989), the case is rather that the effectiveness of what Laughlin calls the ‘caring professions’ is in “inverse proportion to their visible quantifiable output” (Laughlin, 1996, p. 233). The reason is that the ‘person-to-person relationship’ between the carer and the recipient of the care is more important to the quality of service than the number of performed activities.

Another dilemma, which Laughlin does not bring up explicitly, is that the right of a constituent to specify the activities of the accountant on an *ex ante* basis assumes that the constituent knows at least as well as the accountant how the constituent’s goals can be met in the most effectively. The more complex and specialised the activities of the accountant, the more this assumption can be questioned.

In conclusion, this subsection has explored how the norms implicit in accounting were interpreted by drawing on non-codified, local norms during the accountability process. As a result, an outcome that had been highlighted as unsatisfactory in an accounting report may not be considered *action-inducing* according to the non-codified norms in its environment and therefore be seen as a non-issue.

Another effect of non-codified norms that designate some outcomes as more action-inducing than others is that an accountant that performs well in



one area might increase its *relational importance* to its constituents. Consequently, they may be able to ignore other performance targets that are seen as less important.

### 2.3.3 Interpreting Conducts to Trace Issues and Enforce Actor Accountability

Just as norms are open to interpretation, so is the conduct of a prospective accountant. Kirk & Mouritsen (1996) use the accountability relationship between a group headquarters and its foreign subsidiary to demonstrate how prospective accountors and constituents argued for and against a potential issue by tracing the accountability for a prospective accountant's unsatisfactory performance either to the actor itself or to factors in its environment. Representatives of the subsidiary focused on contextualising the conduct by making additional aspects of their operations visible, for example by referring to the subsidiary's position on a new market and old production equipment.

Meanwhile, representatives of the group headquarters argued that their subsidiary had failed to control costs and make better use of its internal control systems. Consequently, the unsatisfactory performance was traceable to the subsidiary. In both cases, actors were arguing about the cause of a potential issue at hand.

Had the representatives of the subsidiary succeed, they would have proven that the unsatisfactory results were a non-issue, since they were not the result of an unsatisfactory conduct on the subsidiary's part. In other words, *traceability* plays an important role in accountability processes and, more specifically, *issue formulation* processes.

Kirk & Mouritsen make the additional point that both members of the studied accountability relationship made their arguments with reference to available accounting information. Neither the accountant nor the constituent could elect not to discuss accounting information about a potential issue. "They may disagree with it, but they cannot dispense with it; they may say that it is inappropriate, but they have to care about it and explain their position compared with it" (Kirk & Mouritsen, 1996, p. 257).

Once an accounting item has been drawn on in an accountability process, members of an accountability relationship try to trace this accounting infor-

mation backwards to the causes behind it, and even further back to the reasons behind those causes. This process of arguments and counter-arguments could potentially go on indefinitely, Kirk & Mouritsen argue, since there is no clear end to an accountability process. In the studied case, both the prospective accountant and constituent had defensible arguments for why an accounting performance could or could not be traced to the subsidiary. Hence was no resolution that both parties would agree to and find satisfactory.

However, Kirk & Mouritsen also point out that intra-organisational accountability processes are not democratic. Throughout the studied accountability process, representatives of the subsidiary never disputed their headquarters' role as constituent, nor its legitimacy in holding its subsidiaries accountable. Moreover, representatives of a group headquarters have access to coercive influence, which enables them to resolve an accountability process unilaterally. The studied headquarters eventually made use of this coercive influence by firing its subsidiary's CEO. This demonstrates that although a mutually satisfactory resolution is one way to resolve an accountability process, a resolution can also be unilaterally enforced if one member of an accountability relationship is able to exert its influence on the other. In other words, not only relational importance but also *coerciveness* plays an important role in determining an accountability process' *role attribution*.

Enforcing a coerced resolution may cost representatives of the headquarters some of their relational importance to the subsidiary, but Kirk & Mouritsen argue that this is necessary to maintain the headquarters' legitimacy as a constituent of other subsidiaries in the group. If the representatives of one subsidiary are able to avoid being placed in an accountant role, this will give representatives of other subsidiaries a precedence to refer to in any future accounting processes. Hence, as demonstrated by Kreiner (1996), constituents are also restricted in their actions by other accountability relationships – even ones where they have an undisputed role as constituent.

Finally, Kirk & Mouritsen (1996) demonstrate that it is not only ex post visibility resulting from accounting information that influences an accountant's business decisions. The authors argue that anticipation of being held accountable is also a powerful influence on accountants' actions. Given that the subsidiary in their study expected its headquarters to act on future

accounting information, it incorporated this expectation into its internal accountability processes and let accounting influence what was seen as a potential issue within its organisation. Compared to accounting research reviewed previously in this chapter, which discusses accountability in terms of explaining an unsatisfactory conduct, Kirk & Mouritsen speak of accountability as an “allocation of blame *and credits*” (p. 247, my emphasis). In other words, *issue formulation* processes are not only concerned with formulating unsatisfactory conducts but also satisfactory conducts. The authors do not provide any further discussion of the allocation of accountability for an accountant’s success, however, only of its failures.

The subsidiary in Kirk & Mouritsen’s study tried to trace the accountability for its conduct away from itself by contextualising the accounting performance in terms of its environment and practical circumstances. Roberts & Scapens (1985) link this ability to contextualise an outcome to one of two ideal types of accountability relationships – one where the constituent and accountant interact on a regular basis and have an interactive accountability process. They contrast this type of relationship to one where the accountant and the constituent only communicate through written, and particularly numeric, accounting information and therefore do not interact directly. Like Ahrens & Chapman (2002) and Kirk & Mouritsen (1996), Roberts & Scapens argue that when the operational context of the accounting results is visible, it can be drawn on to influence how action-inducing an accounting result is considered to be and whether it is traced to the accountant. In these cases, accounting information – and in particular standardised accounting information – may only confirm what was already known.

One of Roberts & Scapens’ (1985) primary points, however, is how the relationship and relative influence of the accountant and the constituent affects the accountability process. Like other authors, Roberts & Scapens argue that the accountant will always be aware of the constituent’s coercive influence on future rewards and sanction. Just as important, however, is that the authors suggest that an interactive relationship often means that there is interdependence between the constituent and the accountant. In their example, a low-level manager is dependent on her accountants to deliver positive results if she is to fulfil her own accountability to higher managers. Hence, the accountant has a certain amount of relational importance in its interaction with

the constituent, which can affect the constituent's propensity to trace an issue to its counterpart and enforce its role of accountant.

A *role attribution* process will also be affected by how past events were interpreted and whether the accountability for those outcomes were traced to a particular accountant. As mentioned by other authors, this interpretation is conditioned but not determined by the norms inherent in the accounting information. Because of this element of uncertainty, a final way that a local constituent-accountant dyad can use their accountability process is as a vehicle for interpreting the concerns and potential issues of distant constituents such as the senior management. Hence, the narrative process of an interactive relationship can help make sense also of relationships were such a process is not available.

To conclude, this subsection has discussed the interpretation of prospective accountant's conduct by making its context visible. Given that an accounting performance is influenced by factors in the environment as well as by multiple other actors, it is not a given that a potential issue is *traceable* to a prospective accountant. Nevertheless, however, a prospective constituent with enough coercive influence will be able to *enforce* its own preferred accounting resolution regardless of the prospective accountant's opinion.

#### 2.3.4 Issue Formulation and Role Attribution Processes in Organisations

The previous three sections review existing literature on accountability within organisations from the perspective of a suggested conceptual framework that shows accountability as two intertwined processes of *issue formulation* and *role attribution*. Section 2.3.1 began by discussing the use of norms, in particular codified norms built into numeric accounting, to make an accountant's conduct visible in an authoritative and durable way. The norms that govern the accounting information design consequently influence what is portrayed as an issue within a particular accountant-constituent relationship and the terms in which this issue is discussed.

As reviewed in section 2.3.1, the influence of these norms is lessened by two factor. First, a prospective accountant or constituent can choose whether or not to raw on a given piece of accounting information to raise a potential issue. Second, a given organisation produces multiple competing forms of

accounting information, each of which follows different norms for what is seen as satisfactory conducts. Consequently, a skilful actor can change its own role from accountant to unaccountable simply by drawing on the right norm to make its prospective constituent's demand for accountability illegitimate.

The literature reviewed in section 2.3.1 can be drawn on to demonstrate two important aspects of the *issue formulation* and *role attribution* processes. First, the *visibility* of a potential issue is an important factor in *issue formulation* processes. For a prospective constituent to bring up a conduct as unsatisfactory, it must be possible to demonstrate, for example with the help of accounting information. As a result, the norms that determine which aspects of an actor's conduct are made visible by accounting information affects which potential issues are brought up in an accountability process.

Second, *legitimacy* influences whether a prospective actor is able to take on the role of constituent in its relationship with an accountant. If a prospective accountant can draw on a different norm to argue that its prospective constituent has no legitimate basis for its demand for accountability, this will make it more difficult for the prospective constituent to insist. Conversely, having the support of a strong norm will increase a prospective constituent's legitimacy.

The discussion in the first section treated accountability as self-evident, but section 2.3.2 showed how actors' interpretation of accounting information and of the norms implicit in accounting information is influenced by non-codified norms in the participating organisation and their surroundings. For example, a potential issue can be argued unnecessary to act upon by drawing on a different measure, which is deemed more relevant. Even a norm itself and its definition of an unsatisfactory conduct can be questioned by drawing on non-codified norms, though this can lead to conflicts in cases where codified norms clash with other norms in or around the members of an accountability relationship. Non-codified norms are also drawn on in situations where a codified norm proves inapplicable. Alternatively, strict adherence to a codified norm of conduct can save an accountant from accountability for an unsatisfactory outcome, since there is no obvious action they should have taken instead of the one specified by the norm.

Conversely, section 2.3.2 also shows that the existence of local interpretations and prioritisations of certain parts of codified norms means that a hierarchical subordinate that delivers a very positive outcome in one area could be important enough to its superiors that this relationship allows it to escape being held accountable for failings in other areas. Nor is a constituent-accountor relationship always oppositional – in many instances constituents choose to prioritise some measures over others to make it easier for an accountant to deliver a satisfactory conduct in at least a few areas.

What can be learned from this is that a potential issue must also be *action-inducing* if it is to be considered a real issue in an *issue formulation* process. If an unsatisfactory conduct was visible in an accounting report but deemed unimportant due to local interpretations of the norms embedded in the production of the report, or simply because it conflicted with a more action-inducing issue, it would not be regarded as an issue worth taking action on. Another thing that was made clear above was the significance of an actor's *relational importance* in *role attribution* processes. An accountant that was considered successful could be excused conducts that may not otherwise have been accepted. Even in situations where a constituent did not have to accept a partially unsatisfactory conduct, it could opt to cooperate in finding a solution rather than to force its relationship counterpart into the role of accountant.

Finally, section 2.3.3 is concerned with how prospective accountors can make visible their intentions and motivations as well as additional parts of their operations, besides what is shown by accounting information, to argue whether a potential issue can be *traced* to them or not. Both accountant and constituent must continue to phrase their argumentation in relation to any accounting information about a potential issue, however.

Consequently, the literature in section 2.3.3 shows that accountability processes where the parties are unable to agree could potentially go on indefinitely, unless a prospective constituent uses its hierarchical influence to *coerce* its counterpart into accept a resolution where the counterpart is assigned the role of accountant. In fact, to do otherwise may affect a prospective constituent's influence over other accountors and its ability to demand justi-

fications from them. The outcome of previous accountability processes, especially if they are preserved in written form, therefore affect actors' ability to enforce a particular *role attribution* through coercion in the future.

At a local level, a prospective constituent's coerciveness is tempered by constituent-accountor interdependencies, which increased a prospective accountor's relational importance. Instead, a local, interactive accountability process could be used to bring in absent constituents of both participants and act as a vehicle to interpret their potential issues.

The final part of the section introduces another two aspects that influence *issue formulation* and *role attribution*. First, the traceability of a potential issue is important in *issue formulation* processes. If a prospective constituent acknowledges that an unsatisfactory outcome cannot be traced to a prospective accountor's conduct, it cannot be considered an issue for which the accountor is accountable. For instance, a potential issue might be closer related to, and thereby traceable to, factors in its environment rather than to a prospective accountor's conduct. Nevertheless, a prospective constituent may be able to use its coerciveness to attribute another actor the role of accountor. An actor's coerciveness stems from the threat or use of sanctions; for example can a hierarchical constituent dismiss the employees of its accountors. However, the coerciveness of a constituent can be limited by norms in the form of previous practice within a relationship or by the relational importance of an accountor.

In conclusion, reviewing previous research on accountability processes in organisational practice has made it possible to develop the concepts of *issue formulation* and *role attribution* further. It is suggested in this thesis that the process of *issue formulation* is concerned with determining whether a potential issue is visible, action-inducing and traceable and thereby can be considered an issue. Conversely, the process of *role attribution* is affected by whether a prospective actor has legitimacy, coerciveness, and relational importance enough to influence its own role.

At the same time, the process of *role attribution* was only touched upon briefly by the reviewed literature. In particular, the existence of an accountability network, as suggested earlier, was only touched on in the context of absent constituents or how an accountability process could influence the constituent's other accountability relationships. The impact of these absent

constituents and accountors on the focal dyad were not discussed in depth, if at all. Given this lack of focus on *role attribution* in studies of accounting within organisations, let us discuss accountability between organisations and how this change of setting affects *issue formulation* and *role attribution* processes.

## 2.4 Accountability between an Organisation and External Actors

While previous sections focused on accountability processes within organisations, the following two sections will widen this perspective to focus on literature where organisations are not only accountable to their own management but also to external constituents within the surrounding network. When discussing networks, this thesis adopts a view of organisations that takes into account the multiple direct and indirect relationships in which they are involved (see Lind & Thrane, 2010).<sup>9</sup> A typical view of organisations is that they have a direct relationship with their customers and suppliers as well as a more distant relationship with the regulators that influence their operations. Apart from these direct inter-organisational relationships, however, an organisation is also connected through indirect relationships with its customer's customers and its supplier's suppliers as well as with organisations that may be considered its competitors, such as its customers' other suppliers or its suppliers' other customers (Lind & Thrane, 2010). Some of these accountant-constituent relationships only carry out short-term transactions at an arm's length distance, while others last over several years and require the parties to strike a balance between demanding, or avoiding, accountability and building a trusting relationship (Tomkins, 2001).

From an accountability perspective, taking a network view means that that any given organisation is simultaneously part of multiple accountability relationships where it is a prospective constituent of multiple external actors and a prospective accountor of multiple additional actors. Many of these accountability relationships are also associated with conflicting definitions of what constitutes a satisfactory conduct. The result is an increase in the overall

---

<sup>9</sup> Lind & Thrane (2010) refers to this type of network as a *complex network including third parties*.



complexity of any single organisation's accountability when its wider network is considered as well.

Since relationships within a network are all interconnected, a change in one accountability relationship has the potential to affect other relationships as well. Håkansson et al. (2010) describe how the relationships of two inter-organisational dyads that have no connection to each other can still influence each other, due to the indirect connections that tie all members of a network together. Seen from an accountability viewpoint, this means that it can be assumed that the influence of an actor as well as the definition of what constitutes a satisfactory conduct can travel between relationships.

The persistence of a network also means that previous events in the network or between two of its members will influence future events, so that the makeup of and connections within a network develops over time (Håkansson et al., 2010). Since this network development is influenced by all of its members, it will be in an ongoing state of change (Tomkins, 2001; *ibid.*).

The literature on accountability between an organisation and its surroundings has focused on different types of accountability relationships. The first section of this literature review will study accountability relationships between an organisation and its environment, where there may not be a clear counterpart with which to negotiate the organisation's accountability. The second section focuses on accountability relationships between identifiable organisations and on how accountability processes are carried out within these relationships.

#### 2.4.1 Accountability Relationships between an Organisation and its Environment

Sinclair (1995) demonstrates the complexity inherent in an accountability network. She argues that the CEOs of public agencies were held accountable on the basis of multiple types of norms associated with accountability relationships with different prospective constituents. These norms were associated with what Sinclair refers to as political accountability, public accountability, managerial accountability, professional accountability and personal accountability. The three former were associated with implementing public policies into practice, responding to public and media concerns and

producing the biggest possible output using the smallest amount of resources, professional accountability was associated with keeping the budget while delivering the necessary outputs. In contrast, professional accountability was associated with safeguarding the professional interests of the agency's employees while the personal accountability was concerned with the individual CEO's definition of a moral and suitable behaviour.

As a result, public sector CEOs were simultaneously held accountable by multiple prospective constituents for multiple and partially contradictory issues so that "being accountable in one form often [required] compromises of other sorts of accountability" (1995, p. 227). Even when the issues that a CEO was accountable for were ostensibly limited by the codified norms of their own organisation, in the form of for example a budget, the actual demands for justification were far more extensive and often reached beyond the borders of their organisation. For example, the line between policy development and implementation was often blurred, meaning that the CEOs were tasked with implementing a vague policy statement and criticised if their interpretation of the policy did not meet public approval. Politicians also had a tendency to pass demands for accountability on to the civil servants.

The accountability relationship with the general public was particularly stressful, since the outcomes of the manager's actions were extremely visible and they were "accountable to any human being that cares to complain" (1995, p. 227). Nor were they able to carry out an interactive accountability process to argue against the perceived traceability or capability of inducing action of the potential issue, for example by clarifying when they had merely followed an official policy or by drawing on their managerial accountability as a reason to limit public spending and thereby the services. Consequently, one type of norm offered no defence against another type of norm. The result was that there was a perception among the CEOs of the general public as unpredictable with regards to which issues were brought up, that is which ones were considered action-inducing and traceable, and above all that no mistakes were permitted.

The CEOs' way of dealing with the complexity was to carry out an ongoing, internal accountability process where they tried to make sense of their accountability, drawing on norms, personal experience, as well as a moral discussion of what they themselves believed to be a satisfactory conduct.

Messner (2009) draws a similar conclusion to Sinclair in his theoretical analysis of accountability networks, where he connects the complexity of being held accountable by multiple constituents to the dilemma entailed in justifying a single conduct according to multiple, potentially conflicting norms. What is more, Messner observes that a prospective accountant seldom has a choice of whether to be held accountable since even a refusal to offer a justification may be perceived as a lack of justification, rather than a refusal to be held accountable. If the prospective accountant on the other hand justifies its conduct, it has implicitly accepted the demand for accountability and thereby the prospective constituent's *role attribution* of itself as constituent and the accountant as accountant.

Given the dilemmas that result from being exposed to multiple and partially conflicting demands for accountability from different constituents and according to different norms. Messner (2009) suggests a few potential ways that an organisation can attempt to address the dilemma of multiple constituents and issues. First, as suggested by Sinclair (1995), the accountant may carry out an ongoing, internal accountability process where it continuously determines which issues or constituents are the most important and prioritise them at the risk of sanctions. A related solution is to narrow the accountability down to only one prospective constituent, such as the shareholders of an organisation, and let that determine future actions. A third potential solution is to invite the constituents to participate in its decision process and thereby allow them to help decide how to prioritise the accountant's potential issues (Messner, 2009).

Accountability without a clear counterpart that can participate in an interactive accountability process, such as Sinclair's public accountability, has been held up as a particularly complex form of accountability. Using environmental auditing as an example, Power (1991) discusses the dilemmas associated both with identifying a principal, or a prospective constituent, and of determining which actions, or issues, to justify. An abstract counterpart such as 'society' or 'the general public' lacks a set of common and indisputable norms that can be used to formulate the social contract for environmental protection, he argues. As a result, there are no norms to define what is to be considered an unsatisfactory and action-inducing conduct.

Power also goes into the dilemmas of designing accounting information for a complex and controversial area such as environmental protection. Given that there are no established ways to trace a negative outcome to the conduct of a specific accountant, whatever method is used to produce accounting information and make visible the prospective accountants' conduct will also construct the norm for what becomes regarded as a potential issue in the future. This not only makes it vital who participates in the design of codified norms for how to produce accounting information, it also creates a risk that any calculable aspects of the conduct are emphasised over other, potentially more relevant potential issues.

Although Power's discussion concerns environmental auditing, the same reasoning can be applied to other complex processes. His concerns are echoed by O'Dwyer & Unerman (2007), who study a governmental funder's work to increase funded NGOs' accountability to the beneficiaries of development aid by asking them develop performance measurements to make their impact visible.<sup>10</sup> The authors find that many NGOs struggled to identify calculable measures of their outcomes, especially given that the outcomes were difficult to trace to their own conduct and typically took longer to materialise than the three-year evaluation period. Hence, the coerced accountability was as likely to encourage accountants to hide, or make invisible, potential failures as it was to encourage improvement. O'Dwyer & Unerman speculate that the funder's demand for increased visibility from its accountants may be connected to concerns about being held accountable by its own constituents, which would create a need for visible indicators of success.

Drawing on a study of organisations' financial disclosure policies, Carnaghan, Gibbins & Ikaheimo (1996) argue that an organisation's decision on which of multiple stakeholders, or prospective constituents, to satisfy will depend on their perceived relative importance. This perceived importance, in turn, is associated with the prospective constituent's enacted influence in terms of how much pressure it applies to the prospective accountant. Consequently, the relative influence of an organisation's prospective constituents is continuously evolving depending on the actions of and interaction between

---

<sup>10</sup> Other studies of NGOs discuss the same topic with similar conclusions. See for example Ebrahim (2003), Dixon, Ritchie, & Siwale (2006), Goddard & Assad (2006), O'Dwyer & Unerman (2006), and Unerman & O'Dwyer (2010).

the prospective constituents. To handle these multiple evolving accountability relationships, an accountant may try to anticipate the constituents' expectations or attempt to persuade the constituents to change their expectations of its outcomes.

Connecting to the dilemma of being held accountable by the general public, prospective accountants can also try to affect its constituents' interpretations of its actions. Samkin & Schneider (2010) study how the New Zealand Department of Conservation used the narrative sections of its annual reports to make visible the motivation behind criticised actions as well as to document successful conservation efforts in an attempt to deflect attention away from criticised activities. In other words, the department both tried to affect how action-inducing the existing potential issues were considered to be and to make visible and claim accountability for positive issues to increase its legitimacy.

In conclusion, this subsection explored the effects of an actor's accountability to multiple prospective constituents within a network. This creates new *role attribution* dilemmas as actors are forced to prioritise between multiple prospective constituents and their multiple, sometimes conflicting, potential issues. These priorities shift as prospective constituents' relative, enacted influence shifts, influencing the *role attribution* process.

Another network dilemma is the lack of a clear counterpart for *issue formulation* processes where a vaguely defined group, for example 'society', is a constituent. In these cases, standardised accounting often takes on a greater importance to formulate the norms by which potential issues are evaluated. Prospective accountants may also attempt to make positive issues visible.

#### 2.4.2 Accountability Relationships between Organisations

A particular source of complexity that has been a topic of interest in previous literature is conflicting demands from a prospective constituent within the same organisational hierarchy as the accountant and from an external prospective constituent. Kraus & Lindholm (2010) study how the cooperation between municipal home-helpers and county-employed domestic healthcare professionals, whose work was interdependent, was affected by normative changes. The home-helpers were simultaneously accountable to their hierar-

chical management for following the budget norms, to the clients of the services for following professional norms on good care and to the domestic healthcare professionals for following professional norms on cooperation and good care.

Originally, the professional norms were the only norms to be drawn on in the accountability processes, which meant that the clients and healthcare professionals, whose issues were both aligned with those norms, were regarded as the most relevant constituents. However, as noted by Carnaghan, Gibbins & Ikaheimo (1996), the prospective constituents' relative influence changed over time. A financial crisis intensified the demands for financial accountability on the managers, which made them enact their coerciveness in relation to the home-helpers and cause a change in the relative influence of the constituents.

Cooperation with the healthcare professionals were no longer seen as necessary for providing good care, meaning that the healthcare professionals' relational importance in that regard was lessened. Simultaneously, the municipal management made certain operational activities visible through numeric accounting, turning those activities into action-inducing issues. Consequently, the home-helpers prioritised visible operational tasks over invisible ones and ignored cooperative tasks for the healthcare professionals, who were no longer seen as relevant constituents. As a result, issues related to cooperation were not regarded as traceable to the home-helpers.

The resolution of the home helpers' accountability changed again after the financial situation of the municipality improved, so that the budget targets were easier to meet and less likely to become issues. This allowed the municipal managers to focus on additional issues, most notably by making the cooperative tasks visible in the hierarchical accounting by instituting cooperation meetings. In terms of *role attribution*, this gave the healthcare professionals an increased relational importance due to their explicit importance to the municipal hierarchy, and the home-helpers started to consider cooperation issues traceable to themselves again.

Kraus & Lindholm demonstrate how the coercive influence of the organisational hierarchy was stronger than the relational importance and legitimacy of the external prospective constituent when the two conflicted. Cäker

(2007) describes a case of the opposite situation, where the relational importance of individual employees of a customer was more influential than the comparatively weak coerciveness of the hierarchical management on behalf of the customer's central management. Consequently, the short-term fulfilment of individual production requests was seen as a more visible and action-inducing issue than the long-term timeliness of scheduled deliveries.

Another potential explanation is offered by Brettell Grip's (2009) study of the accountability processes of two chamber orchestras with multiple external funders. She finds that although financial contributions was a strong source of constituent<sup>11</sup> influence, organisations also allowed themselves to be more easily influenced by prospective constituents that shared the organisation's goals and values, such as members of an orchestra's 'friends association' (p. 191). Although these constituents provided a smaller proportion of the orchestra's funding, they had a high legitimacy due to emphasising the same norms that existed within the organisation. In Laughlin's (1996) terms, these constituents shared the accountant's professional norms.

While Kraus & Lindholm (2010) and Cäker (2007) studied cases where the issues of one constituent conflicted with another, Brettell Grip (2009) demonstrates that constituents could directly affect each other's issues and sources of influence. For example, the funding from a governmental agency was conditioned on positive concert reviews by critics as well as the securement of funding from local governments (2009, pp. 127, 135). Brettell Grip also illustrates how the management of the orchestras were forced to negotiate with the musicians who were the orchestra's providers to convince them to for example do promotional work (2009, pp. 181-182, 190). In these instances, senior musicians within the orchestra played an important part by aligning the musicians' professional norms with the orchestra's codified financial norms to demonstrate why the financial issues of the orchestra were action-inducing for the musicians.

Both Kraus & Lindholm (2010) and Cäker (2007) studied cases where the demands of one constituent adversely affected the fulfilment of another constituent's demands. As Messner (2009) suggested, however, the complex-

---

<sup>11</sup> Brettell Grip (2009) uses the term stakeholder rather than constituent.

ity can also be managed through an interactive accountability process between the accountor and one of its constituents. Lindholm (2003) demonstrates this in her study of a municipally managed substance abuse treatment facility and its interaction with its hierarchical management and an external buyer in the form of a neighbouring municipality.

Like in Kraus & Lindholm (2010), Lindholm's (2003) study shows how the issues and relative influence of the actors changed over time as codified financial norms became increasingly important. What is different in this case is that the emphasis on financial results increased the external constituent coercive influence as well, since it represented access to a scarce resource that it could threaten to withhold as a sanction (pp. 180-188).

A second difference is that although the hierarchical constituent increased the enactment of its coercive influence over the treatment facility, it also cooperated with the facility to help the latter manage its accountability relationship with the increasingly coercive neighbouring municipality. These efforts included gathering information to make visible the neighbouring municipality's perceived lack of consideration for professional and care aspects of the treatment. In other words, the demands for accountability from an external prospective constituent brought the accountor-constituent dyad closer (p. 184).

Finally, Lindholm demonstrates the significance of the facility's numeric accounting for the number of occupied beds as a way to make the treatment facility's operations visible. Within the municipal hierarchy, the occupation accounts were used as an approximation of and way to make the facility's financial outcomes visible in an understandable way. In the relationship with external prospective constituents, the occupation accounts were used as an approximation of a facility's quality. The difference between the two relationships was that the facility and its hierarchical management jointly decided to stop making information on occupation levels available to external constituents, which made the potential issue invisible to outsiders. Hence, a hierarchical prospective constituent had an *issue formulation* advantage over its external counterpart due to greater access to information that could make potential issues visible (p. 182).

Apart from Lindholm's (2003) observation of cooperation between an accountor-constituent dyad, the above studies have focused on the negative



effects of multiple demands for accountability. However, there can also be benefits associated with multiple prospective constituents. Frimanson (2007) uses the case of a subsidiary of a global printing company to discuss how the pressure to be accountable to another, that is to a prospective constituent, is handled not only in the relationship with that constituent, but also in the relationships with other prospective constituents.

Frimanson demonstrates how the subsidiary used the business demands of its customers to make the need for investment in new technology visible and action-inducing to its parent organisation. By making itself the spokesperson of its constituents, which were indirectly the parent organisation's constituents as well, it gained relational importance in relationship to its nominal constituent. What was more, Frimanson demonstrates how once the new technology had been purchased, this increased the subsidiary's relational importance to the parent organisation even further since it had unique expertise in using the technology. Hence, he demonstrates that the importance of an actor, even a nominal accountant, depends both on its resource dependence on a prospective constituent and on the prospective constituent's resource dependence on the actor.

Taking the argument one step further, this means that no single actor has enough influence to unilaterally determine the accountability of its counterparts, although some actors – such as the parent organisation – certainly has more influence than others. Rather, accountability relationships in a network develop gradually through interaction between their members.

To conclude, this subsection discussed accountability relationships between prospective accountants and constituents engaged in mutual accountability processes. In situations with conflicting potential issues between intra-organisational and inter-organisational prospective constituents, external, relationally important prospective constituents were often seen as more relevant than internal ones, unless the latter used financial coerciveness. Instead, internal prospective constituents had an advantage in creating visibility and thereby affecting *issue formulation* processes.

The reviewed literature also demonstrated that accountability networks could be used to increase an actor's relational importance by drawing on other actors' influence in *role attribution* processes or by uniting with a prospective constituent against a common enemy.

### 2.4.3 Issue Formulation and Role Attribution Processes between an Organisation and External Actors

This section has reviewed literature on accountability between organisations to explore how consideration of an accountability network consisting of multiple accountability relationships affects the processes of *issue formulation* and *role attribution*.

Section 2.4.1 started by discussing sources of complexity originating in an accountability network. The existence of accountability relationships with multiple prospective constituents, each with its own norms and resulting potential issues, means that an accountant is held accountable according to multiple conflicting norms. An added dilemma is that a demand for accountability is hard to refuse without being perceived as lacking justification.

Accountability relationships with other organisations are particularly complex in situations when there is no clear counterpart or when the accountability concerns complex processes. Without a prospective constituent, there are no predefined norms to base an *issue formulation* process on. Nor does an accountant have the opportunity to engage in an interactive accountability process to determine whether a potential issue is action-inducing and traceable to its prospective accountant.

Conversely, if there is no established way to connect a prospective accountant's conduct with an outcome, whichever accounting information design is chosen will end up defining the norm for what is considered a potential issue. In these cases, there is a risk that calculable, and thereby easily visible, aspects of a prospective accountant's operations are emphasised over potentially more relevant, but also more complex, aspects.

Given these dilemmas, accountants have found different ways to manage network complexities in their accountability processes. One way is to make a local prioritisation of prospective constituents based on their relative, enacted influence in terms of legitimacy, coerciveness, and relational importance. Since these change over time and depending on the prospective constituents' actions, the perception of which prospective constituent is the

most relevant also changes. Another is to make positive issues visible as a source of legitimacy and to counteract criticism.

Section 2.4.2 discussed accountability processes in relationships between two or more organisations and organisational units taking active part in the process. Considering previous literature's focus on accountability within organisations, it is interesting to note that a hierarchical prospective constituent was not necessarily seen as more relevant than external accountors were. Absent a coercive financial focus, professional norms seemed to dominate organisations' *issue formulations* with the result that external, relationally important constituents and constituents that shared the accountor's values were seen as more relevant. Hierarchical constituents do have an information advantage over external constituents, however, given that it is easier to make potential issues invisible to an actor that is not part of the same organisational hierarchy as the accountor.

Another interesting find from the literature on accountability between organisations and external actors is that the accountability network provided additional ways for accountors to increase their relational importance to, in particular hierarchical, constituents. A few ways were to provide a relevant service for clients – that is the constituent's constituent – to acquire knowledge that was valuable to the constituent, or to unite with the constituent against a common enemy.

With regard to how literature reviewed in this section can be drawn on to develop the concepts of *issue formulation* and *role attribution* in a network setting, the research problematizes *role attribution* processes by showing that there is not always a clear constituent to carry out an accountability process with. Nor does a constituent's influence remain stable over time. In particular, the coercive influence of hierarchical constituents has proven less dominant than might be expected. The literature also demonstrates that an accountor can gain influence through relational importance to constituents in the network.

Concerning *issue formulation*, the reviewed studies hint that positive issues may also fill a function in the accountability process. In general, however, the creation of visibility seems to pose a particular dilemma to inter-organisational *issue formulation* processes.

## 2.5 Accountability in Networks: A Framework

The first aim of this thesis was to develop a framework that would be suitable for studying accountability between as well as within organisations. Using Kreiner (1996) as an empirical example, it was initially argued that accountability can be understood as two intertwined sub-processes, *issue formulation* and *role attribution*, which draw on the norms of the accountability relationship and its environment. These norms are either codified, that is written down in an explicit form, or non-codified, as part of tacit knowledge.

Of the two sub-processes, *issue formulation* is the process of determining whether an accountant's conduct constitutes grounds for a demand for or an offer of accountability. *Role attribution* is the process of attributing the roles of accountant and constituent for a particular issue. Both sub-processes feed into themselves and each other, where the outcome of one process has the potential to affect future processes, as demonstrated by Figure 2.1. Together, *issue formulation* and *role attribution* determine the outcome of accountability processes.

These processes do not take place in isolation, however. As Figure 2.1 shows, each accountant-constituent relationship is situated in a network of accountability relationships, each consisting of an accountant and a constituent that are in their turn connected to each other and to the focal dyad through direct and indirect accountability relationships. Since these relationships are all connected, a change in one relationship has the potential to affect other accountability relationships in the network as well.

*Issue formulation* and *role attribution* processes also draw on accounting: calculative and narrative practices whereby an accountant provides descriptions that allow a constituent to act on the accountant. Standardised accounting, which is prepared according to a codified norm, is typically seen as more objective while non-standardised accounting, which is designed by its preparer, is more adaptable.

Drawing on previous literature on accountability, this chapter has argued that each sub-process – *issue formulation* and *role attribution* – can be expanded to specify the potential issue or prospective actor characteristics that influence the outcome of the process.

As shown by Figure 2.1, *issue formulation* processes focus on determining whether a potential issue is visible, traceable, and action-inducing.

*Visibility* implies that a potential issue is brought to the attention of the accountant-constituent dyad.

*Traceability* means that a potential issue can be traced to the conduct of an actor.

*Capability of inducing action* indicates that a potential issue is considered important according to the local norms of the accountability relationship.

*Role attribution* processes focus on determining whether a prospective actor has legitimacy, coerciveness, and relational importance.

*Legitimacy* implies that a prospective actor has the support of important norms within the accountability relationship.

*Coerciveness* means that a prospective actor has access to the use of sanctions.

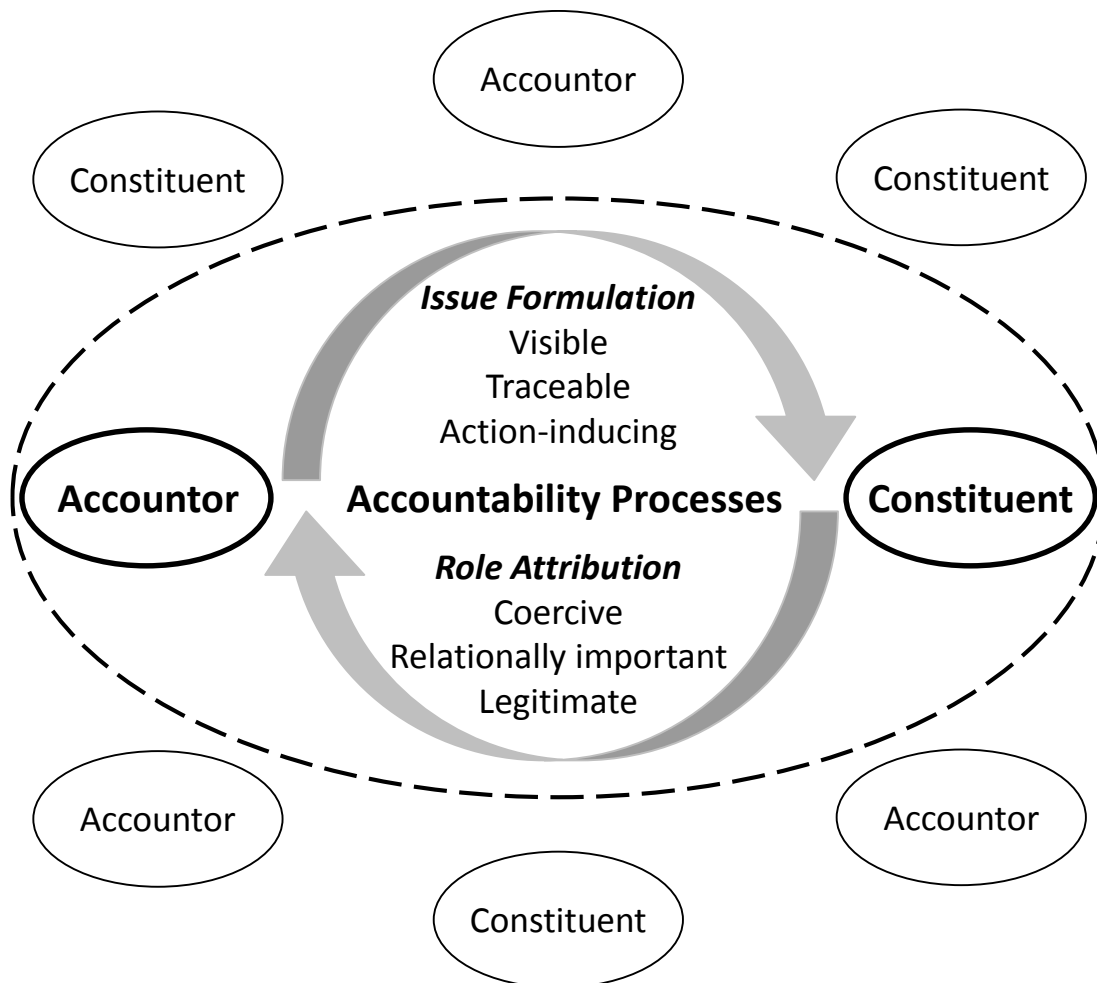
*Relational importance* implies that a prospective actor has access to skills or resources that are useful either to its counterpart in an accountability relationship or to a constituent of its counterpart.

Reviewing previous accountability literature from the perspective of this thesis' conceptual framework has also pointed to a few interesting openings in the previous knowledge. In particular, *issue formulation* and *role attribution* processes have often been taken for granted in previous research.

For example, several researchers discuss constituents' choice to raise a given potential issue in an *issue formulation* processes or not, but these potential issues are still treated as given by the codified norms of an organisation. It is not clear whether it is possible to create a new potential issue that is not drawn from accounting information or part of existing codified norms. If new potential issues can be created, it is uncertain how and by whom. Issues have mainly been discussed as a domain of constituents, but it is possible that accountors are also able to create new potential issues.

Another, related, area in need of exploration is the nature of issues. Kirk & Mouritsen refer to accountability processes as an "allocation of blame *and credits*" (1996, p. 247, my emphasis), but the potential issues discussed in previous literature are all concerned with an unsatisfactory conduct. This leaves

Figure 2.1 Accountability Process within an Accountability Network



open the question of whether *issue formulation* processes can be concerned with allocating accountability for positive as well as negative conducts.

A third knowledge gap related to *issue formulation* processes concerns how *issue formulation* processes are resolved. Previous literature frames the resolution of *issue formulation* processes in terms of accepting or rejecting a potential issue, for example by offering a justification for the conduct leading to a potential issue or by dismissing a potential issue as irrelevant. The possibility of *issue formulation* processes developing in a different way, for example by changing over the course of an accountability process, has not been explored so far.

Just as there are aspects of *issue formulation* processes that have been left unexplored, *role attribution* processes have also been taken largely for granted. For example, previous research demonstrates that actors can gain and lose influence within an accountability relationship, which affects their likelihood to be considered the most relevant constituent or accountor for a potential issue. This raises a question of whether a prospective accountor can gain enough influence to change its role from accountor to constituent within an existing accountability relationship, or if a prospective constituent can lose enough influence to be forced into an accountor role – if only for a specific issue.

Another area of interest relates to the members of an accountability process, and *role attribution* processes in particular. The accountability literature establishes that organisations are often held accountable by vaguely defined constituents such as ‘the public’ or ‘society’. This indicates that an accountability process needs not involve both a prospective accountor and a prospective constituent, but there is a need for more research on how such an accountability process is carried out compared to when the prospective accountors and constituents are both involved in a *role attribution* process.

The literature review also opens for a general avenue of research related to the network approach taken by this thesis. So far, the existence of accountability networks has been studied as a source of complexity in the form of additional prospective constituents and potential issues. However, previous research also suggests that an accountor can draw on an accountability network to increase its own relational importance. This could mean that the network can be a resource as well as a dilemma in accountability processes.

Given that this thesis intends to use the conceptual framework developed in this chapter to study accountability processes, these research openings all provide interesting avenues of research for the empirical study. In particular, the second aim identified in Chapter 1 is to explore how accountability is influenced by the presence of an accountability network. To this end, this thesis will study both the accountability processes of inter-organisational accountor-constituent dyads and how such a dyad manages its accountability relationships with the surrounding network. Where previous accountability literature has taken a single organisation or organisational

member as its starting point, this study focuses on accountant-constituent dyads to explore how members of these dyads interact with each other, how they interact individually with actors in their network, and how they interact with their network as one unit.



## 3. Studying Accountability

Conducting a research project is never an easy task and this study has been no exception. The design of a good empirical study depends both on its methodological choices and on the methods used in its data collection and analysis. This chapter will discuss these questions, as well as reflect on how the empirical study that constitutes the foundation of this thesis was conducted and how its data were analysed. It will also delve deeper into common criteria used to evaluate research as well as how this thesis lives up to those standards.

The first section of this chapter describes the methodological choices of the thesis. This includes the approach that was taken to research in general as well as the chosen level of and contribution to theory. Next follows a section that describes the methods that were used when I conducted the study. A description of the study design is followed by a section on data collection and another on the methods used to analyse the resulting data. Third, I describe my research process as it played out in practice. This includes my initial process for gaining an understanding of the empirical setting and its dilemmas as well as the steps taken to develop and hone my theoretical framework. Last, I will focus on some of the questions and choices related to the trustworthiness of my results.

### 3.1 Research Methodology

This section will talk about the methodological choices of this thesis. First, I will describe the general approach to research formed the basis of the study and how it affected the relationship between theory and empirical data. Second, I will discuss the type of theory I have chosen to draw on in the thesis as well as how I will contribute to existing accountability theory.

### 3.1.1 Research Approach

Accounting research has a long history of studies that divert from the ‘mainstream’ path of positivist, theory-driven research in favour of what has been termed ‘alternative’ accounting research (Baxter & Chua, 2003). Baxter & Chua (2003) discuss a number of different streams of alternative research, but the one taken in this thesis is the naturalistic research stream, which examines “the everyday accountant” and his or her reality (Tomkins & Groves, 1983a). As such, the approach taken throughout the research project has been characterised by an explorative, case-based approach and a focus on the situated behaviour of organisational actors.

The basis of a *naturalistic approach* is its interest in the behaviour of organisational actors in their “natural setting” (Tomkins & Groves, 1983a, p. 364). This means that naturalistic accounting studies focus on how accounting information is produced and drawn on in everyday organisational activities. In particular, this study has an interest in the influence that different forms of accounting information has on the studied actors. As argued by Baxter & Chua (2003) a key contribution by naturalistic research is to show how accounting is used and interpreted differently from one organisation to another, depending on the local meanings and values of organisation. Accordingly, meanings attached to accounting information differ depending on the situation and context in which the information is used (Tomkins & Groves, 1983a, p. 364). In the words of Morgan (1983, p. 385), accounting influences a social world that “is far less concrete, certain and deterministic than the natural world”.

A consequence of the interest in the everyday behaviour of organisational actors is that naturalistic research is characterised by an inductive and explorative approach (Tomkins & Groves, 1983a). Although few researchers go into the field without any prior knowledge about the existing theories on their subject (see for example Ahrens & Dent, 1998), the goal of the research process was to develop an intimate knowledge and understanding of the empirical context and to base the study on that understanding. Starting from a broad interest in accounting and control across organisational borders, the empirical study involved a flexible and gradual honing of its focus to identify

potential research problems within the setting. As part of this process, suitable sources of data that would make it possible to delve deeper into the identified research problems were also identified.

This initial explorative stage was followed by the selection of two of these key themes for deeper examination: the complexity and fluidity of roles and issues within the empirical context. At this point, the focus of the empirical research was on developing a rich knowledge of the subject matter (Tomkins & Groves, 1983a). This ‘thick’ knowledge made it possible to understand what was happening and how accounting practitioners perceived their setting and the dilemmas that existed within it. On the subject of thick or, as they refer to it, rich knowledge, Ahrens & Dent (1998) emphasise that thick knowledge is not just a matter of the ability to provide a detailed account of organisational events. Thick knowledge is more concerned with building an understanding of the “actions and motivations” of actors that mobilise accounting in their everyday lives.

The concern with producing ‘thick’ knowledge is closely connected with the use of an ethnographically inspired approach, which focus on in-depth, qualitative studies rather than a broad statistical analysis. As described by Tomkins & Groves (1983b, p. 408), “some aspects of the social world cannot be researched by ‘scientific’ (that is, quantitative) methods”. In particular, this concerns social processes where the outcome is determined by “human intentions, interpretations and meanings” (ibid.). In line with this reasoning, the research was conducted in the form of two in-depth case studies, as outlined in the section on research design below. The choice of research focus also had an impact on the approach to theory taken in the study, which will be examine more closely in the next section.

### 3.1.2 Theoretical Approach

The main criticism Baxter & Chua (2003) levy against naturalistic research is the scarcity of cumulative studies within the approach. The authors tie this scarcity to the breadth of research questions within the field and to the practical difficulties of gaining access to theoretically interesting settings: dilemmas that are both intrinsic to a naturalistic, empirically driven research approach. Since naturalistic research is closely connected to an inductive approach it will, by necessity, be difficult to decide the theoretical approach or

key research topic of a study in advance. As pointed out by Berry & Otley (2004), many qualitative in-depth studies are works of opportunity, which makes it difficult to determine theoretical approach and object of study in advance.

This thesis takes a middle road by striving to contribute to a cumulative theoretical work of knowledge, but at a different level from that of the great structural theories. Rather, it is concerned with what Llewellyn (2003) refers to as *level three theorisation or 'concept theory'*. The concept the heart of this particular study is accountability. Unlike grand theories, which aspire to analyse and explain events on a societal level, concept theory is concerned with forming and refining individual concepts that enable researchers to observe, represent, and analyse the world. By creating new concepts, researchers open up new “ways of seeing” that would otherwise be inconceivable, thereby allowing new areas of study (*ibid.*, p. 672, quoting Giddens, 1987).

Llewellyn argues that concept theory is the highest level of theorisation that is still concerned with agency, to the point where new concepts can be part of an actor's struggle to influence broader social norms. As such, concept theory operates at the level of “directly observable social or organizational activities, processes and events” while also serving as link between the micro and macro levels of analysis (Llewellyn, 2003, p. 675). Two examples are how the concepts of power or accountability are able to operate both on an actor-based level and on a norm-based level. Consequently, concept theory operates on a level of abstraction and a closeness to organisation-level social processes that is well suited for empirically informed, naturalistic research (see Llewellyn, 2003, pp. 687-691).

Within the frame of concept theory, this study contributes to previous knowledge on accounting by *refining existing theory* of accountability further (Keating, 1995). Although Keating speaks from a perspective where quantitative research is the norm and ultimate goal of all theorising, the article nevertheless offers a conceptual framework for discussing different forms of theoretical contributions from qualitative studies. Keating differentiates between three main types of contribution: theory discovery, theory refinement and theory testing, or refutation. The middle form of contribution, theory refinement, can focus either on illustrating the applicability of an established

theory on new empirical dilemmas or on refining an underspecified theory. The latter, theory specification, is the concern of this thesis.

Keating (1995, p. 72) argues that although theory specification starts from an explicit theoretical standpoint, it is primarily a chance to test the theory in “the field” where it will run into the dynamics and surprises of a real-life organisational setting. This enables a researcher to identify any gaps or flaws where new theoretical constructs can be introduced to expand on or even replace existing parts of the existing theory. In her discussion about theory specification at the level of concept theory, Llewellyn (2003) describes how concepts can be specified and sharpened by exploring new differentiations and categories within the concept. This way, the various forms and distinctions that a concept can take are brought to the fore and available for discussion. In this thesis, for example, the accountability concept is specified further through the development of a conceptual framework that describes accountability as sub-processes of *issue formulation* and *role attribution*. The concept level theory refinement undertaken in this thesis, combined with its naturalistic research approach, informed its research design, as will be expanded on in the next section.

## 3.2 Research Methods

The previous sections established that this thesis is concerned with studying organisational actors in their natural setting in order to develop existing theory on how they influence and are influenced by accountability. Given this methodological approach, certain choices were clear while others were more uncertain when it came to the methods uses in the study.

The upcoming section describes the design of my study. In particular, I will outline how data were gathered, my choice and implementation of a unit of analysis, and my choice of an empirical field. Second, I will explain my data collection as well as how I gathered observational data, interview data, and archival data. Finally, I described the three strategies of process analysis that were utilised in the course of the analysis – a narrative strategy, a temporal bracketing strategy, and an inductive strategy inspired by grounded theory – as well as how I dealt with the interconnectedness of *issue formulation* and *role attribution* processes during the analysis.

### 3.2.1 Study Design

Ahrens & Dent (1998) argues that rich data based on close interaction with the field is typically best gathered in case studies with one or a few cases. In particular, they continue, this form of studies is suitable for research that is concerned with accounting in relation to organisational practices and processes, rather than the technical practices and techniques of accounting. Others have made similar arguments that case studies are particularly suited for studying the “content, processes and contexts of the practice of accounting” (Berry & Otley, 2004, p. 239) or that ethnographically inspired studies offer depth, the ability to consider multiple, emic perspectives, and a sensitivity to organisational processes (Fine et al, 2009). Therefore, a longitudinal, ethnographically inspired *case study* was chosen as the method of this thesis.

The choice of case studies as a method brings with it certain questions of design, however. A prominent choice is that between an *in-depth study of a particular setting* and multiple, comparative cases (Ahrens & Dent, 1998). Ahrens & Dent phrases this choice as a trade-off between the forming of a “deep understanding of a particular social or organizational setting and the benefit of replication and comparative analysis” (ibid., p. 6). Although the empirical study of this thesis follows two ‘case relationships’, the focus is on building a deep understanding of each relationship rather than on comparing them against each other. In this sense, the thesis follows Dyer & Wilkins (1991, p. 613) in their emphasis on creating an exemplar, that is “a story against which researchers can compare their experiences and gain rich theoretical insights”.

Dyer & Wilkins (1991) argues that it is only by focusing on one or two cases that a researcher is able to observe and describe the underlying dynamics of an empirical setting. In particular, the authors write, a study that compares and contrasts multiple cases risks losing the context in which organisational action takes. This results in a shallow understanding of the empirical setting and a focus on its most obvious characteristics, rather than on the deeper social dynamics of the scene. Dyer & Wilkins contrasts this with a thickly described single- or few-case study, which shows the operation of a theoretical construct “in an ongoing social context” (1991, p. 616). As a result, the construct becomes clearer, more coherent and more credible to a reader. This helps theory development as well, the authors argue. The richer

the description of a studied phenomenon, the easier it is for other researchers to see “the same phenomena in their own experience and research” (ibid., p. 617).

The adoption on an explorative, in-depth case study method meant that the accountability processes that are the empirical focus of this thesis were *followed forwards in time* as they happened, rather than being traced back with the help of interviews and archival data (Langley, 2009). Accordingly, the data had a richer quality than if they had been gathered retrospectively. Another advantage was that events could be observed as they unfolded, in the same way that the participants of the study were confronted with new developments. The alternative would have been to start from an end outcome and trace the processes back through, potentially rationalised, accounts. The obvious drawback of a forwards-looking orientation, Langley (ibid.) points out, is that it requires more time in the field than would otherwise be necessary. Moreover, a future-oriented process study will be less focused, which means there will be periods of uncertainty about the focus of the study and that not all gathered data might prove useful to the end analysis.

The choice of a case study method brings up another question as well: *the unit, or level, of analysis* (Langley, 2009). As outlined in Chapter 2, accountability research has frequently focused on the level of individuals or organisations, while another stream of research has studied accountability between an organisation and its environment or between individual organisations. This study was originally intended as a study at the organisational level, in line with the traditional view of contracting organisations as counterparts with separate agendas, but it soon became clear that accountant-constituent dyads whose operations were interdependent regularly were treated as – and had reason to act as – one unit. Consequently, the level of analysis shifted to adopt two dyads, each consisting of an accountant and a constituent organisation, as its unit of analysis. Unlike previous accountability studies, the focus of the study is on how an accountant-constituent dyad acts as one unit as well as on the interaction between individual members of a dyad. It should be noted, however, that the study’s conclusions on dyad interaction are limited to situations where the accountant-constituent dyad have an ongoing and mutual accountability process, as opposed to when their interaction consists on

unilateral demands for accountability and provisions of information and justifications (see Roberts & Scapens, 1985).

The choice to conduct a study at the level of an accountant-constituent dyad places an emphasis on the interaction between an accountant and a constituent, rather than on how either party is influenced by that interaction. This makes it possible to follow how accountability processes develop in discussions between an accountant and a constituent in an ongoing and interactive relationship. The level of analysis also enables the study of how a dyad responds to and is influenced by accountants and constituents outside the focal dyad. This perspective is particularly vital given the network perspective outlined in Chapter 2: changes in the relationship between an accountant and a constituent are assumed to influence and be influenced by both actors' direct and indirect accountability relationships with other actors in their surroundings.

Choosing dyads as the unit of analysis raises questions of *how a dyad*, as opposed to an organisation with identifiable legal borders, *can be studied*. Here, the thesis draws on Czarniawska-Joerges (1996), who argues that actors 'in the field' typically choose to be part of a given organisational unit or to leave that unit and join another. "They might fail in their attempt, but they can always try. Thus a personnel department might constitute itself as the competitor or collaborator of other departments, rather than as a unit serving them" (ibid., pp. 314-315). Accordingly, it is at the meetings between two dyad members, where they discuss the joint dilemmas, standpoints and future actions of their dyad, that the dyad 'exists'.

Although neither dyads nor organisations can make decisions or give an account for itself in the way humans can, actors within organisations regularly provide accounts both for themselves and for their organisational units or groups (see Czarniawska-Joerges, 1996). As discussed in Chapter 2, organisations act through fiduciary relationships where an agent for an organisation acts for it (Schweiker, 1993). Hence, employees within the organisational members of a dyad are able to act and account both for their individual organisations and for the dyad as one unit. In practice, this means that an individual who is speaking in the capacity of representing an organisation or a group in an official manner, they are speaking as that organisation



or group rather than as individuals. This is reflected by denoting interviewees and speakers by their titles rather than by fictitious names.

Another central design choice was the *empirical setting* of the study. Here, the choice fell on publicly financed and privately provided services in general and nursing homes for the elderly in particular. As outlined in Chapter 1, the public sector has undergone major changes over the last few decades. Of particular interest from an accounting perspective is the increasing focus on quantifiable quality measures and the introduction of private providers of publicly financed care. The former creates dilemmas associated with the quantification of qualitative services (see for example Smith, 1995; Power, 1997; Slagsvold, 1997) and the latter creates dilemmas associated with contracting out those same services (see for example Hart et al, 1997; Hagbjer & Krohwinkel, 2014). A third interesting dilemma, which became clear in the course of the study, was the multitude of constituents that are attempting to influence public services. As a result, part of the public sector complexity is related to its need to reconcile many disparate demands.

The subsequent choice of nursing homes for the elderly as the study's empirical focus was partially influenced by its ease of access and partially by the fact that the aforementioned dilemmas are particularly present in the elderly care sector. Unlike education and healthcare, there is no measurable end result to elderly care. Nor is it easy to establish a best practice, given that clients' care needs and service preferences vary. Despite these dilemmas, elderly care is a common candidate for private production of publicly financed services and the percentage of Swedish elderly care expenses that are paid to private providers is on par with education and disability care services and larger than in the healthcare sector (Jordahl & Öhrvall, 2013, p. 40). Another interesting aspect of elderly care is that it exists at the border between healthcare and social care. Both legal and professional norms of and accounting for elderly care have parallel systems for healthcare and social care activities, which exacerbates the complexity of the sector. Consequently, elderly care is a very suitable setting for studying inter-organisational accounting relationships surrounding complex, qualitative services.

The specific accountant-constituent relationships that make up the two in-depth cases were situated within the same municipality, Metropolis. Due to its size, Metropolis is divided into a number of decentralized regions,

which has a devolved responsibility for the provision and supervision of, among other services, elderly care. The case relationships were both chosen as ‘typical’ outsourcing relationships between two different regions within Metropolis and two nursing home management teams representing separate large, national care providers.

The difference between the case relationships was that one of the regions, East, had extensive experience of outsourcing and only managed a fraction of its nursing homes internally. In comparison, the other region, North, had several care homes under municipal management at the start of the study and had comparatively limited experience of outsourcing services. In addition, the outsourcing contract between East and its provider, AlphaCare, had been running for a year when the data collection began in late 2008, while North and its provider BetaCare were followed from the start of their contract. To the extent that the two case relationships are compared in the course of this thesis, it is in the sense of what Cooper & Morgan (2008) refers to as maximum variation cases. In other words, the case relationships are similar except for one or two particular, key dimensions, which are assumed to influence any differences between the cases.

### 3.2.2 Data Collection

The empirical data of this thesis were collected through a longitudinal study conducted from 2008 to 2011. The study was primarily based on “naturally occurring” data in the form of participant observations and document studies (Silverman, 2007, pp. 159). These data had the advantage that they were gathered in the course of the internal processes of the case relationships, rather than being based on respondents’ perceptions and recollections. The naturally occurring data were complemented by semi-structured interviews that helped fill out events and circumstances prior to and surrounding the observed meetings.

One circumstance that has had a large impact on the data collection, however, was that I had better access to the BetaCare-North relationship than to the AlphaCare-East relationship. Although the representatives of both dyads were very forthcoming, I was immediately invited to observe BetaCare and North’s supervision meetings, whereas it took longer to secure access to the AlphaCare-East supervision meetings and my presence there

was never as natural. Another factor that affected the number and frequency of observations was the stage of a relationship. During the first year of BetaCare's contract, they had monthly or bimonthly supervision meetings with North. In comparison, AlphaCare and East's relationship was more mature when the observations began and they had supervision meetings less often.

The *participant observations* were conducted in the form of observations of supervision meetings between the members of the two dyads. Observations were conducted in an overt but passive manner (Atkinson & Shaffir, 1998), where I took the role of a complete observer (Waddington, 1994). Extensive notes were taken during the meetings and were clarified and expanded upon as soon as possible afterwards. Each supervision meeting lasted on average 1.5 hours, although I was sometimes asked to leave 10-15 minutes early so that the participants could discuss matters related to specific clients in private.

The studied dyads held supervision meetings a few times per year to follow up the operation of the nursing homes and to discuss any recent accounting reports, problems, or external demands that the dyad needed to discuss jointly. Each meeting was attended by representatives of the regions (typically an elderly care manager, a purchaser or quality inspector, and occasionally a Medically Responsible Nurse) and of the care provider (typically a regional manager, nursing home manager, and one or more ward managers). Appendix I contains a complete table of the observed meetings and their participants.

Table 3.1 Data Gathering through Participant Observations

<i>Relationship</i>	<i>Supervision meeting</i>	<i>Political meeting</i>	<i>Information meeting for providers</i>	<i>Supervision meeting with another care provider</i>
East and AlphaCare	5 (2009-2011)	3	1	
North and BetaCare	13 (2008-2011)	2		4

Since AlphaCare managed two nursing homes in East, representatives of both homes participated in the meetings although only one of these homes is included in the study. I also participated in a few supervision meetings with another care provider in North, GammaCare, in order to broaden my knowledge of North. I choose not to make an in-depth study of the relationship between North and GammaCare for time reasons, however, and the observations from meetings with GammaCare are not included in the study apart from occasional anecdotes (see for example section 5.2.3).

Data from supervision meetings were complemented by a few sources of other observational data. One was an information meeting held by East to introduce the region's new Control for Outcomes accounting to its care providers. I also attended a few public meetings held by regional politicians. In particular, I attended a meeting where it was decided that East would terminate the contract of one of its private care providers. Beside these structured observations, I also participated in a few informal lunches and coffee breaks with region representatives, which offered additional insights into their reactions to meeting events.

A second source of data was 27 *interviews*, of which 2 were group interviews with two respondents and 2 were repeat interviews with the same respondent. These interviews provided a background on the accountability context of the case relationships and helped capture the respondents' perspectives on the accountability of both dyads and dyad members. Interview questions focused on how the regions and other constituents supervise outsourced elderly care from its procurement and throughout a contract.

Table 3.2 Data Gathering through Interviews

	Metropolis' central management	East		North	
		Municipal region	Care provider	Municipal region	Care provider
Number of interviews	5	8	1	8	5

Interviews were semi-structured, or qualitative, with an interview guide of open questions that was used to prompt the respondents to speak as openly as possible about a topic (King, 2004; Casell, 2009). Each interview lasted 90 minutes on average and was tape-recorded, except for two cases where the respondent asked not to be recorded. In the latter cases, notes were taken during the interview and transcribed as soon as possible afterwards. The interview guide and a complete list of respondents are available in Appendix I.

The choice of respondents was affected by the shift in focus, from regions and care providers separately to the care provider-region dyad as one unit. Initially, the plan was to interview representatives of all positions in the regions that interacted with the care providers as well as managers and operative personnel at the nursing homes. However, as the level of analysis changed, the operative elderly care personnel became less important to the study and no further operative interviews were scheduled.

I also chose not to interview elderly or their families. This decision was partially motivated by the shift in focus, but also by the added complexity involved in interviewing elderly individuals – of which a majority suffered from dementia – and their families about their relationship with care providers, regions and care provider-region dyads.

The third part of the data collection was an *archive study* of administrative and legal documents related to the studied dyads. Quality reports, inspection protocols and other forms of accounting information offered a background for actor's offers of and demands for accountability. Tender calls, tenders, and contracts provided information on the local normative framework of the dyad relationships, while laws, regulations, and government bills did the same on a national level. Many of the documents from the archive study were also discussed at supervision meetings and during interviews.

### 3.2.3 Data Analysis

Analyses of qualitative data, in particular participant observations, typically involve a reiterative process where data are examined, arranged, analysed and rearranged (Waddington, 1994). Drawing on Ahrens & Dent (1998), the analysis started iteratively with the data gathering, so that observational and interview data were continuously analysed for common themes and patterns.

As the authors note, the process of finding patterns is “often the most difficult and least codified part of field work” (ibid., p. 9).

At the early stages of the study, a *narrative strategy* was employed in order to familiarise myself with the data (Langley, 1999). For example, the data from the first year of interviews and observations were arranged into two chronological case descriptions and one joint depiction of the case relationships’ environment. These initial case descriptions were used to identify the truly interesting dilemmas of the empirical setting and led me to adopt an accountability perspective for the study.

Narrative is a process strategy that capitalises on the richness of case-based process data by constructing a detailed story that shows an organisational phenomenon in its context. Accordingly, the strategy does not require a researcher to commit to any specific anchor points, which is a particular advantage in the early stages of a research process. Another advantage is that a narrative maintains the ambiguity and complexity of empirical data and therefore provides richer descriptions. Hence, I returned to variants of the narrative strategy later in the research process in order to look at the data with fresh eyes.

Once the theoretical focus of the study had been set, it was also clear that the analysis and continued data collection would concentrate on negotiations of accountability and on how these were influenced by environmental norms and actors. Parallel with the continued gathering of observation data, the data that had already been collected went through multiple iterations of analysis to abstract the rich details of the case data into theoretical constructs (Ahrens & Dent, 1998). Perceived gaps or inconsistencies in the emerging analyses were then revisited over the course of the data collection.

The different forms of analysis were partially a way to avoid premature closure of the theoretical constructs that were used to understand my empirical data (see Ahrens & Dent, 1998). Tentative, empirically derived constructs were used as a basis for new analyses and continuously adapted or discarded until I arrived at a theoretical framework that could be used to understand accountability processes. This framework was then used to understand how accountability processes were carried out in inter-organisational accountor-constituent dyads within a network setting.

Beside the narrative strategy described above, two main process strategies were used to analyse the data: temporal bracketing and inductive analysis inspired by grounded theory (Langley, 1999). *Temporal bracketing* is a way of structuring process events into periods, which need not follow a predictable sequence or constitute progression. Rather, the division of data into periods makes it possible to compare and contrast different periods and to explore how events and outcomes in one period influences the subsequent ones. For example, dividing accountability processes into triggers, argumentations and resolutions, as will be demonstrated in Chapter 7, made it explicit how a resolution was not necessarily the end of an accountability process. The ward size episode demonstrates how a resolved process could be resumed by a change in circumstances, such as the involvement of a new prospective constituent, which necessitated a new argumentation and resolution (see section 6.1.1).

The type of inductive analysis that Langley (1999) associates with *grounded theory* focuses on the comparison of different incidents, in this study accountability negotiations, in order to identify inductive categories that can be used to describe those incidents. The categories are then refined and elaborated on, adding subcategories and associated dimensions or properties, as more incidents are coded and compared. Grounded theory-inspired analysis requires access to a large number of comparable and richly described incidents, but results in a corresponding closeness to the original data (*ibid.*). The drawback is that the resulting theory has a tendency towards complexity, due to that same connection with the data.

In this thesis, accountability processes were coded to explore what arguments accountors and constituents used, for whose benefit they claimed to negotiate and towards which desired outcomes. This led to a realisation that accountability negotiations centred on issues of quality, accountor and constituent roles and accounting design. As these categories were analysed further, they were refined into sub-processes of *issue formulation* and *role attribution*.

One final, important point related to data analysis is the connection between *role attribution* and *issue formulation*. As discussed in Chapter 2, accountability processes are made up by sub-processes of *role attribution* and *issue formulation*, which are closely intertwined. This means that the resolution of

an *issue formulation* process is dependent on who are seen as the most relevant constituents and accountors, while the resolution of a *role attribution* process is dependent on what, if anything, is seen as an issue. To decrease the complexity of the analysis, however, processes of *issue formulation* and *role attribution* will be analysed separately in the empirical Chapters 4-6 and brought together in the final Chapters 7 and 8.

### 3.3 Research Process

Having described the principles and choices of method that formed the basis of my study, I will now discuss how the study was carried out in the field. The intention is to place my various methodological and methods-related choices in their 'natural context' so that a reader can follow when and how important events happened and choices were made. I begin by explaining the background of my study and of how I first entered the field. Next, I focus on my initial methods of analysis and on how I let empirical dilemmas guide my choice of theory. Last, I describe the process of inductively refining and developing my chosen theory further.

#### 3.3.1 Understanding the Setting: A Focus on Outsourcing

In August 2007, the outsourcing of public services was (as it still is) a hotly debated topic. News articles about outrageous conditions at privately managed hospitals, schools, and nursing homes were a regular occurrence, as was criticism against the public servants who were seen as unable to prevent the abuse. The dilemma was interesting from two perspectives. First, if conditions were as bad as claimed by the media, why were new services being outsourced? Second, if the reports were exaggerated, how did actual outsourcing relationships function? When the accounting department at the Stockholm School of Economics advertised for a PhD student who would the borderland between public and private organisations it was an easy choice to apply.

My first year of PhD studies was dedicated to mandatory courses coupled with reading about the public sector, public service outsourcing, and inter-organisational accounting in general. The two latter fields in particular sparked my interest in dilemmas related to the incompleteness of contracts. Authors such as van der Meer-Kooistra & Vosselman (2000) and Tomkins



(2001) showed how contracts had to be supplemented by other forms of control, including efforts to choose suitable counterparts and developing trustworthy relationships. However, how would these complementary controls work in a setting with limitations on public purchasers' ability to choose and change providers?

The empirical part of my research began in the spring of 2008, after I had gained access to the municipality of Metropolis, a large, urban Swedish municipality. My entrance point was at the central management of Metropolis, although the central management functioned mostly to legitimise my presence in the organisation and to put me into initial contact with the regions that I ended up studying. Once I had been introduced to the elderly care managers at the regions – and, later, the nursing home management – all further requests for interviews or access to meetings meeting went through them.

Due to its size, Metropolis is organised into several geographic regions with a decentralised responsibility to provide municipal services such as elderly care, education and social care. The regions are in their turn organised into units that specialise in providing and overseeing one or a few services. My study focused on two elderly care units in the regions of East and North and their relationships with a private provider each. These providers, AlphaCare and BetaCare, were two large provider groups that managed a number of nursing homes in the municipality and across Sweden. Consequently, they were experienced in managing outsourced public nursing homes. Of the studied regions, East had extensive experience of outsourcing while North had comparatively limited experience of outsourcing elderly care. Before East terminated a contract and took over that nursing home in early 2009, all nursing homes in the region were managed by private providers. In contrast, the nursing home that was being taken over by BetaCare had previously been managed by North.

My initial access agreement only stated that I would be allowed to study outsourced public services, but after discussions with the central management of Metropolis it was mutually decided that I would focus my study on elderly care. From the point of view of my informants, it was a complex and controversial area that they would benefit from having investigated further. For me, elderly care was a perfect example of the dilemmas associated with

outsourcing and developing quantitative performance measures for qualitative public services.

Metropolis has a strong focus on client choice and the political majority during the study had a goal that all operations that were not an exercise of public authority or a strategic management function should be subject to competitive procurement or offered through a freedom of choice system (Metropolis, 2007c). Within elderly care, this was expressed as a large proportion of private care providers and a freedom of choice system that allowed elderly care clients to choose between available nursing homes in the entire municipality. The care providers, in their turn, were paid a standardised remuneration based on the level of care that the client required.

I began my data collection with a pre-study consisting of interviews with personnel at Metropolis' central unit for procurement and competition and elderly services administration. The goal of the pre-study was to gain an initial understanding of elderly care procurement processes and freedom of choice system. I also performed a few interviews with nursing home personnel who were not included in the study, simply to get an initial feeling for the daily operations of a nursing home.

The main study began in late 2008 with a series of interviews with representatives of East and North, which were initially intended as the main basis of my study. My goal was to interview representatives of all positions in the regions that interacted with the care providers. This usually meant that I interviewed the one person who held that particular position. The exceptions were care administrators, where I interviewed two of the administrators, and care coordinators, where I only interviewed the coordinator for one of the regions. In both cases, the interviewed professionals were involved in matching prospective care clients with nursing homes rather than in the ongoing supervision of care providers. The interviews covered topics such as the procurement process, the care provider-region interaction, the region's supervision of the care providers' performance and its effects, and the influence of other stakeholders on the supervision and operative care.

Since I began interviewing at the same time as North was starting its relationship with BetaCare, I was invited to join their first regular supervision meeting. Silverman (2007) argues that data that are produced by the everyday activities of an organisation have a particular richness, and it was immediately

clear that this was the case for the supervision meetings as well. Rather than being limited to the topics of my (admittedly open-ended) questions and my respondent's ex ante recollections of events, I was able to follow the care provider's and region's negotiation of what constituted good care, argument by argument, as it was carried out.

Since I had already participated in a supervision meeting, it was easier to negotiate access to future meetings between North and BetaCare and between East and AlphaCare. Accessing the latter meetings proved easier said and done, however. The date and time of East's and AlphaCare's meetings were set close to the actual meetings rather than at a previous meeting, which required a careful balance between getting in touch often enough to find out the date of the next meeting but not so often as to disturb my respondent unduly. In comparison, the meetings between North and BetaCare were scheduled in advance and were held frequently enough that my presence became a natural part of the meetings. Despite the differences in access, however, both sets of observations offered rich data that allowed me to gain an insight into the topics that were regarded as important by the actors themselves. I continued to attend every supervision meeting between North and BetaCare and almost every meeting between East and AlphaCare.

My participation at supervision meetings consisted of taking notes without participating in the discussion, apart from general social exchanges before the meetings. Observing the meetings had an additional advantage in that they offered opportunities for informal contacts with both care providers and regions during lunches and coffee breaks in connection to meetings. The participant observations also made it easier to get access to the care providers, who were already familiar with me from the meetings.

During the spring of 2009, I conducted interviews with personnel at all organisational levels within BetaCare's nursing home, from managers to group managers to healthcare and social care personnel. The interviews covered similar topics as my interviews with region personnel but with a larger operational focus, for example the care provider-region interaction, the effects of the region's supervision of the care, and the influence of other stakeholders on the operative care.

One immediate observation from both interviews and meetings was that a care provider-region relationship was not just a matter of a customer supervising a provider. Just as often as a region demanded that its provider explained a negative accounting report, both members of a provider-region dyad had to cooperate to address a complaint from the children of a client or respond to the latest media criticism. To most external actors, care providers and regions were equally responsible for the quality of care and received equal criticism of anything went wrong. This gave them a strong motivation to work together to correct any problems. A second motivator was that care providers and regions were both staffed by elderly care professionals, which meant that their definitions of what constituted satisfactory elderly care often were closer to each other than to that of external constituents. Accordingly, some of the regions' time was spent sorting through which external complaints were regarded as genuine cases of bad care quality – leading to actions against the care provider – and which were regarded as a result of unrealistic expectations on the level of care – to be addressed in cooperation with the care provider.

### 3.3.2 Theoretical Honing: A Focus on Accountability

Towards the end of my first year of data collection, I made a first analysis to gain an overview of the data I had gathered so far. The data were arranged into two narrative case descriptions – one for each care provider-region relationship – and one joint description of the case relationships' environment. Each case covered the relationship from the procurement process, past the transfer of management from the previous care and to the ensuing, ongoing relationship between the two care provider-region dyads.

The case descriptions were written with a focus on three things. Firstly, it described standardised and non-standardised forms of accounting for social care, healthcare, and financial factors within each dyad organisation and between the care provider and region. Secondly, it described the dilemmas and disagreements that the study had uncovered so far, both between the dyad organisations and between the dyad organisations and external actors. Finally, the joint case section was a first attempt to map the actors that had an influence on the nursing homes' operations from outside the focal dyads.

These initial case descriptions made it clear that the truly interesting dilemmas in the empirical case were concerned with two things. First, there was a dilemma associated with how to define and communicate what constituted good care. The regions struggled with how to specify good care in their contracts, the care providers struggled with how to demonstrate the quality of their operations to the regions, and both care providers and regions struggled with how to communicate examples of high quality care to the media, politicians, and their clients' families.

The second dilemma was related to how to justify operative actions that had already been taken, both in the care provider-region relationship and to the large number of constituents outside the focal dyads with an interest in elderly care. This dilemma was exacerbated by the fact that different actors often had conflicting opinions on what constituted good care; opinions that were not always affordable with the resources allocated to elderly care. Consequently, care providers and regions were involved in an ongoing balancing act of trying to weigh the demands of different constituents against each other.

Both dilemmas were closely associated with questions explored in accountability theory. In particular, they were concerned with which conducts accountors were trying to justify and for which conducts constituents demanded justifications. Up until this point, the study had been guided by an effort to understand the empirical setting and the potential research problems that existed in that setting. Although the study was inspired by previous literature on the field, the focus had been on the characteristics of my particular empirics. Now that I had identified the dilemmas I wanted to focus on and a theoretical perspective that would help me explore those dilemmas more closely, that perspective influenced my continued data collection.

One such influence came from recognition that care providers and regions were involved in several, parallel accountability processes. They carried out accountability processes within their care provider-region dyad, each dyad member carried out accountability processes with external actors, and the dyad itself was involved in several accountability processes with external actors, where the dyad acted as one unit. As a result, members of an accountor-constituent dyad were continuously repositioning themselves in relation to each other and to external actors, depending on which

accountability process was active for the moment. These repositioning activities were the most intriguing part of the empirical data and an aspect that had so far been underexplored in previous literature.

To concentrate on this dynamic, I made a first decision: to change the object of study from the individual dyad members to the dyad itself. This placed accountability process at the level of the dyad in focus, while the effects of those processes on the elderly care operations became less central. Given that dyad processes were complex enough in themselves and I ran the risk of drowning in data, I also limited the study to focus exclusively on the dyad relationship. My decision meant that the actions of operative elderly care personnel became less important to the study and no further interviews were scheduled with the operative personnel. In place of interviews, I concentrated on conducting participant observations of supervision meetings.

The disadvantage of my change of focus was that it meant that I did not follow up how, if at all, decisions and agreements made during supervision meetings influenced the everyday operations of the nursing homes. However, the influence of accounting and control activities on organisational action has been covered by other researchers (see for example Broadbent & Laughlin, 1998; Broadbent, Jacobs & Laughlin, 2001; Kurunmäki, 2004). A study of how accountability processes were carried out in a complex network setting was more interesting and original to me.

Another decision was to move away from a focus on public purchasing and contracts, which had been a major part of my original interest in public outsourcing issues. The contractual agreement was still present as an important norm that was drawn on in accountability processes, but it was increasingly clear that it was one of multiple norms. Accordingly, although it was important that I understood the legal and contractual context of my accountor-constituent dyads, the design of these formalised norms was less important than how they were drawn on in the accountability processes. In other words, the most relevant processes for my research interest were ones that took place after an outsourcing process was completed.

While I continued my participant observations of supervision meetings, I conducted a second iteration of analysis, which focused on bringing out patterns in the observed accountability processes. The observation data were sorted into incidents consisting of the accountability processes surrounding

a particular past or future conduct, and these processes were coded according to how the negotiation was carried out, for whom the dyad members claimed to negotiate and what the desired outcome was for each member. My focus in this analysis was to find inductive categories that would help explain how and why these accountability processes were carried out. The categorisation made it clear that the studied processes were concerned with solving three questions: First, what constituted good or bad care, that is, which conducts constituted an issue? Second, who was accountable to whom for a particular issue, that is, who had the accountor and the constituent roles? Third, how could these issues be made visible through accounting?

As I gathered more observation data, I tried to develop theoretical categories around these three questions, but I kept having difficulties in determining how they related to each other. One particularly interesting finding emerging from my empirical data was that both accountors and constituents created new forms of accounting to trigger accountability processes around particularly bad – or good – conducts. I was hit by a realisation: rather than constituting a category of its own, accounting information should be seen as an influencing factor on how a nursing home's operations became visible to its distant constituents as well as what was seen as a good conduct. In other words, my three original questions were actually two, with accounting playing a central role in both: what constituted a good or bad conduct and who was accountable to whom?

Accordingly, an accountability process could be regarded as two intertwined sub-processes, which I termed *issue formulation* and *role attribution* respectively. The names of my concepts were consciously kept abstract – issue rather than problem formulation and role rather than constituent attribution – so that it would be clear that they applied to different types of processes. *Issue formulation* was not just about formulating problems, but also about formulating good conducts. *Role attribution* was not just about attributing the role of constituent but also the role of accountor.

Applying my new theoretical framework to a few of the accountability processes I had analysed before, I could see how their accountability negotiations could be explained as *issue formulation* and *role attribution* processes. It seemed that I had found the first building stones of my theoretical framework!

### 3.3.3 Understanding Key Processes: A Focus on Issue Formulation and Role Attribution

With a firmer grasp of my theoretical concepts, a six-month exchange to the Edinburgh University Business School, United Kingdom, in 2011-2012 gave me a chance to focus on my full set of observation data. My initial approach after finalising the *issue formulation* and *role attribution* concepts had been to discuss and analyse both sub-processes at once, but this quickly proved too complex to follow. Instead, I divided my accountability processes into ‘*issue formulation cases*’ and ‘*role attribution cases*’, depending on which sub-process was more central or theoretically interesting in that particular accountability process. Some were easy to categorise, whereas others came down to a tough choice of which sub-process that particular case illustrated the best. For example, one case simultaneously illustrated efforts to formulate whether replacing personnel with teenagers was an issue and efforts to attribute the role of constituent to various different external actors (see section 5.1.2).

Once again, I applied a narrative strategy to get an initial overview of my *issue formulation* and *role attribution* ‘cases’. Since I was interested in the contrast between accountability processes around an issue that had been raised by one member of the focal accountant-constituent dyad and accountability processes where an issue originated side that dyad, I also experimented with differentiating between these two types of processes. In *role attribution* processes, a more important difference was that between processes that were mainly concerned with attributing a constituent role and processes concerned with attributing an accountant role. Although the former had been subject to some study, fluid accountant roles had not been studied to any greater extent, which made it a particularly interesting subject. Consequently, I had four groups of cases: *issue formulation/dyad cases*, *issue formulation/network cases*, *role attribution/constituent cases* and *role attribution/accountant cases*.

My second step was to divide the accounting episodes into temporal brackets. The goal was to examine how the different types of accountability processes were started, how the discussion progressed, and how processes reached a conclusion. In particular, I was interested in the part played by accounting information at each temporal step and how accountability resolutions were ‘accounted for’ as meeting minutes in order to influence future processes. Temporal bracketing also made it clear that some processes were



re-started even after having seemingly been resolved, while others went on for a year or more without managing to reach a resolution. Accordingly, processes were divided into trigger, argumentation, and resolution phases, which were sometime reiterated several times over the span of a single accountability process.

Starting from the bracketed process, I began to explore and code factors that influenced process triggers and resolutions and that played an important part in the argumentation between actors. It quickly became clear that there was a tension between processes where one actor was unilaterally trying to enforce a particular outcome and ones where issues and roles were negotiated in a mutual fashion. Drawing inspiration from authors such as Munro (1993), Boland & Schultze (1996) and Willmott (1996), I found that accounting information both provided information about an accountant's conduct and influenced which conducts were seen as satisfactory or unsatisfactory.

As the process data went through multiple iterations of inductive coding, two additional points of influence were made clear. First, many arguments were concerned with increasing the legitimacy of an actor and thereby increasing its influence. For example, there were many attempts to connect an actor's preferred course of action to the elderly care users' best interests. Another point of discussion was whether a particular outcome was really due to the suggested accountant, or if it could be more accurately traced to another actor.

Given the interconnection between *issue formulation* and *role attribution*, it was a gradual analytical process to determine whether all of these subcategories were equally related to *issue formulation* and *role attribution* or if they were closer to one of them. As I kept coding and refining my theoretical framework, I could establish that whether a process progressed through negotiation or enforcement could be traced to the coerciveness or relational importance of its actors in attributing particular roles to themselves and others. Conversely, a conduct's visibility and satisfactoriness influenced the visibility and ability to induce action of any associated issues that were being formulated. The association of legitimacy and traceability with a particular accountability sub-process was more ambiguous, but legitimacy was a property of an actor whereas traceability was used to determine whether events were worth bringing up as issues.

Parallel to conducting process analyses, I also went back to my original case descriptions and their explanations of the accountability context of elderly care in Metropolis. Writing an outline of the actors and forms of accounting information within the accountability network provided an opportunity to pinpoint contextual sources of complexity. In addition, the outline was a way to analyse the preconditions of accountability processes within the network. By analysing new forms of accounting that had been created by care providers and regions, it was possible to see how actors tried to influence future accountability processes, for example by augmenting their own potential influence or increasing the chance that particular conducts would be seen as an issue.

When my final theoretical framework began to take shape, I went back to the existing accountability literature and compared my emergent categories with previous theory and findings. In some cases, such as visibility and legitimacy, my categories corresponded to other researcher's observations. Other categories, such as the main sub-processes of *issue formulation* and *role attribution*, slotted easily into existing knowledge without previously having been formulated as distinctive concepts. This process of comparing my own conclusions with previous literature was a way to tie the theoretical findings from my particular case setting to the wider context of previous literature.

This review was combined with selected inter-organisational accounting studies, particularly within the industrial-network approach (see Håkansson et al., 2010). The inter-organisational literature offered a complementary perspective on inter-organisational relationships and helped explain the circumstances of coerciveness and relational importance in inter-organisational relationships.

My research process ended with a selection of those cases that best represented the overall patterns of accountability processes that were visible in my data. These cases were written up as process descriptions and ordered into two chapters, with one chapter focusing on processes of *issue formulation* and the other on processes of *role attribution*. The two process chapters were complemented by a third, which described the actors and forms of accounting information that constituted the empirical context for my focal dyads.

### 3.4 Research Reflections

This final section of Chapter 3 will discuss good, or in the terms of this thesis satisfactory, qualitative research and how this study lives up to these definitions. Although there have been multiple arguments on what characterises good qualitative research, two criteria that are often mentioned are authenticity and plausibility (see for example Golden-Biddle & Locke, 1993; Scapens, 2004; Lukka & Modell, 2010). Authenticity is related to the ability of a researcher to ground a study's findings in as complete and genuine an image of its empirical setting as possible. In contrast, plausibility is concerned with connecting the specific findings of the study to the greater body of research about its topic, so that the findings make sense in light of and adds to previous knowledge.

A first aspect of authenticity is showing that a researcher has been present in the field (Golden-Biddle & Locke, 1993; Scapens, 2004). In this study, I followed my two case dyads through interviews and regular participant observations over three years from late 2008 to mid-2011, with a final observation taking place in December 2011. The accountability processes that were observed during meetings are conveyed through case descriptions, which utilise quotes and other methods to communicate the richness of the data. Writing about richness of empirical data, Ahrens & Dent (1998) argue that richness is concerned with bringing out the specificity of an empirical context and with making the actions and motivations of studied actors understandable in a systematic way. These tenets have been a consistent guide in writing the process cases and led, for example, to the addition of a brief background for each individual process in addition to the aggregate contextualisation offered by Chapter 4.

A second aspect of authenticity is to show how the analysis relates to, and is built upon, empirical data (Golden-Biddle & Locke, 1993). For my study, this particularly relates to how both data collection and analysis has been guided by the use of an inductive approach. Although I went into the field expecting to conduct a study on contracting and inter-organisational supervision, my actual research became far more focused on negotiations of a satisfactory conduct and the fluidity of accountant and constituent roles. This ability to be surprised in by field data and adjust a study accordingly is

one aspect that Ahrens & Dent (1998) mention as a sign of the implicit rigor and conscientiousness that exists in case study research.

When it comes to plausibility, one important factor is situating a study in the context of previous research (Golden-Biddle & Locke, 1993; Scapens, 2004). Although this study has mainly followed an inductive approach, the latter half of the data collection was made with a particular theory in mind. Furthermore, the conclusions were compared and contrasted with existing research to see how they fit into a wider theoretical context.

In other words, the study utilised certain abductive elements (see for example Lukka & Modell, 2010) by enriching its emergent concepts through exposure to previous literature on accountability and inter-organisational relationships. This highlighted which elements of my theoretical framework corresponded with what was already known and how new and unexpected findings could be used to fill gaps in the existing knowledge and thereby develop it further. This is in line with Tsoukas' (2009) description of in-depth case studies as a form of research that starts with an empirical context and then makes an argument for what theoretical phenomenon it refines and specifies further.

## 4. Accountability Context: Central Actors and Forms of Accounting in Metropolis' Elderly Care

“...you might imagine, like, 200 [members of staff] walking out of a nursing home when you're making a procurement and 200 new ones walking in, but that's not how it works. The thing is, the staff is the same and the premises are the same and the clients who live there are the same. You just change the management (...) And what we're assessing (in the procurement) is who is likely to have the most potential to effectively enforce its new... its work concept and its philosophy, in some way.” (Manager, Metropolis' central management, 2008)

This chapter is the first of three that will describe the accountability for publicly financed and privately provided elderly care in the Swedish municipality of Metropolis. Chapter 4 begins by providing a background on the context in which the accountability processes between the two studied constituent-accountor dyads took place. Chapters 5 and 6 then go on to describe everyday accountability processes between the studied accountor-constituent dyads and how these processes were influenced by complex contextual factors in the actors' accountability network.

In particular, the focal dyads' accountability processes were influenced by their connections to multiple external actors within the accountability network for elderly care in Metropolis. This chapter will describe these external actors' respective interests in elderly care and the bases of influence they had at their disposal in their efforts to influence the performance of the care. Another important contextual aspect is forums for providing information

about and justifications for the care. These forums consisted of both standardised forms of accounting, which followed a codified norm that dictated what information to include, and non-standardised forms of accounting, which were designed by its preparers but were sometimes influenced by a codified norm, such as a legislation. Standardised accounting served to provide information and communicate a set of *á priori* norms for the care while non-standardised accounting provided information about prospective accountors' and offered a setting to demand and give justifications for conduct.

The empirical data provide the basis for a discussion about the complexity stemming from the multiple actors and forms of accounting within the accountability network. A particular interest is shown in how the focal dyads' context set the conditions for *role attribution* and *issue formulation* within the dyads. This includes the bases of influence of different actors and their variations in accounting design.

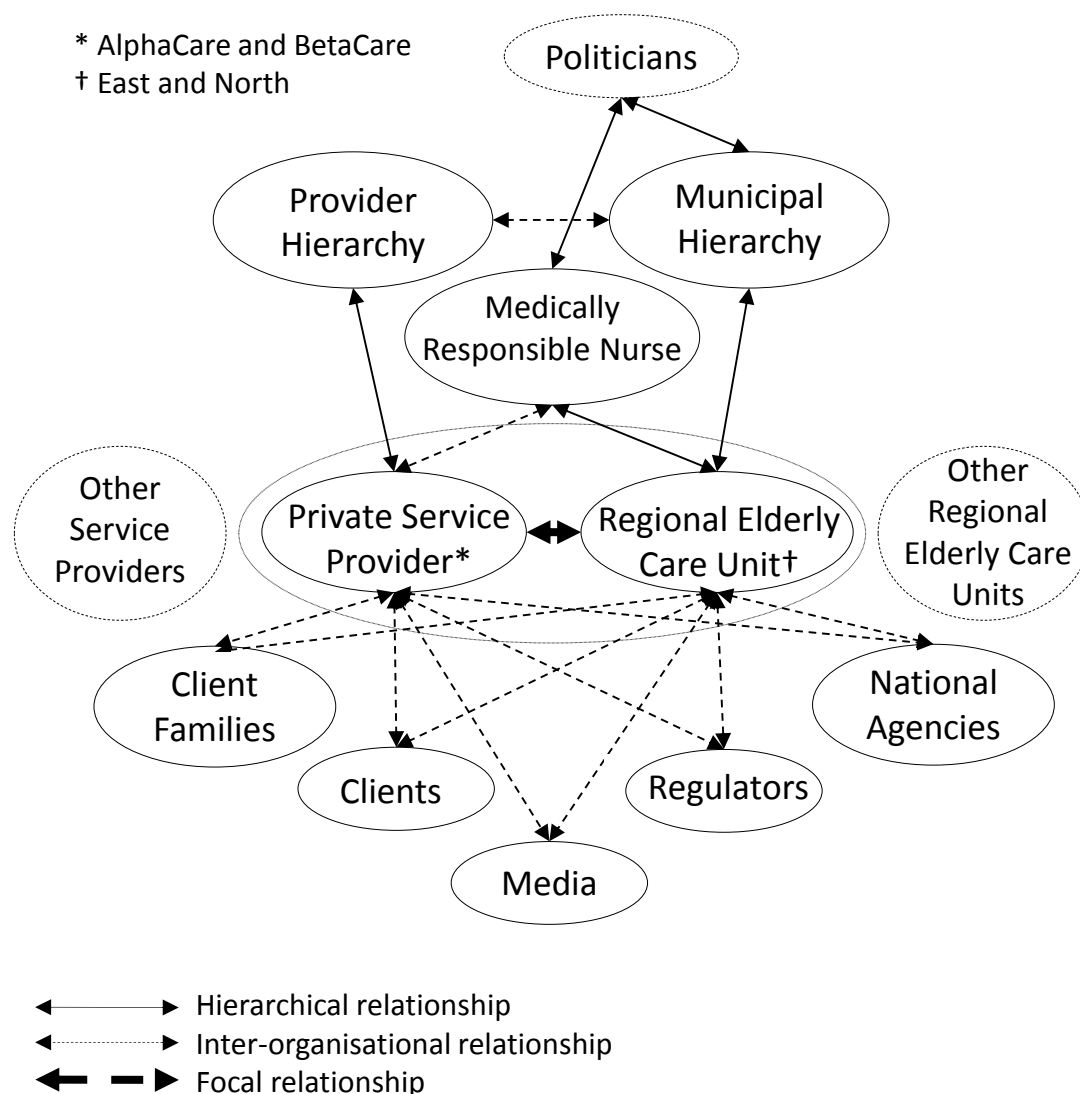
The next section of this chapter describes the actors involved in accountability network for Metropolitan elderly care at the level of the focal overseer-provider dyad and their respective hierarchies, at the level of the elderly care "market" created by freedom of choice reforms, and at a national level, in Metropolis. This is followed by a section that deals with the forms of standardised and non-standardised accounting associated with each level of actors and the focus of the accounting information. Finally, the chapter ends with a discussion of the accountability context of the elderly care in Metropolis and how it affects the focal accountant-constituent dyads.

## 4.1 Central Actors in Elderly Care

From an international perspective, Sweden has a highly devolved local government (SOU, 2003:123, p. 86, 92). Although the state guarantees a minimum standard of security, safety and welfare to Swedish citizens, it is mainly concerned with tasks that require a high degree of equity or which affect the nation as a whole (*ibid.*, p. 156). Other tasks are performed at the most decentralised level possible and financed by local taxation (*ibid.*; Instrument of Government, 1974:152, ch 14; SOU, 2007:11, p. 127). Elderly care, including basic geriatric care, is the responsibility of municipalities.

As shown in Figure 4.1, this means that elderly care is influenced by actors at several levels of Swedish public administration. Regulators and national agencies use laws, regulations, and targeted funds to specify which public services to provide (SOU, 2003:123, p. 98; 2007:11, p. 232). Municipalities, in their turn, implement the services and supervise their performance (SOU, 2007:11, p. 128). The supervision of elderly care in Metropolis, specifically, has been delegated further to a number of regional elderly care units

Figure 4.1 Central Actors in the Accountability Network for Elderly Care



that answer to the municipal hierarchy. Municipal services that include elements of healthcare, such as elderly care, have an additional supervisory function called Medically Responsible Nurse or MAS (Medicinskt Ansvarig Sjuksköterska in Swedish). MASes are responsible for supervising municipal healthcare and answers directly to a municipality's political management, although they cooperate with the regional elderly care units.

The public sector supervision in many Swedish counties and municipalities is complemented by an element of freedom of choice reforms (Hartman, 2011), as demonstrated in Figure 4.1. These reforms give current and potential clients, their families, and the media a strong mandate to influence and supervise public services. One of the stated goals of the freedom of choice reforms has been to give public services clients more influence over the content and quality of services (see SOU, 2008:127). The reforms have been encouraged at a national level, but also subjected to criticism and debate in the media (Hartman, 2011).

The freedom of choice reforms have been coupled with an increased reliance on private suppliers to provide publicly financed services (Hartman, 2011). Accordingly, many service providers answer not only to the municipality but also to their own organisational hierarchy with its own goals.

The following sections will outline the main actors within the accountability network for outsourced elderly care, as well as their areas of interest and bases of influence. First, the actors at the level of the private care providers-municipal regions<sup>12</sup> dyads are described, including the parties' respective organisational hierarchies. This is followed by an overview of the actors at the level of the elderly care "market" created by the freedom of choice system in Metropolis, where future and current clients, their families, and the news media operate. Finally, the actors active at a national level, that is the parliamentary legislators and the national supervision agencies, are described.

#### 4.1.1 Actors within the Focal Dyads and their Hierarchies

The centre of this study is two accountor-constituent dyads comprising a private care provider and a municipal region. The care providers consisted of the local managements of two municipally financed nursing homes, Glade

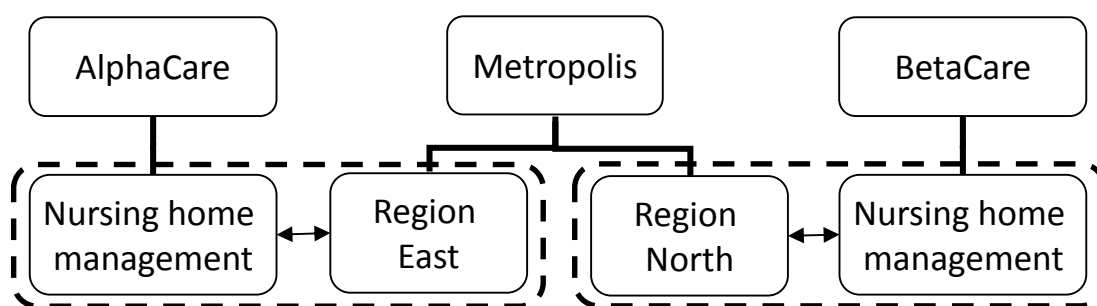
---

<sup>12</sup> The term region is used here to refer to the regions' elderly care units, which were responsible supervising elderly care in their geographical area.



and Brook, which were managed by the private care provider groups AlphaCare and BetaCare. The regions consisted of the organisational units responsible for performing, purchasing, and supervising elderly care within two decentralised regions, North and East, in the municipality of Metropolis. The accountability relationship between the parties was regulated by an outsourcing contract, which was formally an agreement between the care provider and the region. Both organisations were, however, subject to their respective hierarchies, which affected how they interacted with each other and with other prospective constituents in the accountability network.

Figure 4.2 The Focal Accountability Dyads



### The Dyad Relationships

A municipal regions' role as prospective constituent vis-à-vis its care providers was based on two sources: the outsourcing contract, which outlined the content of the care, and a centrally managed freedom of choice system, which determined the level of payment for all outsourced homes in Metropolis.

Since the introduction of the Swedish Public Procurement Act in the 1990's, there has been a gradual transition from tendering on price to setting a fixed price and letting suppliers compete based on quality (Szebehely, 2011). In Metropolis, all recent contracts were rewarded based on quality. The municipality divided each client into one of three care levels according to how much assistance he or she was expected to need (Metropolis, 2007b). This care level was set by the same municipal care administrator who decided which client had a right to publicly funded elderly care (Elderly Care Administrator B, North, 2009; B, East, 2009).

Since the care level determined a nursing home's revenues, it also set the level for much care a nursing home could "afford" to give without operating at a loss. This sometimes caused controversy when a client's family demanded more care, but the responsible care administrator saw no need to increase the care level of the client:

Operations manager A, BetaCare: "The resident is anxious and their family is making a lot of demands that takes up a lot of resources."

Regional manager A, BetaCare: "We need to take a common position in relation to the family about how much help the resident [has a right to] receive."

Elderly care manager, North: "Obviously it's the care administrator who has to explain to the family what care level that applies (to their relative) and what it means (in terms of how much help the client has a right to receive). (Meeting North & BetaCare, 2009d)

The studied regions differed slightly on their supervision of the outsourcing contract, organisational structures, and attitudes towards the codification of their relationship with their care providers.

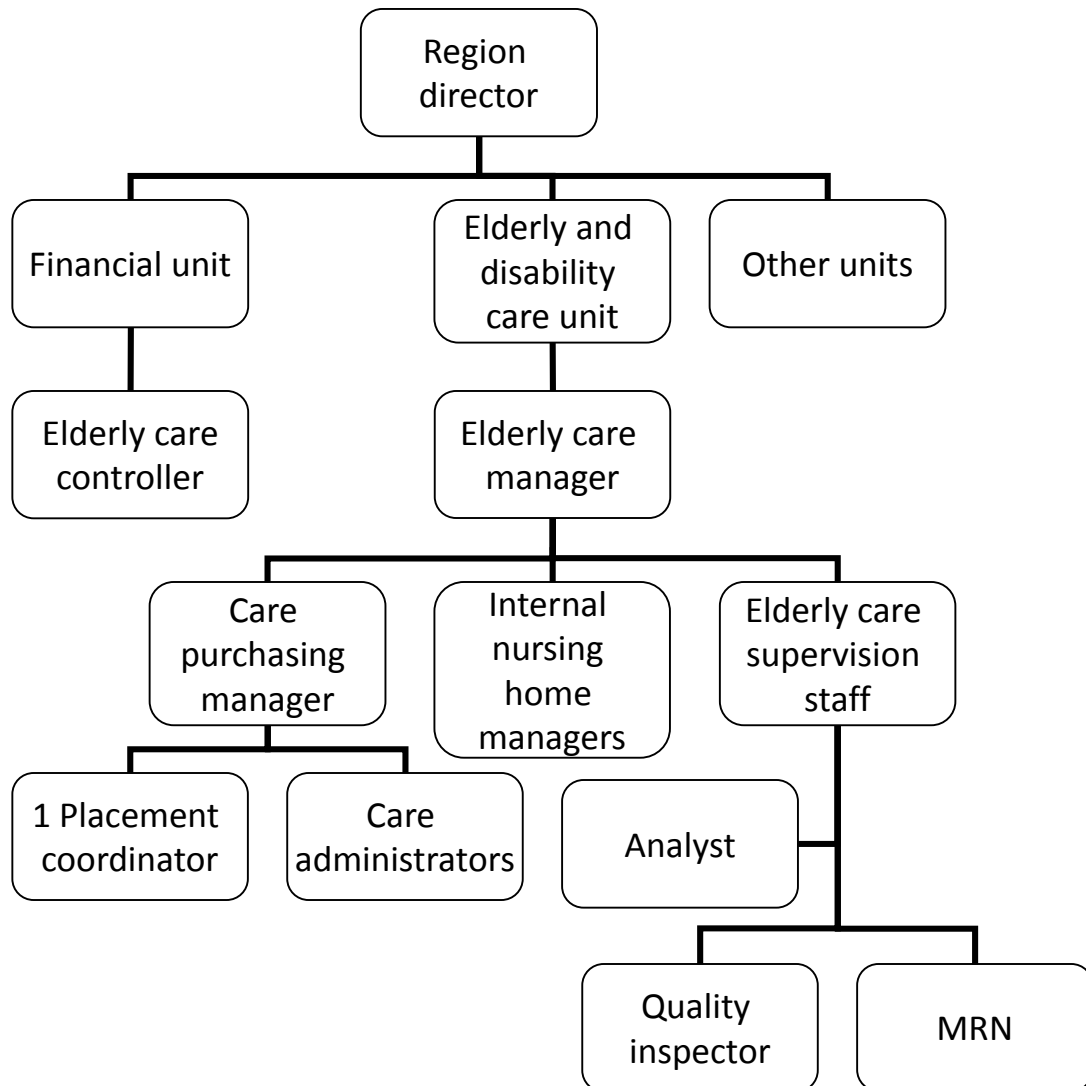
**East** was one of the outsourcing veterans in Metropolis (Purchaser, East, 2008). Until the region was forced to terminate an outsourcing contract in early 2009, all of its nursing homes were managed by external providers. As shown by the organisational chart in Figure 4.3, East had a dedicated supervision team that assisted East's elderly (and disabled) care manager, consisting of a MAS and a quality inspector for the social aspect of the care. Also attached to the team was an analyst who prepared the accounting reports going to the municipal hierarchy (Elderly Care Manager, East, 2009). In addition to this general supervision team, the region's care administrators inspected the care of individual clients they had given a nursing home placement as part of East's Control for Outcomes accounting (see section 4.2.1; MAS & Quality inspector, East, 2009; Elderly Care Administrator B, East, 2009).

Given that the contract was a main source of authority for the regions, there was an emphasis on developing the 'right' type of contract. East outsourced the nursing home Glade to AlphaCare in a locally managed procurement 2006-2007. The design of the evaluation criteria for the tenders was described as a balance between safeguarding a satisfactory level of service

and allowing the care provider to design the content of the service: “you can’t be too specific (...). We have to leave some room for... the tenderer’s creativity and, like, ability to think of things to do themselves” (Quality inspector, East, 2009). As a result, the evaluation criteria were formulated in general terms and it was left to the care providers to fill them with content. The general criteria were evaluated at the start of each procurement process and any parts that had been problematic in previous or existing contract relationships were edited (Purchaser, East, 2008).

The preference for flexibility also meant that the care content was not codified and standardised in the contract, but rather left up to professional inspections:

Figure 4.3 Organisational Placement of Elderly Care Supervision Personnel within East



"...it's like this with contracts that the more details you include, the more boxed in you get too, and less flexible when it comes to the operations. So it's a bit contradictory, you have to hold back a bit so that you don't include everything (in the contract) because then there's no room for negotiating those... those areas where you could give and take a little, you know?" (Purchaser, East, 2008)

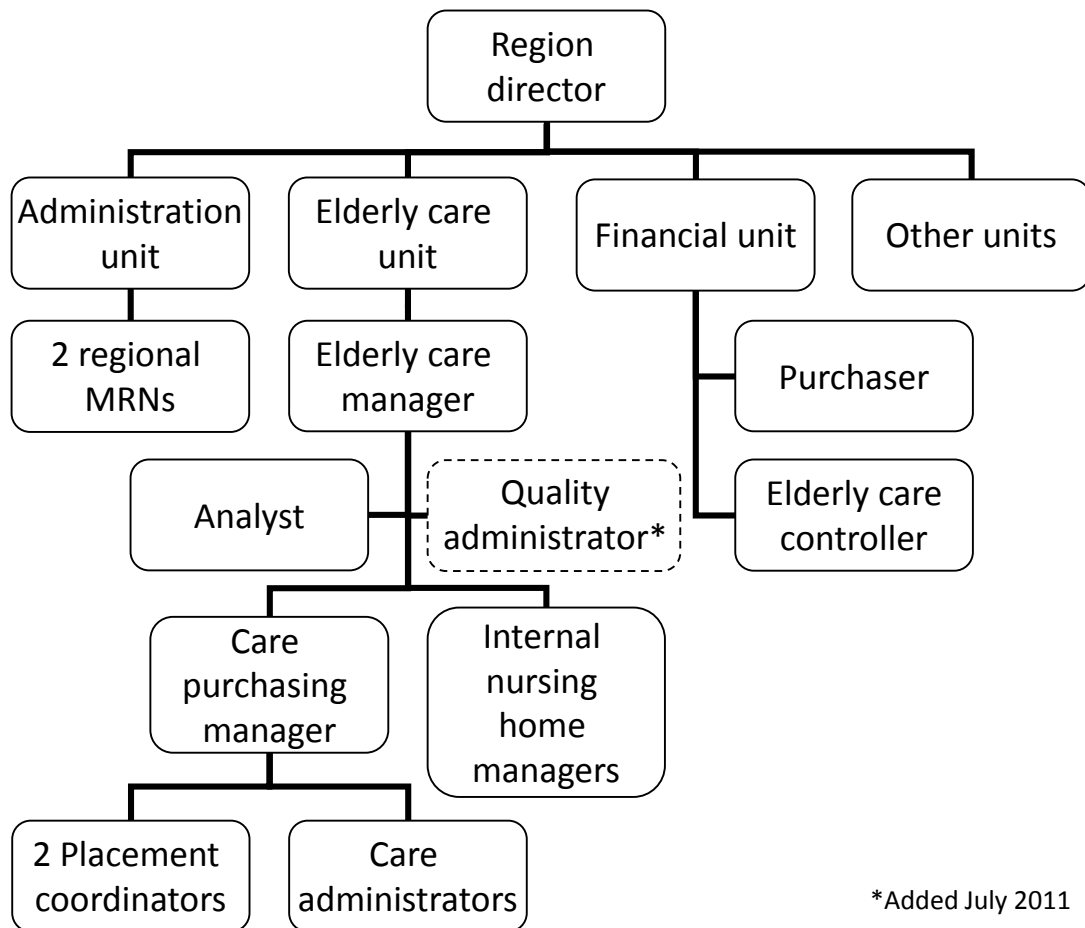
East did not use penalty clauses either: "...in our experience it hasn't made much difference to have those" (MAS & Quality inspector, East, 2009).

In the interaction with the care provider, East's elderly care manager (2009) emphasised the need for cooperation since the care providers were separate organisations that could not be controlled hierarchically: rather, East had to influence them through mutual respect and by initiating joint operational development projects. To this end, the elderly care manager tried to arrange for East and the care providers to apply together for national and EU grants to finance improvements of the service and thereby remove the issue of money from the discussion. The downside was that the grants focused the operational improvement on issues that were to the fore politically at the moment (Elderly Care Manager, East, 2009). In addition, East financed minor items such as barbeque equipment for the nursing homes (Meeting East & AlphaCare, 2010b). In return, AlphaCare were willing to help East with minor issues, for example when East's elderly care unit had been tasked with arranging summer jobs for young people in Metropolis (Meeting East & AlphaCare, 2010a).

In contrast, **North** did not originally have a designated supervision unit and the region had a majority of internally managed nursing homes at the start of the study. The main responsibility for contacts with the care providers rested on the elderly care manager and the purchaser, while inspections were carried out by one of the regional MASes together with either the manager of an internal nursing home or the care purchasing manager (Analyst, North, 2008; Elderly Care Manager, North, 2009). This changed in July 2011, when a physiotherapist was hired to function as a part-time Medically Responsible Rehabilitator and part-time quality administrator. The quality administrator managed contacts with the care suppliers together with the region's elderly care analyst and the care purchasing manager, who also took turns inspecting the care operations (Meeting North & BetaCare, 2011b).

When North outsourced the management of Brook in 2008, the Metropolis' central management had just restructured the procurement process and centralised all procurements to the head office (Project manager, Metropolis' central management, 2008). At the same time, the tender process changed to emphasise explicit, and usually quantifiable, commitments for the content of the care that were codified in the contract (Tender call centralised procurement, 2008). The “softer” aspects of quality were covered by viewing aspects such as personnel density<sup>13</sup>, education, and care commitments as a proxy for quality:

Figure 4.4 Organisational Placement of Elderly Care Supervision Personnel within North



\*Added July 2011

<sup>13</sup> The number of permanent staff per resident.

“...we were very careful that we would get as much as possible that could be a commitment that was possible to follow up. The evaluation criterion... I mean, if you have gained points for something, then it should be specific enough that we can follow it up.” (Purchaser, North, 2008a)

In addition, the commitments were associated with a penalty clause: if the care provider did not fulfil its commitments, North had a right to withhold a percentage of its monthly payment as well as demand an additional fee (Contract with BetaCare, 2008). The commitments could be a mixed blessing, however, since they locked both prospective constituents and accountors to the commitments even when there might have been a better use of the nursing home’s resources available. For example, BetaCare had made a commitment to arrange for clients to go for walks outdoors:

MAS, North: “...but that makes it very empty at the ward.”

Quality inspector, North: “One person in a meeting, one talking a client for a walk, one left at the ward – that leaves television (as the default activity for the remaining clients).” (Meeting North & BetaCare, 2009e)

The central procurement process incorporated the experience from previous outsourcing periods by including representatives of the regions in the tender call design (Manager, Metropolis' central management, 2008; Purchaser, North, 2008a), but there was no central evaluation of the new contracts and the central management did not collect any information on the results of the contract supervision (Manager, Metropolis' central management, 2008; Elderly Care Manager, North, 2009).

In the interaction with the care provider, North took a harder stance than East and promoted a more explicit division between the care provider and the region: “We have to show them that we’re the customers and we’re the ones making demands here” (Meeting North & BetaCare, 2008a). For example, the regular meetings with the care providers were called supervision meetings rather than collaboration meetings, as they were in East.

### **The Municipal Hierarchy**

The municipality of Metropolis was organised into several decentralised regions. Each region had considerable freedom to organise its operations, but

was also subject to hierarchical control from Metropolis' central management. This control served three main functions in elderly care: ensuring budgetary balance, upholding a sufficient elderly care quality and ensuring that all municipal citizens received equitable care regardless of region.

The leadership of Metropolis consisted of two sources of hierarchical authority: The political leadership in the municipal council issued general policies for Metropolis's operations and divided the budget between its different spheres of activity. The central management was the administrative organ of the municipal council, which coordinated and supervised the execution and evaluation of the operations. Although the central management did not interact directly with the care providers, both internally provided and outsourced care was included in the management's supervision of the regions. Some of this supervision was carried out by a specialised elderly services administration while other parts were managed within the normal financial and administrative management, such as the budget process.

### **Medically Responsible Nurses**

Another prospective constituent at the municipal level was the Medically Responsible Nurse, or MAS (Medicinskt Ansvarig Sjuksköterska in Swedish).<sup>14</sup> The MAS was a registered nurse with a special responsibility to oversee municipal health care within his or her designated geographical or subject area (Health and Medical Service Act, 1982:763, § 24; SOSFS, 1997:10).<sup>15</sup> As part of this task, MASes were responsible for developing health care routines based on applicable legislation and the Swedish National Board of Health and Welfare's regulations and general recommendations (SOSFS, 1997:10; MAS, North, 2009).

The MAS was also responsible for overseeing the health care aspects of the elderly care and reported directly to the political management. If needed, Metropolis' MASes could bypass both the local elderly care manager and the administrative region director although this was only done in extreme cases (Elderly Care Manager, East, 2009; MAS, North, 2009). The MAS was in-

---

<sup>14</sup> See also the section on regulators in part 4.1.3 below.

<sup>15</sup> If a MAS' designated area mainly involved rehabilitation, the role could also be filled by a physiotherapist (Health and Medical Service Act, 1982:763, § 24)

formed of all events that deviated from normal care procedures and was responsible for reporting any serious events to the Swedish National Board of Health and Welfare.

Although the MAS was normally a municipal employee, North's outsourcing contract stipulated that its care providers could have an MAS of their own to develop health care routines and investigate healthcare incidents, although North's MAS would be responsible for reporting serious incidents to the Swedish National Board of Health and Welfare. Accordingly, BetaCare had an internal MAS while AlphaCare was supervised by East's MAS.

### **The Provider Hierarchy**

AlphaCare and BetaCare were both large, Nordic provider groups owned by one or more venture capital organisations. The providers' status as members of a for-profit group was reflected in a regular and in-depth economic and operational supervision from each group's headquarters. To the mother company, it was important that the local nursing homes were well managed and that the company name was not tarnished by media reports about bad care.

Both AlphaCare and BetaCare had regional managers with a healthcare education who oversaw the nursing homes in their designated geographic area and participated in supervision meetings with the regions. In the relationship with the regions, the operational manager of the nursing home usually managed any discussions of the daily operations at the home while the regional manager weighed in on legal issues and financial conflicts (Meeting North & BetaCare, 2008a; Meeting East & AlphaCare, 2010b).

A group manager at BetaCare (2009) described how she felt responsible towards the provider organisation, even as an operational employee: "As a private organisation you're on a market and have to compete. In that situation you have to be, like, a bit better than someone else to... to survive. And it... Hopefully in the long run, it will benefit the development... To come up with good practices."



### 4.1.2 Actors in the Elderly Care Market

Elderly care in Metropolis was part of a freedom of choice system that allowed clients to choose any nursing home in the municipality that had a free room. This gave elderly care clients a symbolic customer role and their families a prominent role as spokespeople for their relatives. The introduction of for-profit organisations financed by public funding also offered an easy target for media scrutiny, which made the media an important actor in the elderly care market.

#### **Current and Potential Clients**

Freedom of choice systems gave clients the ability to sanction unsatisfactory care through their choice of nursing homes. Any elderly person in Metropolis who had gone through a municipal care need evaluation could move into any home in Metropolis that had a vacant room (Manager & Administrator, Elderly Services Administration, 2008; Elderly Care Administrator B, North, 2009; Placement Coordinator, East, 2009). He or she could also choose to queue for up to three homes (*ibid.*).

However, there were some limitations to the choice. Smaller and more popular homes had long queues (Placement Coordinator, East, 2009; Elderly Care Administrator A, East, 2009; B, North, 2009) and clients had a limited time frame in which to make their choice. Third, an elderly person in need of a nursing home placement most likely also had an impaired physical or mental ability, which limited their ability to find information about and choose between multiple available nursing homes (Meinow, Parker & Thorlund, 2011).

Finally, it was associated with considerable practical difficulties to change homes due to the physical frailty associated with old age (Purchaser, East, 2008; Elderly Care Administrator A, East, 2009; A, North, 2009). Nor was a client likely to complain about their care, given their physical and emotional dependence on the personnel (Kastberg, 2010, p. 27).

#### **Clients' Families**

As the elderly care clients became more central, so did their families. Though they did not have an official constituent role, they acted as representatives of

their relatives – in particular when clients were senile or otherwise unable to speak for themselves (Elderly Care Administrator A, East, 2009; Nurses, BetaCare, 2009). For example, relatives often helped their relatives visit potential nursing homes and file a complaint if there was an issue (Elderly Care Administrator A, East, 2009; B, North, 2009; MAS, North, 2009; MAS & Quality inspector, East, 2009).

A dissatisfied family member could escalate criticism by contacting the media or the Swedish National Board of Health and Welfare, the state agency responsible for supervising the healthcare aspects of elderly care (MAS, North, 2009; MAS & Quality inspector, East, 2009; BetaCare, 2009). Among care personnel, there was a feeling that they could become a target for family members' frustration and that some families had unrealistic expectations on the level of care a nursing home could provide (Nurses, BetaCare, 2009; Meeting East & AlphaCare, 2009). Accordingly, clients' families could take a lot of time and energy and nursing home personnel tried to accommodate their wishes and forestall criticism by involving family members in difficult care decisions (Nurses, BetaCare, 2009; Senior Manager, AlphaCare, 2011).

For municipal regions, there was a dilemma of making sure complaints were investigated, while avoiding disruptions of the operations or escalations into media scandals. They solved this dilemma by trying to act as a buffer between family members and care providers and taking over the role of constituent from family members, including encouraging the nursing homes to contact them immediately if something happened:

“It will end up on our table anyway (...) and if [the nursing home personnel] contact us we can take joint action immediately. And then we can [tell the relative] ‘we know about this and we have already started to look at it (...). It pretty much (...) calms down the mood a bit” (Quality inspector, East, 2009)

Part of this balance act was not expressing any opinion on a complaint until the supervision personnel had made their own investigation:

“I try to find out what [the caller] want and then we have a look at it. Because if you were to [act upset], then you just add fuel to the fire and later the investigation might show that it did not happen like that at all. And then you've, like... Things will just end badly.” (MAS, North, 2009)

## Media

Newspapers and TV programs did not have a direct influence over the care, but they affected the opinions of clients, their families and the upper levels of the municipality and provider hierarchies (Placement Coordinator, East, 2009; Elderly Care Administrator B, East, 2009; Meeting North & BetaCare, 2009e). Care providers and regions had a conflicted relationship with the media. On the one hand, there was a feeling that media attention had improved the care, but much media criticism was seen as exaggerated or taking focus from the operations (Elderly Care Manager, North, 2009; MAS, North, 2009; Care administrator B, East, 2009):

“If (someone) contacts the media – a family member or something like that... it takes an awful lot of power and energy from the operations when it happens. (...) Everyone is involved; everyone has to put a lot of work and energy into it. So right while [it’s] happening, it’s very labour intensive.” (Elderly Care Manager, North, 2009)

### 4.1.3 Actors at a National Level

At a national level, both regulators and national agencies developed codified quality norms for elderly care and national agencies performed inspections and other forms of supervision.

#### Regulators

Of all actors in the network for elderly care, the Swedish parliament in its role as legislator had the most coercive sanctions at its disposal. However, while legally coercive, the legislation was also the most general of the codified norms for elderly care. Since care clients typically needed both geriatric care and social assistance, nursing homes were covered by two main statutes: the Social Services Act (2001:453) and the Health and Medical Service Act (1982:763). The division was a result of Swedish public sector being organised by sector, with health care and social care existing in different legal, managerial and cultural contexts (SOU, 2003:123, p. 161).

The **Social Services Act** (2001:453) focused on the municipality’s responsibility to assist those citizens who could not meet their own daily needs. The act dictated that every citizen should be ensured a “reasonable standard

of living” which enhanced their ability to lead an independent life (Social Services Act, 2001:453, ch 4 § 1). This phrasing has been contrasted with the Act (1993:387) Concerning Support and Service for People with Certain Disabilities, which affords people with certain permanent disabilities “equality in living conditions and full participation in the life of the community” so that they can “live as others do” (1993:387, § 5).

The **Health and Medical Services Act** (1982:763) regulated the provision of health care. The health care aspect of elderly care would normally fall under the jurisdiction of counties, but the Responsibility for Service to Elderly and Disabled Etc Bill (1990/91:14) transferred the responsibility for medical care at nursing homes to municipalities, while keeping tasks that required a trained physician within the county’s jurisdiction (1990/91:14, pp. 35-37, 56-59). The act stipulated that all healthcare should be of good quality and “based on respect for patient autonomy and integrity” (1982:763, § 2 a). The government bill (1990/91:14) also introduced the municipal office of Medically Responsible Nurse, or MAS (Medicinskt Ansvarig Sjuksköterska in Swedish), with a special responsibility to oversee municipal health care (Responsibility for service to the elderly and disabled etc, 1990/91:14, pp. 68-70; see also section 4.1.1).

In addition to laws dealing with the content of the services, elderly care was covered by the **Local Government Act** (1991:900), which stipulated that local authorities had to treat all citizens equally (1991:90, ch 2 § 2). The latter requirement was one reason Metropolis centralised care procurements, to make them more consistent (Project manager, Metropolis' central management, 2008). The specifics of Metropolis’s outsourcing agreements were covered by the **Public Procurement Act** (2007:1091), which stipulated that the municipality award a contract to the supplier that either requested the lowest price or made the “most economically advantageous” tender according to criteria “such as price, (...) quality, aesthetic, functional and technical characteristics” (2007:1091, ch 12 § 1). Metropolis awarded its contracts based on quality, which meant that procurers needed to specify the evaluation criteria and their relative weight or order of importance already in the tender call (Public Procurement Act, 2007:1091, ch 12 § 2 & ch 1 § 9). An organisation that lost a procurement process could and increasingly frequently did appeal the decision (SOU, 2011:73, p. 81).

The legislation also made it difficult to terminate an outsourcing contract once it had been signed (MAS & Quality inspector, East, 2009). Unless a purchaser could prove that its provider had violated the terms of their contract, a termination was associated with sizeable fines (Political council meeting, East, 2009a; MAS & Quality inspector, East, 2009). Even if the termination was deemed lawful, the public authority must be willing and able to take over the operations from the previous provider (Project manager, Metropolis' central management, 2008; MAS & Quality inspector, East, 2009) since it had the ultimate responsibility to ensure that its citizens received the assistance they needed (Social Services Act, 2001:453, ch 2 § 1).

In July 2008, East experienced a sudden increase in complaints regarding one of the nursing homes in the region and found several deficiencies during the resulting inspection (MAS & Quality inspector, East, 2009; Termination of contract, 2009).<sup>16</sup> The care provider submitted an action plan, but the issues persisted over the following six months, while East made regular inspections and met with the operational and senior management of the care provider (Termination of contract, 2009). The possibility of terminating the contract was brought up in December, but due to the risk of legal repercussions no termination happened until January 2009, following intense meetings with the central legal unit of Metropolis (Political council meeting, East, 2009a; Elderly Care Manager, East, 2009). Taking over the operations cost East months of intense work and 17-18 million SEK (MAS & Quality inspector, East, 2009; Political council meeting East, 2009c). In the aftermath, the MAS and quality inspector at East received praise for their detailed documentation of the deficiencies, which had given the region a legal basis to terminate the contract (MAS & Quality inspector, East, 2009).

### **Specialised National Agencies**

The legislation was complemented by national policies issued by one of the many independent agencies operating at a national level (SOU, 2003:123, p. 99). Although these policies were usually not binding, but they were regarded as best practice and sometimes referred to by courts in their verdicts (SOU, 2007:11, p. 232). Many national agencies also oversaw the regulations

---

<sup>16</sup> The nursing home was managed by a third care provider that was not part of the main study.

within their subject areas (SOU, 2003:123, pp. 101-102) and had the power to issue injunctions, which could be enforced by a threat of fines (see for example Social Services Act, 2001:453, ch 13 §§ 8-9).

Elderly care providers were subject to regulation and supervision by a number of different national agencies, of which the most important one was the Swedish National Board of Health and Welfare.<sup>17</sup> The agency published the National Board of Health and Welfare's Code of Statutes, SOSFS, which contained legally binding regulations and general recommendations within the healthcare area. In addition to the Board, elderly care was subject to supervision from three additional state agencies. The Swedish Work Environment Authority oversaw working conditions for elderly care employees, the municipal Environment and Health Administrations made yearly inspections to ensure that the food served at nursing homes was handled properly, and Statistics Sweden gathered information on corporations in Sweden, including ones providing public services.

The multiple national agencies and legislations could cause dilemmas when different legislations conflicted with each other. In these cases, the elderly care professionals had to make a personal decision on which legislation was more legitimate in their eyes:

“I [visited my home town] to look after my mother, and [the local Swedish Work Environment Authority office] is going around measuring areas (such as the available lifting space around bathtubs) in people's homes (to safeguard the work environment of the home care personnel). /.../ Seriously though, the Social Services Act (i.e. clients' right to home care) has to overrule the Work Environment Act. /.../ At least for an elderly care manager, the Social Services Act has to come first. Personally, if not officially.” (North's elderly care manager at a meeting between North & GammaCare, 2009b)

---

<sup>17</sup> Until 1 January 2010, the oversight of the elderly care operations was split between the Swedish National Board of Health and Welfare, which oversaw health care, and the County Administrative Board, which oversaw social care. This changed with the government bill (2008/09:160) on Coordinated and Comprehensive Oversight of Social Services, which gave the National Board of Health and Welfare sole jurisdiction over the two areas. Since the empirical study's conclusion, the oversight has been moved a second time to the jurisdiction of the Health and Social Care Inspectorate, starting 1 June 2013 (SFS 2013:176). The National Board of Health and Welfare has retained responsibility for issuing regulations on healthcare and social care.

## 4.2 Forms of Accounting for Elderly Care

The first section of this chapter described the different actors involved in the production and supervision of publicly funded elderly care. Each of these actors had their own definition or definitions of what constituted a satisfactory conduct. An important way in which they tried to translate these definitions into accountability was by creating various forms of accounting to provide forums for information about and influence on the activities of prospective accountors (See Appendix II for a detailed description of the various types accounting information).

The requested information ranged from non-standardised accounts during meetings and inspections to standardised performance indicators. The latter involved a codification of a prospective constituent's norms for a satisfactory conduct into the accounting, whereas the former provided a context under which a prospective constituent could draw on these norms to gain information about and demand justifications for a prospective accountor's conduct. The focus of the information differed as well, from healthcare to social care to financial performance. Some of the information was designed as a basis for constituents to evaluate and question a prospective accountor's conduct, while other items were intended to make a prospective accountor question its own conduct. All of the above differences were apparent both between individual actors and between different levels of actors – starting at the level of the focal dyad and moving up to a national level down.

The following sections describe the accounting information delivered to the main actors within the network as well as their focus and whether the accounting was standardised or non-standardised in nature. First, the standardised and non-standardised accounting at the level of the focal dyads and their respective organisational hierarchies are described. This is followed by an overview of the accounting at the level of the elderly care “market” created by the freedom of choice system in Metropolis. Finally, the standardised and non-standardised accounting to actors at a national level is described.

#### 4.2.1 Accounting within the Focal Dyads and their Hierarchies

The social care and healthcare aspects of elderly care belong to separate legal and professional spheres with different definitions of what constitutes a satisfactory conduct. As a result, the accounting for the different aspects of the care in the focal dyad and in the organisational hierarchies of its members was split into three semi-separate but interacting areas: social care, healthcare, and finances, which each had its own set of accounting information.

##### **Standardised Accounting within the Focal Dyads**

The regions had access to a number of accounting reports delivered to other prospective constituents, including the reports they themselves prepared for Metropolis's central management – see below (MAS, North, 2009; MAS & Quality inspector, East, 2009). They also received copies of the providers' internal quality reports (Meeting North & BetaCare, 2009g; Meeting East & AlphaCare, 2010a). However, due to the delay between when the information was gathered and when the reports were published, the external reports were mainly perceived as a way to confirm already established knowledge (MAS, North, 2009; MAS & Quality inspector, East, 2009). Another problem with the external reports was the difficulty of locating the information that was relevant to the regions:

“There are a lot of performance measurements in the elderly care and we have a lot of information, but the information does not always measure things that are important for the elderly.” (Elderly care manager, East, at a meeting about Control for Outcomes, 2010)

As a response, East started developing a new set of accounting measurements that used pre-existing information sources, called Control for Outcomes (Elderly Care Manager, East, 2009; 2011). The goal was to focus on the intended outcomes of the elderly care and to continually evaluate whether a particular measurement actually contributed to those outcomes:

“Imagine if each piece of supervision led to real changes. That would make it feel a bit more meaningful, wouldn't it?” (Consultant at a meeting about Control for Outcomes, East, 2010)



The primary of those intended outcomes was Chapter 4 § 1 of the Social Services Act (2001:453), to ensure all clients a “reasonable standard of living”, combined with East’s political goals for the elderly care (Political council meeting East, 2009b). The elderly care unit developed a list of activities they believed would further these outcomes, together with indicators for the activities (*ibid.*). The indicators were combined with targets based on 2009’s measurements, although some targets had to be set higher for political reasons:

“...for example, we have a zero target for *lex Maria* and *lex Sarah* investigations, but obviously it’s better to make an investigation if there are anomalies. The zero target is more (intended to signify) that they should not be needed.” (Elderly care manager, East, at a meeting about Control for Outcomes, 2010)

In addition to the information gathered from existing information sources, Control for Outcomes also utilised the care administrators to make yearly inspections of the care of the individual clients they had given a nursing home placement (MAS & Quality inspector, East, 2009; Elderly Care Administrator B, East, 2009).

Finally, though it was not supervision information *per se*, both regions gathered various statistical information on client complaints and on the health of the nursing home’s residents (MAS, North, 2009; MAS & Quality inspector, East, 2009)<sup>18</sup>. Both North and East were also part of different collaboration efforts between regions to develop a series of quality indicators related to geriatric care based on the Swedish National Board of Health and Welfare’s regulations for geriatric healthcare (MAS, North, 2009; Healthcare quality indicators, 2011).

### **Non-Standardised Accounting within the Focal Dyad**

The majority of the regions’ accounting information consisted of comprehensive, non-standardised forms of information. The regions interacted closely and regularly with the care suppliers, and a major source of information was announced and unannounced inspections during night and day-

---

<sup>18</sup> *East* was also part of a national research project on ageing, which meant that the region’s care providers had to deliver information to the project (Contract with AlphaCare, 2007).

time (MAS & Quality inspector, East, 2009; Documentation of unannounced visits, 2009). The inspections were nominally centred on the Operational Supervision Report, but their main role was to provide a comprehensive image of the state of the operations.

MAS, East: “You could say that we have visited so many nursing homes during our inspections that we don’t actually need a checklist. It is enough to have a notebook with us where we document what we see and flesh it out later. I mean, we know most of it now, you know? The things we’re supposed to look at. So...”

Quality inspector, East: “...we know it by heart (laughs).” (2009)

The inspections were also a chance to follow up the contract and any previous complaints. At North, the inspections were complemented by an annual review over one or two days where the Operational Supervision Report was filled out (Elderly Care Manager, North, 2009).

This information provided an input for supervision meetings (North) and collaboration meetings (East) between region representatives and the nursing home and district managers of the care providers. The meetings provided an opportunity for both parties to bring up particularly problematic issues or to mitigate demands that were considered unrealistic.

The meetings were also a venue to share general information about current events (Meeting North & BetaCare, 2009b; Meeting East & AlphaCare, 2009). For the care providers, it provided a much-needed opportunity to present positive care events. Since the standardised accounting tended to focus on avoiding negative events, such as falls, overmedication and mistreatment, it largely left out examples of positive conduct. To rectify this omission, the nursing home managers regularly brought up positive events, such as movie nights (Meeting East & AlphaCare, 2009) or photo exhibitions with pictures from a social event at the nursing home (Meeting North & BetaCare, 2009g). In the beginning of BetaCare’s contract, meetings were held monthly or bi-monthly, but after the first year they decreased in frequency to two or three times per year, which was in line with East’s meetings.

Between meetings, the regions and nursing home managers kept in regular contact by telephone or e-mail. The choice of communication medium was partially determined by whether either party wanted a record of what had been said. Disputes and complaints were managed by e-mail – or in extreme

cases regular mail (see Chapter 5, section 5.1.2) – whereas less loaded issues were managed by phone (Elderly Care Administrator A, East, 2009; Elderly Care Manager, North, 2009). If a client or their family was dissatisfied, they might also contact the region (MAS, North, 2009; Elderly Care Manager, East, 2011).

Finally, the regions' care administrators were responsible for making care level decisions under the freedom of choice system (Elderly Care Administrator B, North, 2009; B, East, 2009). The care level was based on a standardised assessment of the client's mental and physical health, including their cognitive functions, psychological wellbeing, and need for physical assistance and healthcare (Elderly Services Administration, 2007). The initial assessment was made when the client moved to the nursing home and the nursing home could ask for a reassessment, but any increase in care level must be supported by evidence from the care documentation (Elderly Care Administrator B, North, 2009; B, East, 2009).

While the care levels were meant to approximate the actual cost of caring for the client, a majority of the nursing homes' costs were not variable with care need. As a result, clients with a higher care level were noticeably

Table 4.1 Care Level Prices in 2012 (SEK)

Care type	Compensation per 24 hours	Compensation per 30 days
<i>Nursing homes</i>		
Level 1	1 000	30 000
Level 2	1 472	44 169
Level 3	1 739	52 173
<i>Home help</i>		
98-113 h/month		27 979
113-136 h/month		33 201
136-166 h/month		38 656
166-227 h/month		48 665

Note: Indexed with care level 1 set to 1 000 SEK. Home help has been added for comparison (Municipal Budget for 2012)

more profitable (Elderly Care Controller, North, 2008; Meeting North & BetaCare, 2010b), and it was suggested that level 1 might even be unprofitable for clients with dementia (Meeting North & BetaCare, 2010b).

### **Standardised Accounting within the Hierarchies**

The financial budget was an important codified norm for the financial conduct of both the care providers and the municipality (Elderly Care Controller, North, 2008; Elderly Care Manager, East, 2009; Senior Manager A, BetaCare, 2009; Senior Manager, AlphaCare, 2011).

“...the budget matters a lot. I mean, obviously. The budget – and this is what the managers say as well, I mean – the budget takes precedence over... everything.” (Elderly Care Inspector, Metropolis' central management, 2008)

Each municipal region was given a certain amount of money to finance its elderly care purchases from both internally and externally managed nursing homes (Elderly Care Controller, North, 2008). The budget was based on the projected number of elderly people in the region (Elderly Care Controller, North, 2008; Elderly Care Controller, East, 2008) and was not adjusted for the actual outcome (Elderly Care Controller, East, 2008). The amount had to cover overhead costs (Elderly Care Controller, North, 2008; Elderly Care Controller, East, 2008) and, if necessary, deficits in other operational areas (Business plan, East, 2011). As a result, the regions had to be restrictive with elderly care activities that were not required by law (Elderly Care Manager, East, 2009) or being too generous with care placement and care level decisions (Elderly Care Controller, North, 2008; Elderly Care Controller, East, 2008).

“Obviously, the opportunities are limited, since there are laws that regulate (what care a client is entitled to). But you have to very strictly, or very precisely, follow the laws that apply (...); you don't automatically receive assistance just because you are 90 years old. (...) (But) there are many other stakeholders that want [us] to be a little more, what should I say... generous...” (Elderly Care Controller, North, 2008)

The care purchases constituted the income of the nursing homes. A nursing assistant at BetaCare (2009) described how the budget was discussed at operative personnel meetings: “perhaps someone tells you what... how much we’ve spent (on food and materials) and if we perhaps have to cut back a bit and give more thought to how we place our orders and what we order.”

Both provider organisations also had an internal quality system where the nursing home managers submitted information on their operations and in particular on their work routines (Senior Manager A, BetaCare, 2009; Senior Manager, AlphaCare, 2011). The quality was followed up by a central quality unit (Tender AlphaCare, 2007; Senior Manager A, BetaCare, 2009) and deficiencies had to be followed by an action plan that detailed how to correct them (Operations Manager A, BetaCare, 2009; Senior Manager, AlphaCare, 2011).

In addition to the internal quality system, BetaCare let the home manager do regular self-evaluations using the same computerised system (Senior Manager, AlphaCare, 2011). At AlphaCare, the internal quality system was complemented by a quality index, which summarised every quality evaluation made, for example reports from the internal quality system, audits by national supervision agencies or Metropolis, and positive events reported to Metropolis and to the clients’ families (Meeting East & AlphaCare, 2010a; AlphaCare, 2010). The results were weighted, with external controls and the internal quality system given a greater weight, and the outcome was marked as red (below 60 percent), yellow or green.

Metropolis also had a number of accounting activities that focused on elderly care quality, where the regions were held accountable based on the external care provider’s conduct. Apart from setting a financial target for the year, the budget outlined a number of operational targets that were measured by operational performance indicators (e.g. Municipal Budget for 2012). Each region was encouraged to devolve the targets further by creating local targets and indicators (Business plan 2012 East; Business plan 2012). The indicators could pose a dilemma when they were too detailed, however, particularly if they measured factors that were not included in the outsourcing contracts and therefore had to be negotiated separately with the care providers:

“The indicators from [the central management] – somewhat less this year than last, when they were first introduced – are detailed. It’s not like they just control on an aggregated level, they go in and say: ‘That thing. That particular, detailed thing is what you should do.’ And that’s not always easy.” (Elderly Care Manager, East, 2009)

Core areas of the municipality’s activities, such as elderly care, had additional accounting reports attached to them. One such report was the operational supervision report for nursing homes (Analyst, North, 2008; MAS & Quality inspector, East, 2009). The report was originally designed to follow up individual elderly care placements bought from private homes and neighbouring municipalities, but it had since been expanded to encompass all elderly care in Metropolis. However, the operational supervision report was criticised by local practitioners as being too aggregated and lacking nuance (Analyst, North, 2008; Elderly Care Manager, North, 2009).

Quality inspector, East: "...if you look at [this survey] that the central management wants us to fill out. It’s very... how shall I put it, it’s quite....”

MAS, East: "...general.”

Quality inspector, East: "...general. You’re supposed to check off boxes if they comply or don’t comply, so to speak. And that means that we usually end up adding comments, because obviously you can be partially compliant with something as well." (2009)

In addition, some of the topics of the report were unclear, such as the question of whether all personnel had a “good command of the Swedish language” (MAS, North, Meeting North & BetaCare, 2009e).

Finally, there were a few accounting reports that were designed to ensure that the elderly care was equitable across Metropolis. The MASes were responsible for gathering a set of geriatric care indicators that were used to trace differences between regions and over time (Bill on healthcare indicators, 2008). The measurement of these indicators was not entirely clear either, for example regarding whether deceased clients should be included in the measurement or not (Meeting North & BetaCare, 2008b).

In a sense, the centralised procurements could be regarded as another central accounting tool to ensure equity, since one of the goals were to streamline the contract demands for the freedom of choice system: “If we’ve

set a certain remuneration level, then obviously the... procurement assessments have to be done in a uniform way. It's obviously a lot more important (than before) that the work is coordinated in some way" (Manager, Metropolis' central management, 2008). Surprisingly to North, however, the results of contract supervision were not requested by the central management (Elderly Care Manager, North, 2009). Nor did the central management offer any guidance on how to follow up the contract.

If the above reports were trying to establish the care quality in relation to a predefined quality standard, there was also considerable interest in capturing the clients' subjective opinion of the care. Metropolis' central management sent out a yearly client survey to all clients in the municipality, though the response rate was typically low (Meeting North & BetaCare, 2009c). In 2009, the total response rate for Metropolis was 54 percent, of which 50 percent had been filled out by the client with assistance and 39 percent had been filled out by someone other than the client, such as a family member or a member of the personnel (Client Survey, 2010). North's elderly care manager (2009) commented that "when we see that the response rate is around 50 percent, then it's not... It's not a very good source of information for us."

AlphaCare and BetaCare also had yearly client surveys conducted at their nursing homes by an external company (Tender AlphaCare, 2007; Tender BetaCare, 2008). Although the use of an external party to conduct the survey increased its apparent objectivity and thereby its credibility, there were also disadvantages associated with using an external evaluation company. BetaCare's operative manager A (2009) commented that several managers in BetaCare had complained that the survey questions had no relation to the elderly care operations, which made the results hard to interpret.

For both the care providers and Metropolis, the client surveys sometimes had to be sent to the clients' families rather than to the clients, since the clients suffered from dementia and were unable to respond themselves (Tender AlphaCare, 2007; Tender BetaCare, 2008; Meeting North & BetaCare, 2009c).

In addition to the client surveys, Metropolis' elderly care ombudsman, a central administrator appointed to answer questions and complaints from clients and their families, compiled a yearly report with statistics of client complaints and their contents (Elderly Care Ombudsman, 2011). AlphaCare

performed yearly purchaser surveys and personnel surveys, and BetaCare performed client family surveys and personnel surveys (Tender AlphaCare, 2007; Tender BetaCare, 2008).

Finally, BetaCare ISO certified the care processes at Brook under ISO 9001:2000 in response to a procurement requirement that the care provider would ensure its operational quality (Tender AlphaCare, 2007; Meeting East & AlphaCare, 2010c). The process included regular reviews by a certified ISO auditor (Meeting East & AlphaCare, 2010c).

### **Non-Standardised Accounting within the Hierarchies**

The standardised accounting information to the care provider and region hierarchies was complemented by a few forms of non-standardised information. Both provider organisations had regional managers, who kept abreast of the various quality evaluations (Senior Manager A, BetaCare, 2009; Senior Manager, AlphaCare, 2011). The regional managers were contacted if anything serious happened at a nursing home or if there was as conflict with the municipality. They also participated in the meetings with the regions.

Metropolis used elderly care inspections by the central Elderly Services Administration as another tool to further comparison and equity of care between regions (Elderly Care Inspectors, 2010). The inspectors made an in depth inspection of one region per inspector and year, adding up to approximately 15-20 percent of the regions each year. Their task was to provide feedback as well as to describe trends and spread examples of good elderly care (*ibid.*).

In comparison, the MASes were in regular contact with the healthcare personnel to follow up how the healthcare and associated routines were applied (MAS, North, 2009; MAS & Quality inspector, East, 2009). In addition, they were contacted by the personnel if there were any incidents that deviated from normal care procedures. The incident information was used to detect patterns in reoccurring incidents and to identify serious incidents that needed to be reported to the Swedish National Board of Health and Welfare. In East, East's MAS fulfilled that position for both internally managed and outsourced nursing homes, whereas North's contract made BetaCare responsible for having a MAS of their own, who fulfilled the same duties (Group Manager, BetaCare, 2009).



## 4.2.2 Accounting in the Elderly Care Market

The elderly care clients had a contradictory role on the elderly care market. On the one hand, one of the main goals of the freedom of choice reforms was to increase the clients' influence on the care (see SOU, 2008:127). On the other hand, the elderly care clients often had difficulties exercising that choice due to physical and mental limitations, including dementia diagnoses. As a result, much of the accounting in the elderly care market was intended to produce information about the clients as much as for the clients. A group manager at BetaCare (2009) commented:

”This is actually quite horrible. It’s not [the residents themselves] who actually, like, have a say (regarding the care), in the way that the Swedish National Board of Health and Welfare can say: ‘We demand that you do this’ [or the residents’] families [can] say ‘We demand that you do this’ (...) [They] don’t actually speak for themselves. Instead, it’s the Board and the families.”

### **Standardised Accounting**

In conjunction with the introduction of the freedom of choice system, Metropolis' central management launched a comparison tool on its website, which offered information on every nursing home in the municipality (Metropolis' central management, 2011). On a similar note, the Swedish National Board of Health and Welfare published a subset of the information from its client survey and general survey as an Elderly Care Guide on its website (see section 4.2.3; National Board of Health and Welfare, 2011a). For the care providers, displaying proof of an external quality evaluation, such as an ISO certification, could be a way to display a high quality of care to potential clients and their families (Meeting North & BetaCare, 2010a). Among regions and care providers, there was some apprehension about whether the clients would interpret the information correctly (Meeting North & BetaCare, 2009b) and the Elderly Care Guide had received criticism for lacking some information categories requested by prospective care clients and their families (Myndigheten för vårdanalys, 2013).

Once a client had moved into a nursing home, an individual plan of implementation was to be established, which detailed the care a client would be

given (SOSFS, 2006:5, ch 6 § 1). During the study, Metropolis also introduced a new system where clients and their families could log in to read the client's social care documentation and plan of implementation (Metropolis' website, 2012a). North and BetaCare were both hesitant, and BetaCare's Senior Manager B promised that group managers would read the documentation weekly to make sure it did not contain anything potentially offensive (Meeting North & BetaCare, 2009f; 2009g).

The media also took part of some of the information intended for the care clients, such as the Swedish National Board of Health and Welfare's Elderly Care Guide (Elderly Care Manager, East, 2009). In addition, the media, potential clients, and their families could investigate whether a nursing home had been reported to the authorities under *lex Maria* or *lex Sarah* (Placement Coordinator, East, 2009; MAS, North, 2009).

“...[the media] used to love the reports where we inform about deficiencies. And it's obvious that there will be deficiencies. They should be happy that we bring [them] up.” (MAS, North, 2009)

### **Non-Standardised Accounting**

Apart from the standardised comparison tools published by Metropolis and the Swedish National Board of Health and Welfare, Metropolis' central management had a phone number, Elderly Care Direct, that provided factual information about elderly care (Elderly Care Administrator B, East, 2009). Care administrators could also answer questions about the nursing homes, although they were not allowed to express any opinion on the homes to preserve competition (Elderly Care Administrator A, East, 2009; A, North, 2009). In the absence of actual recommendations from Metropolis or the National Board of Health and Welfare, a main source of information for potential clients and their families was friends and acquaintances (Swedish Agency for Public Management, 2007) or visits to the nursing homes (Elderly Care Administrator A, East, 2009; B, North, 2009). Rumours about bad providers also spread quickly (Manager & Administrator, Elderly Services Administration, 2008; Elderly Care Administrator A, East, 2009).

Usually, clients' families were heavily involved both in making the nursing home choice and after the client had moved in (Elderly Care Administrator A, East, 2009; B, North, 2009; MAS, North, 2009). Consequently, nursing homes made an effort to keep the families of their residents informed through information meetings (Senior Manager A, BetaCare, 2009; Meeting East & AlphaCare, 2009), newsletters (Meeting East & AlphaCare, 2010b), and weekly activity schedules displayed on notice boards or in elevators (Meeting North & BetaCare, 2008a; Meeting East & AlphaCare, 2009a). In addition, BetaCare' nursing homes had a family council with representatives from the families of its residents (Tender BetaCare, 2008).

Some elderly care professionals mentioned the potential for conflicts between the clients' wishes and their families' wishes, however:

“...sometimes you don't want to play bingo just because your family want it. We call it, somewhat cattily, 'the bingo terror'. The clients have to play bingo and it has to be noted in the care documentation, because otherwise [the personnel] get criticised. It doesn't matter if the clients want to or not.” (MAS, North, 2009)

Another dilemma from the perspectives of nursing homes and regions was senile clients who did not remember activities they had participated in (Meeting East & AlphaCare, 2010a). As a result, quantifiable activities were desirable from an accountability perspective. AlphaCare's senior manager even used signature lists for when clients went on walks outdoors so that she had “proof” they had been outdoors (Meeting East & AlphaCare, 2010a). The signature list was originally combined with a bonus system, but the system was discontinued after personnel became too pushy in their attempts to bring clients outdoors (Meeting East & AlphaCare, 2010b).

Finally, the media often received information from dissatisfied clients, client families and personnel, and in particular client families could use media contacts as a threat against both the nursing home and the region (Elderly Care Manager, North, 2009; Meeting East & AlphaCare, 2010a). The attention was regarded with scepticism by the elderly care professionals, however:

“[A national newspaper] called and asked: 'How are you managing the neglect at Glade?' 'Well,' I said, 'you know more of that than I do, because I don't know of any neglect at Glade.'” (MAS, North, Meeting North & BetaCare, 2011b)

### 4.2.3 Accounting at the National Level

Although many legal norms were general in their nature, there were certain requirements to should gather information about the elderly care and either report it to a national supervision agency or have it ready by request.

#### **Standardised Accounting**

Both social care (Social Services Act, 2001:453, ch 11 § 5) and medical care (Patient Information Act, 2008:355, ch 3 § 1) had to be documented with information on the care and any events related to the care. The documentation was used to transfer information between personnel and as a source of information if the MAS or Swedish National Board of Health and Welfare needed to investigate an event after the fact (MAS, North, 2009; MAS & Quality inspector, East, 2009). The personnel were well aware of this dual function of the documentation:

“You write diligently what you’ve done – or not done, if that’s the case – because if something happens, then you’ll have it in black and white.” (Group Manager, BetaCare, 2009)

The documentation was managed through a computerised system, which was a common cause of concern among members of the personnel (Elderly Care Inspector, Metropolis' central management, 2008; Operations Manager A, BetaCare, 2009; Meeting North & GammaCare, 2009a).

In addition to the general documentation, there were two legal sections that dealt specifically with errors: *lex Maria* (Patient Safety Act, 2010:659, ch 3) and *lex Sarah* (Social Services Act, 2001:453, ch 14). *Lex Maria* required the MAS to investigate all incidents: the technical term for an event that deviated from normal care procedures, such as falls, pressure ulcers, or medication errors. Serious incidents were reported to the Swedish National Board of Health and Welfare<sup>19</sup> (Health and Medical Service Act, 1982:763, § 24). Similarly, *lex Sarah* (Social Services Act, 2001:453, ch 14) required social service professionals to report social care mistreatments to a superior, who in

---

<sup>19</sup> The Health and Social Care Inspectorate, after 1 June 2013.

their turn reported serious mistreatment to the National Board of Health and Welfare<sup>19</sup> (2001:453, ch 14 § 7).

The Swedish National Board of Health and Welfare also compiled statistical information about nursing homes on a national level, which was primarily intended for municipal administrative and operational managers. This information included a national client survey (National Board of Health and Welfare, 2011c) and a larger, general survey that compiled information from national quality directories and various statistical information gathered by the National Board of Health and Welfare, municipalities and the Swedish Association of Local Authorities and Regions, SKL (National Board of Health and Welfare & SKL, 2011). The survey suffered from low response rates among some groups of elderly and care providers, however (Myndigheten för vårdanalys, 2013).

Two additional national efforts to compile statistical information for quality improvement were the Swedish Palliative Registry, which gathered information on care close to clients' deaths, and Senior Alert, which gathered information on common health risks (Metropolis, 2000: Swedish Register of Palliative Care, 2012a; 2012b; Senior Alert, 2011). Finally, Statistics Sweden had a legal right to request anonymous business statistics from all business operating in Sweden, including nursing homes.

### **Non-Standardised Accounting**

Several of the national agencies, including the Swedish National Board of Health and Welfare, the Swedish Work Environment Authority and Metropolis's Environment and Health Administration performed inspections of nursing homes (MAS & Quality inspector, East, 2009). The National Board of Health and Welfare could also ask the MAS to investigate complaints about mistreatment from individual care clients and their families (MAS, North, 2009). Finally, nursing homes were required to follow up their internal management of medicines, which was usually done by involving an external pharmacist (SOSFS, 2000:1, ch. 2 § 2; Elderly Care Manager, North, 2009). Since different bodies did not coordinate their controls, more than one inspection or survey could arrive within a short time frame. A nursing home manager commented that it felt "like we're constantly just preparing for (various) investigations" (Meeting North & GammaCare, 2009a).

## 4.3 The Accountability Context of the Empirical Field

This chapter has illustrated the context of outsourced provision of publicly funded elderly care in Metropolis by describing the actors and forms of accounting at the care provider-region dyad level, the elderly care market level, and a national level. When viewed together, the multitude of actors and accounting – which existed in parallel, yet intersected and overlapped each other – were associated with two major sources of complexity: The large number of prospective constituents and accountors and the large amount of accounting information based on multiple, partially differing interpretations of what constituted a satisfactory conduct. The first part of this section will discuss complexity associated with the accountability context while the second part discusses the preconditions it set for accountability processes.

### 4.3.1 Environmental Complexity

Even considering that elderly care was an important part of the Swedish welfare sector, the outsourced care was subject to a large number of prospective constituents. National legislators and supervision agencies, the municipal regions and the media jostled with the municipal and provider organisations as well as the care clients themselves and their families to hold the care providers accountable. To this end, prospective constituents demanded multiple types of accounting information about their prospective accountors' conduct. Prospective accountors added their own sources of accounting information, such as activity schedules and information meetings. The resulting accountability network meant that the outsourced elderly care services were subject to a multitude of complex influences from their environment.

#### **Multiple Actors**

The large number of prospective constituents for elderly care was partially a result of the introduction of a “market” for elderly care. Clients and their families were given more immediate influence by framing their constituent role as that of a customer rather than a citizen (see Aberbach & Christensen, 2005) and the media, as a result, were given a stronger mandate to inform

customers of available provider alternatives (Sahlin-Andersson, 2006). A second reason for the many prospective constituents was that social care and healthcare aspects of elderly care belonged to different legal and professional contexts, which existed side by side. Hence, both were associated with different prospective constituents. Finally, the introduction of private providers to a sector that had previously been exclusively populated by public providers introduced new organisational hierarchies, with their own financial and operational goals, to the accountability networks for public services.

Given the large number of prospective constituents, situated within different organisational contexts, it follows that constituents prioritised different aspects of the care elderly care (see Ahrens, 1996; Czarniawska-Joerges, 1996). Clients' families wanted tangible activities, clients prioritised social interaction and municipal and provider hierarchies made simultaneous demands for high quality and a budget in balance. The result was that care providers were confronted with multiple demands for accountability which they had to consider and respond to in their daily operations.

The dilemma was exacerbated by the fact that the prospective constituents were not alone in having multiplied. The municipal regions found themselves being held accountable for the conduct of the care providers, and it mattered little to the central management, the media, or the clients whether it was the care provider or the region that were legally accountable for an unsatisfactory conduct. Persistent journalists and angry hierarchical managers still contacted the elderly care managers, demanding accountability. From the care providers' perspective, the regions could provide valuable help by acting as a buffer between dissatisfied client families and the nursing home by promising the former to investigate any complaints. Accordingly, both parties of the focal dyad had an incentive to cooperate to manage the demands from the rest of the surrounding network. Simultaneously, the region was ultimately accountable for wellbeing of its elderly care clients and the personnel emphasised the need to act on anything perceived as "actual" malpractice from the care providers.

A contributing reason for the large number of prospective constituents was the fact that the clients themselves had difficulties performing their constituent role. The fundamental source of their influence, the care choice, was

subject to several limitations: the number of available nursing home placements, the care clients' ability to make an informed choice within the available time frame and their willingness and capability to switch homes in the future – all of which could be questioned. Accordingly, there were several prospective constituents that aspired to speak on the behalf of the elderly care clients, ranging from Metropolis' central management, to the municipal regions, the media and to the clients' families.

The difference between these actors and the elderly care clients themselves was that they were situated at different distances from the daily care operations. Both the care providers and the regions expressed a feeling that the media and clients' families could have a poor understanding of the reality of the elderly care operations and the sector's limited resources. Many prospective constituents, such as the Swedish National Board of Health and Welfare and Metropolis' central management only visited the nursing homes rarely, if at all. As a result, there were some difficulties involved with accounting for the operations, given that the accounting information needed to be both transportable across physical distances and understandable to laypeople. For example, there were questions about whether a potential client would understand the significance of different nursing homes' personnel density.

### **A Multitude of Accounting Information**

Of the described prospective constituents, each demanded at least a few distinct pieces of accounting information, be they standardised reports, inspections, ad hoc information or a mixture of all three. The motive was both to mix different types of information, such as inspections and meetings, and to cover different aspects of the operations. Different prospective constituents also covered different subject areas: for example, the MAS focused on geriatric care activities, the national supervision agencies covered particular subject areas such as meals or working conditions, and the hierarchal accounts covered healthcare, social care and economy at once.

As noted by East, however, there was no coordination of the collection or the analysis of this information: for example meals and nutrition were addressed by the Swedish National Board of Health and Welfare's elderly care guide, the internal quality systems of AlphaCare and BetaCare, Metropolis's



operational budget indicators, the central operational supervision report, the Senior Alert registry, and the central and regional inspections (see Appendix II). In some cases, different norms even encouraged the opposite behaviour, such as when the legislation ordered nursing homes to report care incidents while the media used as evidence of malpractice.

Temporal overlaps compounded the accounting complexity: for example, inspections by different prospective constituents could arrive close together. A majority of the accounting information, such as the various standardised accounting reports, was gathered routinely but there were also demands for information that arrived unexpectedly. Some, such as the unannounced inspections by the regions and the Swedish National Board of Health and Welfare, were unexpected by design while others, such as media interviews, were prompted by external factors that were difficult to predict. When an unexpected demand for information arrived, it had to be accommodated on top of the regular operations and thus provided an additional challenge. It followed that the various efforts to gather accounting information took considerable time for the prospective accountors; time which could otherwise have benefited the operational activities.

To an extent, the overlaps were tied in with the dilemma of having a client with a relatively low influence, as discussed above. Many forms of accounting were either intended to gather information for the elderly care clients, such as Metropolis's comparison guides and the client families' nursing home visits, or about them, such as the client surveys and the nursing home's information on social activities and the on-going care targeted at the clients' relatives. The many parallel types of accounting working towards the same goal were simply symptoms of the inherent difficulties of capturing the key aspect of a highly subjective service such as elderly care – the clients' experience – as, particularly standardised and quantitative, accounting information.

From the prospective accountors' perspective, the difficulty associated with making the clients' experience visible was tied to another quandary: the lack of visibility of and accountability for positive events. For understandable reasons, the accounting information designed by prospective constituents was focused on detecting unsatisfactory conduct such as maltreatment and client dissatisfaction. The consequence was that conduct which was extraor-

dinarily good was not necessarily made visible and encouraged. The care providers did their best to remedy this by making positive care event visible to potential clients and client families in the form of activity schedules and to the regions in the form of anecdotes during the meetings. In other words, they clearly saw the lack of allocation “of credits” as something to be remedied (see Kirk & Mouritsen, 1996, p. 247).

#### 4.3.2 Environmental Conditions for Accountability Processes

After discussing the complexity of the accountability network for elderly care, the following part will discuss the grounds for influence that the various prospective constituents had on the elderly care. This is followed by a discussion of the various forms of accounting information that were produced within the network and of their characteristics.

##### **Sources of Influence**

With so many prospective constituents it was clear, as pointed out by previous research (Carnaghan, Gibbins, & Ikaheimo, 1996; Brettell Grip, 2009), that different actors had different bases for their influence. Much of the previous accountability research has focused on intra-organisational relationships, such as that between the care providers and their hierarchies. As noted by for example Kirk & Mouritsen (1996), a hierarchy has a strong coercive ability due to its control over sanctions and rewards such as personnel transfers, salary adjustments, or even dismissals. This was the case within the studied hierarchies as well, with both care provider and municipal personnel emphasising the importance of following hierarchical instructions. Although some of the more serious sanctions, such as dismissals, were restricted by employment regulations, the hierarchical influence was largely independent on any predefined norms. The municipal politicians could announce a new policy at any time, and the regions would be obliged to comply.

Outside the hierarchies, both the legislations and most decisions by the national agencies were legally coercive, meaning that a failure to uphold one's accountability was punishable by fines or other judicial sanctions. The difference between the two types of prospective constituents was that the legislators were only coercive within the codified norm of the law itself, while the national agencies were tasked with overseeing professional norms and other

non-codified norms within their specific area as well. The Swedish National Board of Health and Welfare even had a mandate to codify new norms in the form of the National Board of Health and Welfare's Code of Statutes, SOSFS.

In contrast, actors on the market lacked the same direct coerciveness. Rather, the clients', and through them their families', influence was based on their legitimacy as the *raison d'être* of elderly care. In theory, this influence was paired with a relational importance to the nursing homes due to the freedom of choice system. If a client moved, the nursing home lost revenue associated with that client; consequently, the nursing homes had an incentive to keep the clients and their families satisfied. In practice, however, the clients' ability to change homes was limited.

The clients and their families were still influential, however, due to a factor that is specific for a network view of accountability: their ability to rally other prospective constituents. Dissatisfied clients could contact the regions, the media, or the Swedish National Board of Health and Welfare: both the regions and the care providers described instances of clients or their family members threatening to contact the media unless their demands were satisfied. The clients could also tell other, potential clients about their complaints. Since word of mouth and media attentions were two important sources of information when choosing a nursing home, this had a greater potential to affect a care provider than the loss of an individual client.

The media had a similar basis of network-based influence, though on a greater scale. A media scandal attracted the attention of managers from the care provider and the municipal organisations and threatened to tarnish a care provider's or a nursing home's name for a considerable time. In addition, the sheer amount of time and effort that a media backlash entailed was inhibitive. It followed that both members of the focal care provider-region dyad did their best to avoid media attention.

The main focus of the study is on the accountability relationship between that central dyad, however. Compared to a hierarchy, the municipal regions were more restricted in their ability to affect the care providers. They had a certain amount of coercive influence based on the procurement contract, which allowed them to terminate the relationship with a care provider that

was in violation of the contract. As demonstrated by East's termination process, however, the regulations surrounding a termination required explicit and objective proof – that is, standardised accounting information (Munro, 1993; Boland & Schultze, 1996) – of the provider's repeated breach of the contract. In other words, the region's coercive influence was limited to the codified norm of the written agreement.

Metropolis' response was for the central management to quantify the elderly care contracts to a greater degree, with the consequence that both prospective constituents and prospective accountors were locked to the letter of the contract. Another development, stemming from the legal requirement to outline the evaluation criteria in advance, was a greater streamlining of contract designs as the procurers were forced to develop a codified, *ex ante* definition of a satisfactory conduct before the procurement.

The alternative to an increased emphasis on codified norms was to focus on a region's relational importance to its care provider as an incentive for cooperation. This was the route chosen by East's elderly care unit. By paying for minor expenditures and arranging external financing for some of the major operational development projects, the region tried to foster an atmosphere of give-and-take where AlphaCare in exchange adapted to East's norms for what constituted a satisfactory conduct and the region's hierarchical accountability to Metropolis's central management.

### **Forms of Accounting**

Just as there were multiple prospective constituents, multiple forms of accounting were used as bases for accountability processes in the network. Depending on the accounting, they drew on different types of norms with different definitions of what constituted a satisfactory conduct.

Some of the accounting, such as financial reports and operational statistics, was standardised according to a codified norm that outlined which criteria the information should contain. Consequently, the norm also implicitly stated which types of conduct that were considered relevant to decide if a prospective accountor had displayed a satisfactory or unsatisfactory conduct. For other forms of accounting, such as inspections and meetings, the content of the accounting information was influenced by the prospective constituent's non-codified norms. Hence, satisfactory and unsatisfactory conducts

were more fluid. Yet other forms of accounting, such as the reports under *lex Maria* and *lex Sarah*, had their informational content decided by the preparer's professional norms, though the information categories – such as the reasons behind an incident – were restricted by the codified norms of the relevant legislations.

Both with regards to information created for prospective elderly care clients and information demanded by municipal and provider hierarchies, there was a clear emphasis on accounting information whose content and design was determined *ex ante* by a codified norm, for example surveys and budgets. As showed by previous research, the advantage of this standardised and usually numerical information was that it was easy to transfer to prospective constituents far away from the operations that may not be knowledgeable about the context and practice of the care (Roberts & Scapens, 1985; Munro, 1993). It also allowed for easy comparison between different prospective accountors. The drawback of the standardisation, especially from the perspective of prospective accountors, was the need to interpret occasionally ambiguous codified criteria (Boland & Schultze, 1996), such as the question about a “good command of the Swedish language”, and the use of proxies such as personnel density and education to capture the nuances of human interaction (Munro, 1993; *ibid.*). The regional supervision personnel commented that the attempt to create a codified norm for elderly care quality in the form of Metropolis's operational supervision report resulted in information that was so general as to be meaningless for their needs. Since the codified reports were the main or only source of information to for example Metropolis's central management, however, they were vital despite their weaknesses. In particular, the economic accounting was exclusively based on codified norms.

In contrast, both the regions and the Swedish National Board of Health and Welfare relied mainly on inspections and meetings, where the prospective constituent's norms could be placed within and adapted to the local context of the prospective accountor (Ahrens & Chapman, 2002). In contrast to for example Metropolis's central management, their access to expert knowledge about the operations made the potential for interpretation difficulties apparent and increased the appeal of non-standardised accounting information. It also made prospective constituents more able to judge

instances where an accountant had weighed different quality aspects against each other. For example, there was an awareness of the need to balance quality demands with what was possible under the care providers' budget. The disadvantage, as mentioned by inspection personnel, was that this type of accounting information was more time consuming to assemble.

It should be noted, however, that the regions had access to all the information they collected for the municipal central management, which lessened their need to design numeric accounting reports of their own. This fact was also indicative of the differences in how much accounting information various prospective constituents had access. The regions had access to virtually all accounting information produced about the nursing homes, including the care providers' internal reports, whereas other constituents in the network only had access to the reports addressed to them. As a result, the regions had a wider array of information at their disposal. The additional information was a mixed blessing, however: it was described as untimely and unmanageable, unless a region made an effort to sift out the useful information such as in East's Control for Outcomes accounting (see section 4.2.1).

Finally, potential clients and their families were seeking out information beyond that produced by other actors on their behalf. In their case, it was an explicit attempt to avoid neutral, standardised information in favour of narrative and non-codified information from acquaintances or visits directly to the nursing homes. The drawback from an equity standpoint was that clients who had knowledgeable friends, were well enough to visit nursing homes, or had families who could help had access to additional and seemingly more desirable information.

These efforts by potential clients and their families to avoid the standardised accounting information can be seen as an attempt to bypass the inherent dilemma of trying to make a highly qualitative and subjective service such as elderly care visible across a distance. The care providers often struggled with the same dilemma when communicating with the families of their clients. Information meetings, letters, and individual information about the care were all attempts to keep the families informed of the care and thereby lessen the risk of future accusations of an unsatisfactory conduct. However, this also led to a colonisation of the social care by activities that were easy to

make visible to an external party, such as the bingo games mentioned by one MAS. The most extreme example was when one care provider introduced a signing list for when clients were brought outdoors, so that the nursing home could benefit from the objectivity of numeric information (Munro, 1993; Bolland & Schultze, 1996). The prospective constituent that lost out from this development was the clients themselves, who risked being pressured into participating in activities in which they had no interest.

### 4.3.3 The Accountability Network for Elderly care

In conclusion, the accountability context that surrounded the elderly care in Metropolis was associated with two sources of complexity: A multitude of prospective constituents and accountors and a variety of different types of accounting and norms of conduct.

Although the clients were a central prospective constituent with a high legitimacy, there were difficulties associated with accessing their opinions on the care. Instead, several other actors aspired to represent the clients. These ranged from clients families to the media to various municipal and national authorities. Because none of these had direct access to the care experience, prospective accountors produced a large amount of accounting information to enable the prospective constituents to evaluate their conduct against a multitude of codified and non-codified norms. Depending on a prospective constituent's distance to and knowledge about the elderly care operations, the accounting information varied in terms of design and range of information available.

Accordingly, there were instances where different prospective constituents, with different sources of influence on the elderly care, or different norms were in conflict with each other. Under these circumstances, prospective accountors and constituents had to find a way to resolve, cooperatively or not, the dilemmas arising from the complexity of the accountability network. Chapters 5 and 6 will describe how these dilemmas were managed in the course of accountability processes between the focal dyads as they drew on various forms of accounting on their daily practice.

Table 4.2 Prospective Constituents and their Accounting

<i>Standardised accounting</i>	<i>Non-standardised accounting</i>	<i>Non-standardised accounting that draws on codified norms</i>
<i>Regions</i>		
Accounting Reports to Other Prospective Constituents	Accounting Reports to Other Prospective Constituents	Care level decision
Control for Outcomes (East)	Control for Outcomes (East)	
Annual Review ( North)	Annual Review ( North)	
Contract Supervision ( North)	Contract Supervision	
Social and Geriatric Care Statistics	Inspections (announced and unannounced)	
Geriatric Care Survey	Collaboration/ Supervision Meetings Ad hoc communication Dissatisfied clients and client families	
<i>Municipal Hierarchy</i>		
Centralised procurements	Centralised procurements	MAS
Financial budget	MAS	
Operational budget indicators	Inspections	
Operational Supervision Report		
Geriatric care indicators		
Client survey		
Elderly ombudsman report		
<i>Provider Hierarchy (AlphaCare)</i>		
Financial budget	Area management supervision	
Internal quality system		
Quality index		
Client survey		
Personnel survey		
Purchaser survey		
<i>Provider Hierarchy (BetaCare)</i>		
Financial budget	Area management supervision	Internal quality system
Client survey		ISO certification
Personnel survey	MAS	MAS
Client family survey		



<i>Standardised accounting</i>	<i>Non-standardised accounting</i>	<i>Non-standardised accounting that draws on codified norms</i>
<i>Potential clients and client families (accounting designed by others)</i>		
Comparison tool, Metropolis' website	Comparison tool, Metropolis' website	Elderly Care Direct phone line
Elderly Care Guide, the Swedish National Board of Health and Welfare's website	Plan of implementation Social care documentation	Care administrators
<i>Potential clients and client families (accounting designed by themselves)</i>		
	Visits Rumours and media reports	Reports under <i>lex Maria</i> & <i>lex Sarah</i>
<i>Client Families</i>		
	Information meetings Activity schedules Information letters Individual information Family council (BetaCare)	
<i>Media</i>		
Information for the care clients	Information for the care clients Dissatisfied clients, client families and personnel Interviews with care personnel and politicians	Reports to the political management
<i>Regulators</i>		
	Social Care Documentation Geriatric Care Documentation	Reports under <i>lex Maria</i> Reports under <i>lex Sarah</i>
<i>National Authorities</i>		
Swedish Register of Palliative Care Senior Alert Client survey (Swedish National Board of Health and Welfare) General survey (Swedish National Board of Health and Welfare) Statistics (Statistics Sweden)	Swedish Register of Palliative Care Senior Alert Themed inspections (Swedish National Board of Health and Welfare) Inspection reports of complaints (Swedish National Board of Health and Welfare) Medicine audit	Inspections (Work Environment Authority, Environment and Health Administration)



## 5. Episodes of Issue Formulation

Elderly care manager, North: “Well, we have an interesting situation here. (...) It’s a bit tricky to get the procurement dumped in your lap, so to speak. It’s never easy to monitor a contract you don’t ‘own’ yourself (...)”

Deputy sector manager, BetaCare: “The [centrally managed] procurement just means that we will have to interpret the contract, since neither of us ‘owns’ it.” (Meeting between North & BetaCare, 2008a)

The previous chapter brought up two major sources of complexity associated with the accountability context of Swedish elderly care. First, there were a large number of actors involved in the production and supervision of elderly care. Depending on operational circumstances, they could hold a prospective role of constituent, accountant, or both. Second, there was a multitude of accounting, which was produced in accordance with different forms of norms depending on the recipient. This resulted in complexity related both to who influenced or was held accountable for elderly care and to how the care and accounting for it was produced.

This chapter and the next will study how this contextual complexity was handled in the course of on-going accountability processes within the two focal constituent-accountor dyads of the study. Chapter 5 studies a selected series of episodes where the argumentation in the accountability processes revolve mainly around questions of *issue formulation*. Chapter 6 will analyse a selection of episodes where the accountability processes instead focus on questions of *role attribution*. Regardless of whether processes of *issue formulation* or *role attribution* were the most central, however, the meetings between the care provider and the region served as an arena to discuss and mitigate the dilemmas posed by conflicting norms within the dyad and in its accountability network.

A process of *issue formulation* was initiated when one or both members of an accountant-constituent dyad were alerted to a conduct or an outcome that could be conceived as a potential issue worth paying particular attention to. A potential issue could be an unsatisfactory conduct or a particularly satisfactory one. The existence of a potential issue triggered a process where the focal dyad tried to reach a temporarily and spatially situated resolution on what constituted a satisfactory or unsatisfactory conduct and, consequently, whether the potential issue was an issue or a non-issue. In some episodes, this resolution was arrived at quickly, while the argumentation continued for months in other episodes.

As argued in Chapter 2, *issue formulation* processes are influenced by whether a potential issue is considered visible, traceable, and action-inducing. Visibility implies that a potential issue has caught the attention of the accountant-constituent dyad. Traceability means that a potential issue can be traced to the conduct of a prospective accountant. Capability of inducing action, finally, indicates that a potential issue is considered important according to the local norms of an accountant-constituent dyad. The studied episodes provide materials for a concluding discussion of processes of *issue formulation* within the focal dyads and of how the characteristics of visibility, traceability, and capability of inducing action influenced their resolutions.

## 5.1 Episodes Originating from the Focal Dyads

Most events in the daily elderly care operations never became issues, because they were never made visible and brought up for discussion. Whether a potential issue triggered an *issue formulation* process was often influenced by the codified norms of a dyad relationship, such as the contract between its members. Codified norms could be drawn on to make a potential issue visible, trace it to a prospective accountant, and argue that it could and should be acted on. The following sections will outline accountability episodes that originated within the focal dyad. Each section will describe the episode's context, how members of the dyad argued around its potential issue, and how the episode was eventually resolved.

### 5.1.1 Episode 1. Debating the Operational Feasibility of a Norm: Meal Choices

*North and BetaCare: August 2009, November 2010, December 2011*

The first *issue formulation* episode centred on a contract commitment that BetaCare's residents would have the opportunity to choose between two dishes at every main meal. As the argumentation went on, the argumentation shifted to involve meal routines in general as well as whether a choice was even feasible when the resident suffered from dementia.

The contract between North and its provider BetaCare specified that all residents at Brook should have the opportunity to choose between "at least two dishes" each day from a weekly menu (Contract with BetaCare, 2008). This was based on one of the quality commitments BetaCare had made in its tender. After an inspection during the summer of 2009, North's inspectors questioned whether the choice of meals had actually been implemented in practice:

MAS, North: "When we spoke with the staff, they said that they're the ones who decide the food."

Senior manager A, Brook: "We order the food a week in advance, so when it's time to serve the (meals) [the residents] sometimes have forgotten what they ordered or changed their minds."

The MAS responded that they had asked the personnel how the meals were arranged. The personnel had reported that they did not help to choose a dish; they only served the food. Brook's operations manager A commented that the nursing home had as few frozen dishes that could be brought out if a resident did not want the dish he or she had ordered. Concerning how the food was served, the operations manager continued, the management was working through a nutrition council, which had two members from the personnel of each floor. The idea was that the nutrition council would learn the correct procedures and the knowledge would be spread from there.

MAS, North: "What's more serious is that it's not clear if all the clients are served evening supper. Some had their last meal at dinner."

Operations manager A, Brook: “We have a structure in place to make sure that (everyone is) offered an evening meal. The staff has to sign a list after they have made the offer.”

The elderly care manager at North suggested that it might be a matter of insufficient personnel training:

Purchaser, North: “After all, it’s usually the case that if you offer the evening meal properly, almost no-one turns it down.”

Brook’s management argued that many people simply were not hungry in the evening, and the discussion moved on to other topics.

The potential issue was brought up again a year later, in November 2010, following a new series of inspections.

MAS, North: “The activities and nutrition were good, but there was some uncertainty about the night fast.<sup>20</sup> The staff said that those who ask for it are served an evening meal, but obviously everyone is supposed to get one.”

In addition, the inspectors had learned that the staff simply ordered different dishes to different wards rather than letting the clients choose.

Senior manager B responded that the dinner was served at 16:30 and the residents were supposed to be served a light meal of soup or juice in the evening. As for the choice of dishes:

Senior manager B, Brook: “We pick up (a meal from another ward) if there is someone who does not want the meal of the day, for example if someone doesn’t like fish.

The potential issue was dropped for another year until December 2011, when North’s MAS once again pointed out that the clients were not offered a choice between two dishes. This time, it was BetaCare’s senior regional manager who reacted with surprise.

---

<sup>20</sup> Night fast is the number of hours that the clients go without food during the night.

Senior regional manager, BetaCare: “But surely Brook is part of the project to offer two dishes?”

Senior manager B, Brook: “It’s hard to get people to choose a dish, so instead we have different dishes in different wards so that you can swap if someone doesn’t like something.”

The menu was designed by Brook’s nutrition manager, she continued, and based on what the staff knew that the clients liked. This selection process was combined with asking the clients whenever possible and keeping soup in reserve if someone preferred that to their regular meal.

Senior regional manager, BetaCare: “That’s true; a lot of the time people forget what they had ordered or change their minds and want the same thing as their neighbour at the table.”

Once again, North’s representatives dropped the potential issue and let it go back to being a non-issue, rather than insisting on a full and literal implementation of the contract terms.

Throughout Episode 1, the potential issue of the meal choice was continually negotiated into an impasse as the care provider made the operational context of the elderly care visible. With the context visible, it became less clear that the potential issue was traceable to the care provider or sufficiently action-inducing: even if a senile client was allowed to choose a meal, he or she would forget the choice by the time the meal was served. Equally significant to the discussion, the meal choice’s capability of inducing action was inferior to that of other issues competing for the care provider’s limited resources, such as ensuring that the residents ingested enough nutrition in a day. As a result, the region refrained from pressing the potential issue and it kept slipping back into invisibility.

A necessary precondition for this line of argumentation, was that the operational context of the care was made visible to the constituent on a regular basis and in ways other than through standardised accounting information. Had the region and its personnel not had practical experience of providing elderly care at municipal nursing homes, as well as recurring interaction with

the care provider in the form of inspections and meetings, the region's representatives may have been less understanding of the dual dilemma of long ordering times and senile clients' inability to remember past choices.

Table 5.1 Debating the Operational Feasibility of a Norm: Meal Choice

<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
Visible due to verbal accounting information based on professional norms combined with a codified contract norm.	Action-inducing, but other issues were more action-inducing.	Uncertain traceability: the potential issue may be traceable to an unsatisfactory conduct by the care provider or to the senile clients.

### 5.1.2 Episode 2. Interpreting Norms: Staffing Levels

*North and BetaCare: April 2009 – December 2009*

Episode 1 focused on whether a particular norm was possible to implement in practice. By making additional aspects of their operations visible, such as the difficulty of letting senile care clients decide on their meals weeks in advance, the care providers argued that the contract was impossible to follow. In contrast, this episode focuses on a codified norm that everyone agreed should be followed – the question was just how it should be interpreted.

The episode revolved around an agreement that BetaCare would increase the staffing at Brook. The argumentation was concerned with two parallel tracks: First, whether the calculated staffing increase should be based on the level stated in the contract or from the actual level when BetaCare took over the management. Second, the parties debated the definition of an elderly care professional and whether a professional needed to be of a certain age and experience or training. The latter negotiation also involved a discussion on whose opinions to consider: just the region's or other constituents' as well?

North's contract specified that BetaCare would increase the number of employees at Brook within its first year of management (Contract with BetaCare, 2008). The current staffing of each tendered nursing home had been specified in the tender call for the procurement (Tender call centralised pro-



curement, 2008) and BetaCare's tender stated that "in accordance with evaluation criterion 2, BetaCare undertakes to implement an increase in staffing by 4.5%" (Tender BetaCare, 2008).

About half a year into the contract, North requested that BetaCare deliver a full report on their staffing. The region was dissatisfied with the report and brought up the subject at the supervision meeting in June. According to the documentation BetaCare had provided, there had been 94 full-time employees at Brook when BetaCare took over the management. The tender call stated that the nursing home should have 102 employees, however, and this was the number North expected to be increased by 4.5% - regardless of the personnel level at the time of the transfer.

Elderly care manager, North: "It's possible that the managers cut the staffing in the autumn after the procurement was done, but that is irrelevant in any case. It is [the staffing] stated in the tender call that applies."

By the August meeting, North's purchaser had received new documentation on the staffing, but eight group managers had not been included and she was promised an updated report. Brook's senior manager A reported that they had increased the staffing since June:

Operations manager A, Brook: "We have 5 hours of extra personnel at the weekends too; a company called TeenCare. We buy up to 20 hours (of care) from them each month."

In September, the region director of North sent a letter (2009a) to BetaCare with a demand that the staffing at Brook be increased:

"...You are hereby requested to take corrective action so that the contract is fulfilled. If such a correction has not been made by October YY at the latest, the region will withhold compensation equal to a fine of SEK 10 000 for each full calendar week from October YY until the date a correction is made."

At a meeting with North's region director in early October, BetaCare presented documentation that showed they had 104 full time employees as well

as the equivalent of 2 full-time employees from TeenCare. In a letter (2009b) dated the same day, the region director wrote:

“After reviewing the reported numbers, the region has the following observations: /.../ 104 full-time care personnel equal a personnel density of 0.81.

The report includes 2 full-time employees denoted as TeenCare. Additional information must be supplied on their terms of employment and duties for the region to determine if they qualify as nursing staff.”

On Friday the same week, it was time for a supervision meeting and North’s elderly care manager asked if they should “take care of that regrettable business about the staffing?”

Regional manager B, BetaCare: “I was at a meeting yesterday with [the region director] (...) and the message we got then was that this issue was solved and would not need to be discussed today.”

North’s elderly care manager replied that only the issue of staffing for September had been addressed. The issue of whether TeenCare should be regarded as full-time elderly care employees or not remained. TeenCare, it turned out, was an organisation that employed young people in their mid- to late teens to visit elderly care homes and arrange social activities, such as reading to the clients or taking them for walks.

Regional manager B, BetaCare: “But we discussed this with [the region director] yesterday! /.../ We think (our contract with TeenCare) is very valuable, especially since we introduce young people to elderly care, which may lead to recruitments in the future. However, all of this was explained yesterday. Frankly, I’m surprised you’re even raising the issue again!”

North’s purchaser replied that she and the elderly care manager would have to discuss the issue with the region director again. She also asked how other regions in Metropolis viewed TeenCare. Did they regard the organisation as full-time elderly care employees?

Regional manager B, BetaCare: “At SouthEast, TeenCare are included in the personnel density and the politicians are super happy.”

North's purchaser promised to ask the other regions how they were handling TeenCare. "Of course we can't refuse to approve them if other (regions) do." BetaCare's regional manager B reiterated that TeenCare was "actually something we pay for!" and that employing young people benefitted society, since the teens might become nurses or doctors in the future.

At the next meeting in December 2009, BetaCare had brought a young representative of TeenCare to tell North about the organisation. He argued that his organisation gave teens "a new impression of elderly care".

Representative, TeenCare: "Many young people today think that elderly care is boring. Application rates for nursing programmes are sinking. /.../ We've asked people at the start of their employment and later on what they think about elderly care [and our employees] get more interested in elderly care."

The organisation's employees worked in teams with a leader in their late teens and a number of younger employees. The team leaders collaborated with the activity manager at Brook to plan activities for the residents.

Purchaser, North: "What is the lowest age (among your employees)?"

Representative, TeenCare: "That would be 13-14. /.../ But we are focusing on recruiting students in seventh to ninth grade (age 14-16). Most are 14-15-years-old, and then there is a very mature 13-years-old."

Brook's senior manager B added that she had very good experience of TeenCare from a nursing home she had managed before Brooks: "the families (of the clients) have been positive and it has been the same young people who show up every time". BetaCare's regional manager (B) agreed that the staff seemed positive as well.

North's purchaser replied that North had discussed TeenCare internally and were positive to their business model. The dilemma remained, however, of whether TeenCare were care staff as stipulated in the contract.

Regional manager B, BetaCare: "We brought [the TeenCare representative] here to show that [our agreement] is a long-term commitment, meaning TeenCare qualify as full-time employees."

Purchaser, North: “It was really great to hear more about TeenCare’s organisation. But in the end the question is whether they are care professionals or not.”

After the meeting, North’s purchaser and elderly care manager discussed the outcome.

Elderly care manager, North: “...whichever way you look at it, you can’t say that 13-year-olds are care personnel.”

Purchaser, North: “No, and not the group managers, either”

North’s final decision was not to accept TeenCare’s personnel as regular elderly care personnel or to count them towards the staffing requirements.

While Episode 1 showed how the act of making care operations visible in new ways could prevent a potential issue from turning into an issue, Episode 2 demonstrates how the visibility created by standardised accounting could be challenged by introducing an alternative interpretation of the norm the accounting drew on. The care provider’s argumentation revolved around drawing on alternative norms that BetaCare argued took precedence over the contract, such as the importance of introducing young people to elderly care. The provider’s goal was to make the potential issue invisible by changing the interpretation of what the accounting information was showing: not unqualified teenagers, but elderly care professionals.

Unlike the previous episode, however, the argumentation failed to convince the region. From North’s perspective, the region had the support of multiple norms: the codified contract, which specified a certain personnel density, and the norms surrounding what constituted an elderly care professional. In particular, the contract meant that the region’s interpretation of the

Table 5.2 Interpreting Norms: Staffing Level

<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
Visible due to written accounting information based on a codified contract norm.	Action-inducing based on the codified contract norm and professional elderly care norms.	Traceable to the care provider based on a codified contract norm.

potential issue was possible to enforce legally. Consequently, the region could draw on the support of the justice system as it argued that the potential issue was both action-inducing and traceable to the care provider.

### 5.1.3 Episode 3. Introducing New Norms: Start-up Evaluation

*North and BetaCare: November 2008 – December 2009*

Though the issues in the first two episodes were in themselves unique, they were both triggered by referring to accounting information based on an established, codified norm. Episode 3 is an example of how one party could change which conduct was visible by introducing a new accounting item that drew on norms perceived as missing from existing accounting information.

Episode 3 centred on a start-up evaluation made by BetaCare just after they took over the management of Brook from North. BetaCare used the evaluation to point out deficiencies in the current operations, something that sent North's representatives into disarray since they had not expected to be evaluated by their accountant. Though they did not recognise the issues criticised in the evaluation, the representatives found themselves unable to disagree with BetaCare's definition of an unsatisfactory conduct. Nevertheless, the evaluation created tensions between North and BetaCare.

In November 2008, a few weeks after BetaCare had taken over management of Brook, the care provider convened a meeting with North. The topic remained a mystery to North's representatives until the day of the meeting, when North's elderly care manager received a "start-up evaluation" of Brook's operations according to BetaCare's internal quality system (see Chapter 4 or Appendix II). Each area had been graded on a traffic light scale, ranging from green (good), through yellow (satisfactory), to red (bad). The grading was not in the operations' favour: "It's red, red, red, yellow, yellow, red..." (Elderly care manager, North, before the meeting, 2008a).

The elderly care manager, purchaser, and analyst attached to the elderly care unit at North gathered in the break room to discuss the start-up evaluation. The elderly care manager was indignant and argued that BetaCare were just trying to further their own case. By making the operations look bad, they

could take the credit at a later stage when everything started working as intended: “Normally it’s us who evaluate and provide feedback, which they have to comply with.”

Analyst, North: “...this is exclusively negative comments. Surely they’re speaking in their own interest [here]?”

Purchaser, North: “There are a few positive points too. /.../ (reads) “Brook is newly renovated; the premises are spacious and have nicely tailored furniture in areas that invite social interaction among the residents. The personnel offer a friendly treatment...”

Elderly care manager, North: “And that one got a red dot! They could at least have divided [the evaluation categories] into red, green and yellow sections.”

Upon closer examination, it turned out that the main complaints focused on the personnel’s care documentation, something they had been criticised for in municipal evaluations as well. In other cases, the personnel had followed North’s routines, which did not correspond to BetaCare’s routines.

The purchaser said that she thought it was good of BetaCare to highlight these issues: “It’s a serious problem that there is no documentation.”

Elderly care manager, North: “But they learned [correct documentation procedures] during their Mark of Quality courses!”

Analyst, North: “Well, it’s one thing to learn something and another to make sure that it actually gets done.”

Elderly care manager, North: “But could it really be that nothing (of what they learned) has stuck?”

The group from North agreed to verify some of BetaCare’s claims before their meeting, but concluded that the evaluation may be useful although it could have been presented in a less negative fashion. The meeting started with some introductory small talk, after which BetaCare’s regional manager A explained that start-up evaluations were standard procedure whenever BetaCare took over management of a nursing home.

North’s elderly care manager asked what BetaCare’s timetable was for addressing the issues in the status analysis.

Deputy sector manager, BetaCare: "...of course there's the documentation which needs to be put into working order, which will obviously take time. That part could be evaluated once per month, based on the schedule."

Elderly care manager, North: "How soon can we do a follow-up (of the improvements)?"

Deputy sector manager, BetaCare: "You can follow (them) up regularly, at different times and in different wards. But the idea is that there should be no surprises when the big review is made a year from now."

Moving on to discuss the specific issues that had come up in the start-up evaluation, regional manager A commented that the documentation problems felt "rather precarious." North's elderly care manager responded that there had been a high employee turnover due to the management transfer. In addition, many members of the personnel did not have access to the documentation program.

BetaCare's regional manager A went on to outline other areas where the start-up evaluation had found deficiencies. For example, there were different routines for care at the end of life on different floors. There also was a lack of written and uniform routines for the handling of medication.

Purchaser, North: "How has the incontinence assessments worked?"

Regional manager A, BetaCare: "They order equipment and then the staff uses whatever they think seems appropriate without contacting the (responsible) nurse."

Elderly care manager, North: "But this get followed up in the evaluation each year! It's certainly not been my impression that things have been happening this way."

Regional manager A, BetaCare: "In addition, [the MAS] thought that there were a bit too many pressure ulcers."

Deputy sector manager, BetaCare: "10 in total, which had occurred at the nursing home."

Elderly care manager, North: "At the evaluation last spring there were no pressure ulcers at all!"

The deputy sector manager added soothingly that "...this is the kind of things we promised to introduce in our tender, so we will examine them particularly closely."

At the next meeting, in December, BetaCare's MAS and one of North's two MASEs had been invited to the supervision meeting. BetaCare's MAS told the representatives from North about how she had interviewed members of staff about their hygiene routines and use of incontinence equipment.

MAS, BetaCare: "And then there's the problem with oral hygiene. Brook has oral hygiene cards, but [the personnel] have de-prioritised the oral hygiene in mornings and evenings."

Elderly care manager, North: "That's horrible!"

MAS, BetaCare: "I was stunned."

Finally, the conversation returned to the documentation, and primarily the plans of implementation.<sup>21</sup> BetaCare's MAS said that the plans of implementation at Brook did not contain both the original plan and a reviewed version, as they were supposed to.

Elderly care manager, North: "When will that be done?"

Senior manager A, Brook: "Well..."

Regional manager A, BetaCare: "That will have to [wait until] we've recruited new nurses. We have a lot nurses who have quit and one who is retiring."

The group moved on to other topics related to the management transfer, but towards the end of the meeting, BetaCare's Regional manager A brought up an issue:

Regional manager A, BetaCare: "We have received demands for Plans of Implementation that did not exist when we took over (the management)."

Elderly care manager, North: "We will have to discuss that, obviously. But when will you be able to submit them?"

Senior manager A, Brook: "In about 6-12 months."

Elderly care manager, North: "Excuse me?!"

Operations manager A, Brook: "We only have 15 out of 30 Plans of Implementation on [the lower floors]. On the upper floors we only have the plans (but no reviews in the computerised documentation system)."

---

<sup>21</sup> A plan of implementation is a document detailing the care a specific client will be given.



Throughout 2009, the managers at Brook made recurring reports about the work to develop plans of implementation for all residents at Brook and to transfer all plans and documentation to the computerised documentation system. At the meeting in October 2009, senior manager B at Brook finally reported that all Plans of Implementation were done.

The issues in Episodes 1 and 2 were both triggered by referring to accounting information based on an established norm. In contrast, Episode 2 demonstrates how one party could introduce a new potential issue by creating new accounting information that drew on norms that was not represented in the existing information. Once the new potential issue had been made visible, it could be used to initiate an *issue formulation* process.

As it happened, the accounting information also made the potential issue traceable to a different prospective constituent in the form of the previous nursing home management – in this case the region. Since the new accounting was based on norms for a satisfactory conduct that were shared by the region, it also made it easy to argue that the potential issue was action-inducing. The same topics, for example social and healthcare documentation, social activities, and meals and nutrition, reoccurred in the region's own inspections. In addition, the care provider drew on the authoritativeness of standardised accounting by categorising and ranking the information displayed by the accounting.

Table 5.3 Introducing New Norms: Start-up Evaluation

<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
Visible due to written accounting information based on a semi-codified internal norm at the care provider.	Action-inducing based on professional norms.	Traceable to the previous nursing home management, in this case the region.

## 5.2 Episodes Originating from the Network

*Issue formulation* processes that originated within the focal dyads' accountability network differed from internally generated processes, since they had already been turned into an issue somewhere else in the network. Accordingly,

they already had an externally generated package of visibility, traceability, and capability of inducing action. In some cases, external accounting had made an outcome or a conduct visible as a potential issue by drawing on a norm elsewhere in the network. In other cases, the potential issue was made visible by a demand for accountability from a prospective constituent outside the focal dyad.

The consequence of this shift was that an accountability process could start with a potential issue that was already visible. The *issue formulation* process thereby came to focus primarily on whether the members of a focal dyad agreed that the potential issue was also traceable and action-inducing, rather than on how it was made visible.

### 5.2.1 Episode 4. Debating External Potential Issues: Renovations

*East and AlphaCare: May 2010*

All *issue formulation* processes so far have started with a piece of accounting information that made a potential issue visible. In the first network episode, the *issue formulation* process was triggered not so much by accounting information as by a demand for accountability, which in turn started an accountability process between the members of the focal dyad.

Episode 4 revolved around criticism in the local media of AlphaCare's and East's decision not to evacuate the clients of a nursing home while it was being renovated. The parties discussed whether they agreed with the criticism and how the story had ended up in the media.

One of AlphaCare's nursing homes in East, Thicket, was being renovated and after discussing the available options with the medical team assigned to the nursing home, East and AlphaCare had made the decision to keep Thicket open during the renovation. Although the work would inconvenience the residents, it avoided the complexity of finding a suitable set of temporary premises and putting the residents through the strain to move to the temporary premises and back.

The decision not to relocate the residents was met by harsh criticism by the media and by residents' families. A series of articles in the local newspaper claimed that dust from the renovation had given the residents coughs

and, in one case, pneumonia (News article, 2010a; News article, 2010b; News article, 2010c).

Following the articles, East's Elderly care manager brought up the topic on the May 2010 meeting:

Elderly care manager, East: "We have received some criticism about the renovation, and obviously it has showed up in the newspapers as well."

Operations manager A, Thicket: "We had one family meeting where a relative was very upset. Apparently she had contacted a reporter at [a national tabloid] and she threatened that she could call him or her anytime."

Everyone present agreed that no one in the public service sector could let threats about contacting the media affect them. The only possible course of action was to do your best to ignore the threat and soldier on in the same direction as you would have if the threat had never been uttered.

East's MAS asked about the claim that the renovations had made residents ill, since the articles had been the first time she had heard anything about that. Operations manager A at Thicket explained that this had been when the roofs of the elevators were being sanded. "A lot of people got ill around then, including me."

Regional manager A, AlphaCare: "How did this end up in the media? Was it a physician who contacted the media?"

East's Elderly care manager confirmed that this had been the case.

Regional manager A, AlphaCare: "And he or she had neither contacted you nor us before that?"

Operations manager A, Thicket: "It was a substitute physician. Apparently, he or she had told the nurses that they were planning to contact the media."

The criticism was particularly frustrating given that AlphaCare had discussed the decision not to evacuate with the organisation that provided Thicket's physicians:

MAS, AlphaCare: "We have brought this up with Metropolis Geriatrics since we'd had contact with them and received the message that the nursing home did

not need to be evacuated. It's a shame when this kind of thing happens - the doctor should have contacted us instead. It's not like things improve faster if you go to the media.”

Episode 4 is an example of how an external demand for accountability triggered an accountability process with the goal of determining whether or not the region-care provider dyad agreed with the norms that the external prospective constituent drew on to argue its potential issue.

The involved media outlet was coercive enough in its role as prospective constituent that the members of the dyad could not ignore its criticism. Consequently, the potential issue was already visible. A main goal of the dyad's internal *issue formulation* process was therefore to determine whether the parties had, in their negotiated opinion, actually displayed an unsatisfactory conduct, which would make the potential issue action-inducing. If so, the dyad would need to attempt to remedy the situation and, perhaps more importantly, act differently in the future. The resolution agreed by the members of the dyad was, however, that the parties had made the best decision possible given the operational context and circumstances. Consequently, the potential issue was not seen as action-inducing, nor was it traceable to either of the members of the dyad. If any actor was accountable for the failure to evacuate the nursing home during the renovations, it was the physicians at Metropolis Geriatrics who had approved the decision. In other words, the externally proposed potential issue was a non-issue.

At the same time as the original potential issue was resolved as a non-issue, the dyad's *issue formulation* process made another potential issue visible. In the opinions of the dyad members, the original demand for accountability would never have been made if the substitute employee had not spoken to the media with an incomplete understanding of the operational context of the care provider's decision. This second potential issue was made visible by the criticism, it was action-inducing for employees, who both dyad members agreed should contact the region rather than the media in the future, and it was traceable to the employee. However, since the potential issue was traceable to a prospective accountant that neither member of the dyad could easily hold accountable, there was no action that either of them could take and the potential issue could therefore not be considered action-inducing.

Table 5.4 Debating External Potential Issues: Renovations

<i>Potential Issue</i>	<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
<i>Phase One</i>			
<i>Renovations</i>	Visible due to a demand for accountability from a constituent in the elderly care network.	Not action-inducing, based on contextual visibility and professional elderly care norms.	Traceable to the care provider's physicians based on professional norms.
<i>Phase Two</i>			
<i>Media Contacts</i>	Visible due to a demand for accountability from a constituent in the elderly care network.	Not action-inducing since no action was available to the dyad.	Traceable to the physician who contacted the media.

### 5.2.2 Episode 5. Debating External Accounting Information: Client Survey

*North and BetaCare: April 2009 – October 2009*

Previous episodes have discussed the interpretation of norms: Episode 2 focused on the interpretation of a codified norm while Episode 4 was concerned with whether an external prospective constituent's norms for a satisfactory conduct were considered action-inducing by the focal dyad. In contrast, this episode discusses an evaluation of whether the visibility created by a particular piece of accounting information could be trusted.

Episode 5 describes how the dyad dealt with an externally designed client survey that indicated an unsatisfactory conduct. Rather than taking the survey at face value, the dyad entered into a discussion about the validity of the accounting information: the survey had a low response rate and the parties argued that dissatisfied clients were always more likely to respond.

As mentioned in Chapter 4, the dyad had access to a large amount of accounting information that had been designed based on the norms of other prospective constituents in the accountability network. Not all of this accounting information was considered useful, but some was deemed relevant enough to be made visible in the dyad. One such example was the client survey that was carried out once per year by Metropolis' central management.

The client survey was a central tool for capturing the opinions of the elderly care clients themselves.

When the client survey of 2008 was made, Brook had been in the middle of changing management from North to BetaCare. Instead, Brook's residents were sent the survey in the spring. By mid-April 2009, the response rate of the survey was still low and North's representatives asked BetaCare to have the personnel at Brook remind the families of their clients to make sure that the survey was answered.

The regional manager (A) at BetaCare commented that it was difficult to make people respond to the client surveys.

Elderly care manager, North: "It is always a concern that the discontented answer first. We in the municipality have also had problems in the past with surveys where mainly the dissatisfied clients responded."

Regional manager A, BetaCare: "Yes, where you really don't recognise your nursing home (in the responses)."

The senior manager (A) at Brook said that she had given the polling organisation the updated client address information they had asked for, but after some discussion the group realised that she had only provided the addresses of the clients and not of their families; despite the fact that many clients were senile and could not answer the survey themselves. This would explain the bad response frequency.

Elderly care manager, North: "The polling organisation does not quite understand what a dementia nursing home is."

Regional manager A, BetaCare: "You'd think they would receive better information, in that case."

North's elderly care manager was more willing to forgive the apparent briefing error and argued that mistakes were bound to happen every now and then.

The client survey was not discussed again until October 2009, when North's elderly care manager told BetaCare that the region was very satisfied with the positive changes that had been accomplished at Brook.

Elderly care manager, North: "...and then there's the client survey, which wasn't very positive. It was conducted later because of the transfer, so it was done in February instead of late 2008."

The conversation evolved into a discussion about another client survey, which had been conducted in the middle of a transfer when the operations are always in disarray. As a result, the responses turned out very negative.

The group agreed that it was good that they had delayed the survey until after the transfer, even if it did not seem to have helped in this case.

Elderly care manager, North: "Obviously, [the client survey] also has an action plan. Let's add [the action plans] to the files."

Regional manager B, BetaCare: "Yes, a lot of this (the plan) has already been implemented."

While Episode 4 was concerned with the definition of a satisfactory conduct inherent in the norms that the media drew on to demand accountability, the *issue formulation* process in Episode 5 focused on the visibility that Metropolis' standardised accounting report had created. Since the accounting information had been generated by an external party, it was less sensitive for the parties to discuss the problems associated with the numeric measurements in the report.

Neither member of the dyad had any exceptions to the norms that were expressed in the choice of measurements or to the idea that the residents' opinions were valuable – to the contrary, the definition of an unsatisfactory conduct expressed in the codified norms was considered extremely action-inducing. The problem from the dyad's viewpoint was that neither organisation believed that the accounting information provided an accurate image of the care provider's conduct. The argumentation was facilitated by the fact that the measurement problems were equally visible to the region, which had performed the same client survey on its internally managed nursing homes and received a negative result, as to the care provider.

The *issue formulation* process was resolved with a decision that the negative outcome of the client survey was a non-issue, since the accounting information had created a false visibility: the accounting information did not correspond to the underlying operations. Since the information was false, the

potential issue could not be action-inducing, nor was there anything to trace back to an accountable party. By classifying the potential issue as a non-issue, the dyad also strengthened the relationship between the accountant and the constituent since it was concluded that the accountant's conduct had not been unsatisfactory.

Table 5.5 Debating External Accounting Information: Client Survey

<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
Visible due to external standardised accounting information based on a codified contract norm	Not action-inducing, since the visibility was inaccurate.	Not traceable, since the visibility was inaccurate.

### 5.2.3 Episode 6. Changes in External Codified Norms: Restrictive Measures

*East and AlphaCare: June 2010 – May 2011*

*North and BetaCare: November 2010*

Apart from the creation of a completely new potential issue in Episode 3, the norms described in previous episodes were relatively stable. Episode 6, however, demonstrates one of the inherent risks of the network: its codified norms could change with neither member of the focal accountant-constituent dyad being able to do anything but react as new aspects of the care were made visible and action-inducing.

The sixth episode centres on a sudden and unexpected change in the Swedish National Board of Health and Welfare's regulations for the use of restrictive measures against senile elderly care clients. From having allowed restrictive measures under certain circumstances, the Board banned them completely. This created a dilemma for the regions and care providers: would they risk their clients' safety by ceasing all use of restrictive measures, or would they break the law? East and AlphaCare resolved the dilemma in a different way than North and BetaCare did.

The change in regulations mirrored a larger conflict between codified (the Swedish constitution) and non-codified (professional practices) norms



for elderly care. The origin of the potential issue was that the Swedish constitution (Instrument of Government, 1974:152, ch 2 § 8) stated that “everyone shall be protected in their relations with the public institutions against deprivations of personal liberty”. The one exception was if such a violation was explicitly permitted by law, such as under the Specific Provisions for the Care for Young People Act (1990:52) or the Care for Substance Abusers in Certain Cases Act (1988:870). No such legislation existed for elderly care, but since senile elderly sometimes needed restrictive measures for their own protection, the National Board of Health and Welfare had exercised its right to issue further regulations on health care (see Chapter 4) and published a guideline detailing under which circumstances restrictive measures were allowed for the clients’ own safety and which measures were allowed (SOSFS, 1992:17). The most common examples of restrictive measures in use were locked doors (primarily code locks) and alarms, bed rails, harnesses in chairs, and sedation (SOU, 2006:110).

Seven years later, in 1999, the National Board of Health and Welfare also requested that the government appoint an inquiry into how the use of restrictive measures against senile elderly could be incorporated into the legal framework (SOU, 2006:110). The inquiry was appointed in 2005 and published a Swedish Government Official Report (SOU) suggesting a legal framework for regulating the use of restrictive measures in elderly care (SOU, 2006:110). The SOU received mixed reactions from the consulted bodies, including the Swedish Agency for Public Management (Swedish: Statskontoret) and the National Pensioners’ Organisation, and no further action was taken on the issue (Swedish Dementia Centre, 2010). Instead, the Ministry of Social Affairs ordered a new report on the use of restrictive measures in elderly care in 2009 to support the development of legislation in the area (Swedish Dementia Centre, 2010).

The report was scheduled to be delivered in late 2010, but in June 2010 the National Board of Health and Welfare revoked its regulation for the use of protective coercion in elderly care (SOSFS, 2010:2). This, in effect, made it illegal to use any kind of restrictive measures without the explicit permission of the client; something that was impossible to receive from most senile elderly. The first hint of what was happening came in May 2010, when East’s MAS mentioned that the National Board of Health and Welfare was going

to revoke its regulation on alarms. This most likely meant that the nursing homes would no longer be allowed to use alarms or any similar measures, but the MAS did not know any further details.

MAS, East: "I've tried to look for information on [the Board's] website, but I haven't found anything."

Until she could locate any further information, the MAS recommended that Glade and Thicket kept using alarms but that they would remove any references to National Board of Health and Welfare's regulation in their internal documents.

By the next meeting in September, both East and AlphaCare had found out more about the Board's revocation. East's elderly care manager emphasised that if anyone would receive criticism for the use of coercive measures it would be East rather than AlphaCare: "We don't think this is as black and white as the Board says."

Elderly care manager, East: "Alarms, locks and harnesses should not replace staff. That is true of course, but you can't have people watching the clients every second."

AlphaCare's senior regional manager mentioned that AlphaCare had tried to stir up some debate about the issue since it obviously had not been thought through properly. For example, the Director General of the National Board of Health and Welfare had said that all code locks must be removed from Swedish nursing homes.

MAS, East: "Well, it's been said that code locks aren't allowed if you can't get out. However, you can use the system they have at [a local hospital]. Personally, I always find it a bit tricky to get out of there: You have to enter the code and then press a button to avoid setting off the alarm, but there is a note on the door with the code in letters and 'then press the green button'. But obviously, we can't stop [those who are really set to escape]."

Glade's senior manager mentioned that they'd had a person who escaped frequently not too long ago and had set up a system where personnel at

nearby Thicket would wait for the escapee and turn him back towards Glade. “Obviously we can’t stop anyone from escaping, but we can try to make it more difficult.”

Senior regional manager, AlphaCare: “So basically we can keep the locks, but we need to clarify how to get out?”

Elderly care manager, East: “Yes, do that. If anyone complains, you can say that you just follow the purchasers’ instructions.”

Senior regional manager, AlphaCare: “Could we get that in writing as well?”

Elderly care manager, East: “Yes, we will add it to the minutes. There has been talk that our lawyers at the municipality will discuss the issue.”

Glade’s senior manager said that she had contacted an experienced locksmith to ask about getting the locks changed at Glade, but he had said that there was no need. “He said that there had been the same issue for nurseries before, but that it had blown over for them.” Regional manager B suggested that the move might have been due to stress about the upcoming election on September 19.

Elderly care manager, East: “There were a lot (of things written) about this in the papers earlier, that you would not be allowed to lock doors. A lot of relatives were quite worried.”

MAS, East: “I think it [would be] good with a law that required a (medical) investigation before you use harnesses. But the doors are obviously not the same thing.”

Senior regional manager, AlphaCare: “Yes, it’s not like they have any idea what they’ll do once they’ve escaped.” /.../

Senior manager, Glade: “It just makes me really worried with all the cars and buses that pass by our location.”

On the November meeting, East’s elderly care manager warned that the National Board of Health and Welfare was planning an inspection in early December.

Quality inspector, East: “Do you have the (code lock) passcodes posted (at every door)?”

Regional manager B, AlphaCare: “Yes. There’s just some trouble with the night personnel removing the codes by the exit to the street. They are worried that unauthorised people will be able to get in.”

Glade’s senior manager mentioned that they had also written the codes in letters but that they would also be quite happy if they could get a plastic cover that would make it more difficult to access the elevator buttons. “It would help delay (the clients).”

Despite the precautions, the management at Thicket ended up getting criticised by the National Board of Health and Welfare and East arranged help from Metropolis’ central management to appeal the Board’s criticism. At the next meeting in May 2011, the topic was touched on briefly:

Quality inspector, East: “We’ll have to see if there’s a new set of regulations from the National Board of Health and Welfare.”

Elderly care manager, East: “Yes, we had that case (with the Board) for Thicket regarding code locks and night-time staffing, but we’ll have to see how that turns out.”<sup>22</sup>

Episode 6 demonstrates that potential network issues did not only result from negative accounting outcomes or demands for accountability, but also from changes in the network norms that prompted a pre-emptive *issue formulation*. The dyad’s accountability process filled two functions in this episode.

---

<sup>22</sup> Like East, North’s representatives discussed the changed regulations with their care providers at their November 2010 meeting, though they were less ready to assume accountability for the inevitable violation of the law. Instead, BetaCare received instructions from their own hierarchy on how to manage the structural change. (Meeting North & GammaCare, 2010).

Senior manager B, Brook: “And then of course I was chased by [a news programme on national television] for a while. They were looking for a nursing home where the manager was crying and the staff despaired. Yes, that is an actual quote. So I told them in that case they’d come to the wrong place! But of course they found a home eventually, where the manager looked worried about the whole affair.”

Creek, the other outsourced nursing home in North, resolved the dilemma in a different manner. Their MAS put together a set of guidelines which outlined how senile clients could consent to the use of restrictive measurements, for example by remaining calm despite the restrictions (Meeting North & GammaCare, 2010).

Elderly care manager, North: “Okay, so at Creek it’s the nurse who ends up [in prison]?”

First, it was used as a forum for discussing and interpreting the upcoming legal change. At this stage, the focus of the process was to understand what conduct the new norm made visible and which action it was intended to induce. Based on this, the dyad tried to develop a strategy until they knew more about the consequences of the normative change.

Once further information was revealed, it turned out that the new norm was in conflict with the norms for what the dyad considered to be good elderly care. The same norms were shared by other parties in the network, for example the relatives of the nursing home residents. This presented the dyad with a dilemma of adapting its norms for what constituted satisfactory care, and the associated operational processes, or to resist the change.

The dyad chose to resist, which reformulated the potential issue from ‘too many restrictive measures’ (the issue suggested by the codified norm) to ‘an illegitimate change in the norms’. The new potential issue was visible, due to the change in the codified norms, action-inducing, since the dyad had to avoid repercussions for not following it, and traceable to the Swedish National Board of Health and Welfare. In other words, an external potential issue had the capacity to become an issue in itself and lead to action intending to fight, or at least circumvent, the new norm.

At this stage, the dyad’s focus turned to developing strategies to avoid

Table 5.6 Changes in External Codified Norms: Restrictive Measures

<i>Potential Issue</i>	<i>Visibility</i>	<i>Capability of Inducing Action</i>	<i>Traceability</i>
<i>Phase One</i>			
<i>Restrictive Measures</i>	Visible due to changes in a codified legal norm, which created a new potential issue.	Not action-inducing since the codified norm was in conflict with professional norms.	Initially traceable to the care provider, re-traced to the region, the provider hierarchy or the clients.
<i>Phase Two</i>			
<i>Illegitimate norm</i>	Visible due to changes in a codified legal norm, which created a new potential issue.	Action-inducing based on the risk of sanctions due to a codified legal norm.	Traceable to the National Board of Health and Welfare.

sanctions. One strategy was to make the potential issue invisible, thereby turning it into a non-issue, by following the letter of the law rather than the spirit. For example, the nursing home management wrote down the passcode for code locks in letters, so that the code was technically available although most senile clients were unable to read them.

Another strategy was to change the traceability of the new potential issue, so that the accountability would be traced to a party more capable of handling it. In East, the region adopted accountability for the continued use of restrictive measures and the adoption was recorded in the meeting minutes to make it codified and visible. Other nursing homes attributed the accountability to other parties, such as the provider hierarchy or the clients themselves, who were asked to consent to the use of restrictive measures.

#### 5.2.4 Episode 7. Sudden Changes in Norms within the Network: Night Staffing

*North and BetaCare: November 2010 – February 2011*

*East and AlphaCare: May 2011*

Although Episode 6 focused on an unexpected change in the dyads' network, the care providers and regions had some time to discuss and react to the change before they risked being held accountability. In comparison, the potential issue created by the media criticism in Episode 4 arose quickly, but only influenced actors in East's geographic area. However, this episode demonstrates how a norm change in one part of a network could spread near-instantly across the network

Episode 7 revolves around a national media scandal that followed an investigative television programme that criticized a nursing home for having insufficient staffing at night. The scandal triggered demands for accountability from the Swedish National Board of Health and Welfare as well as from municipal politicians and client families. At the dyad level, however, the parties argued that the limited elderly care resources meant that any increase in night staffing would be taken from the personnel during the day. The conversation thereby morphed into a discussion about financial resources and how to use the extra funding that followed the scandal.

Non-codified norms could change literally overnight, as North discovered when there was a national media scandal related to elderly care. Local news articles and television programmes that criticised individual nursing homes were a regular occurrence, but elderly care – and in particular outsourced elderly care – was heavily debated in the national media as well. In late October 2010 an investigative television programme produced by the Swedish national public broadcaster Sveriges Television aired an episode that criticised the night staffing at a nursing home housing senile residents in another part of Sweden (Uppdrag: Granskning, 2010).

The episode showed very strong footage of confused elderly individuals wandering the halls of a nursing home at night, after only four care professionals had been placed in charge of multiple wards with a total of 83 residents. The reporter argued that this situation was not uncommon in Sweden and blamed personnel cuts coupled with an over-reliance on restrictive measures such as alarms and locked doors. The episode led to considerable debate in the Swedish media and the Swedish National Board of Health and Welfare made an unannounced inspection of a random selection of 94 nursing homes in 48 municipalities in Sweden (National Board of Health and Welfare, 2010b). Worried relatives of residents started visiting the homes at night to ensure that their relatives were not wandering around confusedly at night (Meeting North & GammaCare, 2010).

Following the programme, North's administration was questioned by the pensioner's organisations in the region and was asked to provide a report on the night staffing of all nursing homes in North to the political management. Fortunately, the elderly care manager commented, only one of the nursing homes in the region, Creek, had less than one employee per ward at night and "no-one can complain about (the care at) [Creek], so there were no objections" (Elderly Care manager, North, 2010b).

At the November meeting at Brook, everyone present had either seen the controversial TV programme or heard about it. Hence, it was a given topic of conversation.

Senior manager B, Brook: "You have to wonder what they did during the day, if people were up and moving around at night like that."

Elderly care manager, North: "Well, it's always hard for small municipalities, since they have no tax base. At least we have relatively much money."

Deputy regional manager, BetaCare: “For a dementia ward to break even, you need at least (care) level 2 among the clients.”

Elderly care manager, North: “Whenever I get the chance, I always try to point out (to Metropolis’ central management) that (regardless of the clients’ care levels) you still need staff available around the clock. And in addition, (care) level 2 is lower than what you got paid for a senile resident before the freedom of choice system.”

The other side of the issue, she continued, was that she had to reassure the care administrators who set the care level that they were doing nothing wrong by setting low levels: they had to follow the codified criteria for each level.

Brooks’ senior manager (B) objected that if the clients were well enough to be covered by the lower care levels, they would have to wait before moving into a nursing home if things were to work out financially.

Elderly care manager, North: “Either way, now [the politicians] have decided to set aside 50 million SEK to increase staffing at dementia nursing homes – both under private management and in-house.”

Deputy regional manager, BetaCare: “Well, that doesn’t sound like a lot of money.”

North’s elderly care manager said that their rough estimate suggested that the funding would amount to approximately 20 000 SEK per resident. Personally, she thought that Brook already had adequate staffing, but with their 80 residents they should get about 1 600 000 SEK to improve their staffing.

Elderly care manager, North: “And obviously there’s a lot of guess work involved in these figures, but if they use the same distribution as before it will add up to that much. But then, if I get my message through they will use the money to remove (care) level 1 and raise level 2.”

At the next meeting in February 2011, there still was no news on how the extra funds would be divided, although it was now clear that it would be 150 million SEK.

Elderly care manager, North: “In addition, the Stockholm Gerontology Research Centre has published a report on basic staffing at dementia nursing homes. (...)”



Deputy regional manager, BetaCare: “But the SGRC’s inquiry only covered staffing during the day, which surprised me. After all, it’s night staffing that was criticised. In my opinion there should be a legislated minimum staffing level (...). But that, of course, would mean that we’d have to get paid as well. I went to a seminar where they said that all residents have to be at least (care) level 2 (to break even financially).”

East and AlphaCare did not discuss the scandal to the same extent, but they were well aware of it – and of the extra money that had been allocated to increase staffing at nursing homes specialising in clients with dementia.

At the May meeting of 2011, AlphaCare’s regional manager (B) brought up the application for extra dementia funds and asked about East’s view on night staffing compared to day and evening staffing. Even if Glade’s application was successful, they would not be able to afford increasing their night staffing to one person per ward as was Metropolis’ goal. Instead, the regional manager suggested that Glade apply for money that would go towards taking clients outdoors and improving meals.

Elderly care manager, East: “Well, the night staffing could be discussed for all of East’s wards, but we find it more important to focus on daytime activities and (simply make sure) that the nights are reasonably safe. We have door and mattress alarms and (...) feel that things are working well.”

Regional manager B, AlphaCare: “Yes, personally I think it’s better to focus on daytime. But obviously, you never know...”

Quality inspector, East: “...who might be lurking in the bushes (i.e. media).”

East’s elderly care manager added that it had been explicitly said that the extra funds would not go solely to night personnel, so there should be no problem to apply for funds for daytime personnel.

This episode demonstrates how making an isolated event visible could be enough to create a new network norm, with an associated capability of inducing action, and to spread it among the constituents of a network. The new norm changed the perceived satisfactoriness of not only future conduct but also past. Consequently, a conduct that had been satisfactory only the day before suddenly was regarded as unsatisfactory.

The investigative TV programme made its potential issue visible to other constituents in the elderly care network, and their demands for accountability

triggered an *issue formulation* process within the dyad in turn. The dyad argued that the potential issue was action-inducing, but not in the manner that the TV programme had suggested. Rather, the dyad drew on additional information about the operations to argue that the action the potential issue should induce was an increase in day staffing, not night staffing. Since this was impossible without additional funding, the potential issue was traceable not to the dyad but to the political leadership that determined the level of financial resources.

The resolution was that the insufficient night staffing was a non-issue: the issue was actually the financial conditions of the elderly care sector. When the media scandal proved to result in a temporary increase of the financial resources, it followed that these resources were used to increase the day staffing instead of the expected action. The same decision was made in both provider-region dyads.

Table 5.7 Sudden Changes in Potential Issues within the Network: Night staffing

Potential Issue	Visibility	Capability of Inducing Action	Traceability
<i>Phase One</i>			
Night staffing	Visible due to a demand for accountability directed at another accountor in the elderly care network.	Action-inducing, but for a different action, based on contextual visibility.	Traceable to the care municipal hierarchy.
<i>Phase Two</i>			
Insufficient funding	Visible due to a demand for accountability directed at another accountor in the elderly care network.	Not action-inducing since no action was available to the dyad.	Traceable to the care municipal hierarchy.

### 5.3 Issue Formulation Processes

This chapter has described a series of selected episodes of *issue formulation* from the on-going accountability process within the focal dyad. Different

potential issues were repeatedly brought up for argumentation to determine whether they were visible, action-inducing, and traceable and thereby constituted an issue. The ultimate goal of *issue formulation* processes was to resolve what constituted a satisfactory conduct, meaning a conduct that both the accountant and the constituent were willing to – at least temporarily – accept.

### 5.3.1 Issue Formulations in the Dyads

Regardless of the comprehensiveness of the codified norms that existed within an accountant-constituent dyad's relationship, there were always some potential issues, which had to be resolved in an *issue formulation* process. Some were generated by ambiguity while others were brought up because one party saw the existing norms, or the current interpretation of them, as problematic.

In two out of three episodes, the initial visibility of the potential issue was created with the help of accounting information generated by the norms for a satisfactory conduct within the dyad. However, there was also other, complementary, pieces of information which could and were made visible in the parties' argumentation. In the episodes about the meal choice and the staffing level, the operating conditions of the elderly care were drawn on to question the potential issue's traceability and capability of inducing action. In the latter episode, the industry practice and the opinions of other constituents were also drawn on to change the interpretation of the potential issue.

By making visible and drawing on complementary accounting information, the parties could affect whether a potential issue was seen as action-inducing and traceable – or even visible. Had the care provider succeeded in its argumentation with regards to the staffing level, for example, the young people from TeenCare would have become classified as regular elderly care employees and would no longer be visible in the standardised information based on the codified contract norm. However, making additional areas of the elderly care operations visible required certain preconditions. The constituent had to have insight into and knowledge about the operations and the accountant-constituent dyad needed an arena where both parties were able to bring up and make visible additional information.

The start-up evaluation episode showed that it was possible for an accountant as well to make a potential issue visible. The difference was that in this case, the semi-codified norm that the care provider drew on to produce

its accounting information was of the care provider's own design. By making the deficiencies of the current operations visible, the care provider could then argue that the unsatisfactory conduct was also traceable and action-inducing. In this episode, the visibility of the potential issue as accounting information, complete with an evaluation of the operational conduct, was enough to make the region accept the potential issue – as well as the suggestion that the accountability for the issue could be traced to the region itself.

It was also possible to bring up a norm itself, or the current interpretation of it, for argumentation. Whether a norm was seen as valid in turn influenced which potential issues were seen as action-inducing and traceable, as well as to which organisation they were traced. Although a codified norm implicit in standardised accounting info was disputed in both the episodes about meal choice and the staffing level, the resolution of the two episodes was different.

In the meal choice episode, a satisfactory conduct according to the codified norm would involve operational difficulties on the part of the care provider and it was uncertain if it was even possible to create a functioning meal choice for the senile clients. Consequently, it was also not clear whether the potential issue was traceable to the care provider, since the cause of the unsatisfactory outcome might rather be the senile clients themselves. As a result, the region did not insist on making the potential issue an issue, though it was made visible once again by the next accounting inspection.

In contrast, the personnel density episode developed in a different way. In the first months of the contract, the potential issue of the staffing level associated with operational difficulties of hiring additional personnel and was therefore considered neither action-inducing nor traceable. Consequently, it was regarded as a non-issue until the care provider had been managing the nursing home for six months and the region chose to make the potential staffing issue visible. By then, the care provider had had sufficient recruitment time that a low staffing level could be argued to be action-inducing and traceable to the care provider. The initial attempts by the care provider to make the potential issue invisible again failed as a result.

The resolution was that the region succeeded in making the staffing level an issue, partially because its representatives could use the codified contract norm and the resulting accounting information to make the issue visible, action-inducing, and traceable. This enabled the region to fine the care provider

with the support of an external constituent, in the form of the justice system, and the care provider was forced to accept the staffing as an issue.

Though the start-up evaluation episode did not involve a right to fine either party, the visibility created by the care provider's accounting information served a similar function by making the region's previous conduct visible in an authoritative way. The semi-codified norm used as a basis for the accounting information was made even more action-inducing by the fact that it corresponded with the non-codified norms for what constituted a satisfactory conduct in the elderly care sector.

Finally, it is worth noticing that even if a potential issue did not end up being designated as an issue there was no guarantee that it would not be brought up for *issue formulation* again. The potential meal choice issue was temporarily abandoned and then made visible again several times over, as the codified norm behind the accounting information kept bringing the issue back up and inspiring the region to make it visible to the dyad again.

### 5.3.2 Issue Formulations in the Network

In addition to the norms within the dyad, the care provider's and region's *issue formulation* processes were also affected by the actors and norms that existed in the surrounding network. Unlike the internally raised processes, however, the visibility was not exclusively dependent on the dyad but originated in the surrounding network.

In the episode with the client survey, the visibility was created with the help of accounting information originating from the codified norm of an external party. In the renovations episode, it was created by an external demand for accountability. In the restrictive measures and night staffing episodes. Finally, it was created by the threat of future demands for accountability due to a norm-based change in the network.

Compared to when the potential issue originated within the care provider-region dyad, there was normally less opportunity to discuss a potential issue with constituents elsewhere in the network. It was also more difficult to make new information visible. The one exception was the region's contacts with local politicians regarding the night staffing, where the regions managed to avoid a demand that the extra funding would be spent exclusively on increased personnel density during the night. In the renovations and night

staffing episodes, a majority of the external constituents were seen as uninterested in making further aspects of the elderly care visible. In contrast, the case of the restrictive measures was as much a matter of the Swedish National Board of Health and Welfare being too distant to make dialogue possible.

In the absence of meaningful dialogue with the external constituents, the dyad's *issue formulation* process performed an important role in helping the parties interpret and react to the external demands for accountability. On the one hand, the dyad used the process to determine whether the potential issue was really action-inducing, such as in the renovations, restrictive measures, and night staffing episodes. On the other hand, the internal *issue formulation* process functioned as an almost therapeutic defence against the external attempts to trace the potential issue to one of the dyad's members, in the renovation and client survey episodes.

The dyad's role as an arena for interpretation was particularly important when there were on-going normative changes in the network. Here, the *issue formulation* process functioned both as a way to manage the uncertainty about what was being made visible and which action was induced, such as in the restrictive measures episode, and as a way to better handle fast and surprising changes, for example in the night staffing episode.

Finally, the two last episodes were examples of how an external constituent could try to impose a certain issue on one or both members of the dyad through the introduction of a new norm. There was no guarantee of success, however. When the Swedish National Board of Health and Welfare changed the codified legal norm concerning the use of restrictive measures, the new definition of an unsatisfactory conduct turned out to be in conflict with the professional norms of the dyad. The consequence was that the dyad resisted the new norm and tried to make the potential issue invisible and untraceable. The National Board of Health and Welfare as a constituent, not the suggested potential issue, became the issue.

In contrast, the new norm regarding night staffing did not conflict with any pre-existing norm per se, but the visibility of additional operational information within the dyad changed the parties' argumentation about the underlying issue. Accordingly, the potential issue was indeed seen as action-inducing, but as inducing a different action compared to what the constituent had intended.

### 5.3.3 Issue Formulation: Visibility, Traceability and Capability of Inducing Action

This chapter has focused on how some of the contextual complexity that surrounded elderly care was resolved through processes of *issue formulation* within the focal care provider-region dyads. As suggested in Chapter 2, the episodes described in this chapter demonstrate that *issue formulation* processes focused on determining whether a potential issue was visible, traceable and action-inducing. The goal of an *issue formulation* process was to reach a temporary and local agreement on which potential issues were actual issues that needed to be addressed, which were non-issues, and which could at least be ignored for the time being.

*Issue formulation* was only one part of accountability processes, however. The next chapter will describe a series of selected episodes that focus on the other accountability sub-process, *role attribution*. *Role attribution* processes are concerned with which prospective constituents and accountors are the most relevant at a given time. Depending on the relevant constituents and accountors, a potential issue may be considered an issue or a non-issue.

Given that *issue formulation* and *role attribution* processes are closely intertwined, the episodes in this chapter also had elements of *role attribution* in them. In the elderly care personnel episode, the care provider tried to attribute the role of significant constituent to a number of external constituents including politicians and society at large, who would perceivably support the care provider's arguments for why the potential issue was a non-issue. Another example of *role attribution* was the start-up evaluation episode, where the resolution effectively re-traced the role of accountor from the care provider to the previous management of the nursing home, in this case the region. These aspects of accountability will be explored further in the next chapter.





## 6. Episodes of Role Attribution

“Obviously, I can’t just lay down the law and say that ‘the municipal vice mayor of the elderly care division has ordered us to do things this way now’. ‘Oh really’, (the care provider) asks then, ‘where does it say that? What extra payment will we get for that?’ ” (Elderly care manager, East, 2009)

Where Chapter 5 focused on *issue formulation* processes, this chapter studies a selected series of episodes where the accountability process revolved around *role attribution*. The goal of a *role attribution* process is to reach a temporarily and spatially situated resolution on which constituent was the most relevant. Care provider-region meetings served as an arena where the parties could discuss and mitigate the dilemmas posed by conflicting norms within their dyad and its accountability network.

As argued in Chapter 2, *role attribution* processes were affected by prospective actors’ ability to influence whether they were considered a relevant constituent or accountor for a certain issue. A prospective actor is more influential if it has a high coerciveness, relational importance, or legitimacy. Coerciveness means that an actor is able to force a counterpart to take certain actions by the threat of sanctions. In contrast, an actor has relational importance if it is able to influence a counterpart based on its value as a business partner or on its connections to other actors. Finally, legitimacy implied that an actor was designated as important by the norms that existed in its environment. The studied episodes provide materials for a concluding discussion of processes of *role attribution* within the focal dyads and of how the characteristics of coerciveness, relational importance, and legitimacy influenced their resolutions.

## 6.1 Episodes of Constituent Attribution

In most cases, there was no question about which constituent or constituents were relevant to an accountant. Every now and then, however, situations arose where different prospective constituents made conflicting demands on a prospective accountant's conduct. In these cases, the accountant had to determine which of the prospective constituents was the most relevant at that particular moment. The following sections will outline accountability episodes, which were concerned with the attribution of the constituent role. Each section will describe the episode's context, how members of the dyad argued around prospective constituents, and how the episode was eventually resolved.

### 6.1.1 Episode 1. Prioritising Conflicting Constituents: Ward Size

*North, February 2009 – November 2010*

The first *role attribution* episode centred on a choice of whether the doors between wards at BetaCare's nursing home should be kept closed or open. Keeping them open meant that the wards were too large compared to best practice for dementia wards. Closing them, on the other hand, made the senile clients agitated, which caused their families to complain.

BetaCare's nursing home, Brook, was located in a large building with multiple floors. Each floor consisted of a long corridor of apartments with common eating and social areas toward each end. Halfway along the corridor was a door dividing the floor into two separate wards with their own work teams. However, the two wards shared a nurse and the care personnel often moved between them in the course of their duties, for example to fetch equipment. As a result, the door between the wards was left permanently open and served as an administrative rather than a physical divide. While the clients had their apartment and took their meals in one ward, in practice they moved freely between the two wards.

One of the issues that were brought up at the meeting in February 2009 was a recent report from one of Metropolis' central elderly services inspectors. The elderly care manager mentioned that one of the aspects that had

received criticism was that the doors between the dementia wards should be kept closed.

“It is possible to divide each floor with eight apartments on each side, but this option is not used (...)To reduce the risk that the residents will wander around aimlessly and to bring the wards down to a manageable size,<sup>23</sup> the unit should use the opportunity to divide the floor into two smaller groups.” (Inspection Report 2009, pp. 42-43).

One of BetaCare’s operations managers, B, commented that the inspector really had pinpointed every problem that the nursing home had at the time of the inspection. The nursing home would address the complaints from the inspections and the issue seemed resolved: the doors should be closed.

Two meetings later, in April, North’s purchaser asked for confirmation that Brook’s senior manager A had provided a list of the measures that had been taken to correct the complaints in the elderly services inspection report. This was confirmed, but the personnel had encountered problems when closing the doors between wards. Particularly senile clients were agitated by the change and had started to pound on the closed doors. As soon as one person reacted negatively, their anxiety spread to the rest of the clients at the ward.

Not only were the clients used to being able to move between the wards, but keeping the doors closed made the wards feel claustrophobic. The personnel on one of the floors had tried to close the door for a few hours each day and successively increase the duration, but in general, the change had been less successful.

North’s elderly care manager and purchaser agreed that the point about the ward size had been a minor complaint in the inspection report and that it seemed less important to act on:

---

<sup>23</sup> The Swedish National Board of Health and Welfare’s national guidelines for social care and healthcare of dementia (2010a) suggest that a dementia ward should preferably have between six to eight residents and no more than ten.

Elderly care manager, North: “In the end you have to adapt to what works or does not work, rather than to become too fixated on what the elderly care professionals think is best for the clients.”

Over the summer, North performed a number of announced and unannounced inspections. In the August meeting, the two inspectors participated to present their findings and the municipal home manager who had inspected Brook together with North’s MAS commented that the door between the wards had been open on all floors.

Operations manager A responded that whenever a senile resident noticed that the doors were closed, they went over to try to open them and ended up pounding and kicking at the closed doors. As a result, it was impossible to keep the doors closed.

Operations manager A, Brook: “Not too long ago, a client fell over while he was kicking at the door. We’ve discussed this problem at our meetings before.”

Elderly care manager, North: “I understand the problem, but if [there would be an inspection] this would result in a huge complaint. If you don’t close the doors, it counts as sixteen people living in each ward rather than eight or nine.”

The municipal home manager suggested that the care personnel work harder at making sure that the residents would not just move up and down the corridor, but gather in other places as well. If a client was agitated and tried to open the door, the personnel should deal with it on a case-by-case basis.

Operations manager A, Brook: “Part of the problem is that some clients have formed attachments with people on the other side.”

Every now and then, clients would form pairs or small groups who enjoyed each other companies. Obviously, this improved the clients’ daily life, but it created a dilemma when people from different sides of a door had become friends.

North’s representatives responded that the clients could still visit each other, but that they would need the assistance of care personnel. The municipal home manager also repeated that the personnel at Brook needed to review their social activities and how these affected clients’ movements.

At the next meeting, in October, the senior manager (B) at Brook asked if North had received any complaints about the closed doors. North's elderly care manager answered that they had not heard any complaints and emphasised that the doors must remain closed. The senior manager reluctantly accepted this decision, but asked whether the rule was applicable to all floors or only to floors with senile clients.

North's purchaser agreed that it was senile clients who needed a smaller group size, though she was hesitant to make that distinction. Brook's senior manager B commented with some relief that this meant they could go back to letting the doors stay open on at least two of the floors. In addition, the doors would have to be left open for fifteen minutes during the shift change reviews, so that personnel could pass between the wards.

Senior manager B, Brook: "...but we have received complaints from the families of clients and from some clients who are unhappy about the change. It would have been easier if the door had never been left open to begin with."

Elderly care manager, North: "Of course, that is always the case."

The senior manager (B) at Brook added that the managers had also had some problems convincing the personnel to keep the doors closed: "We've had to run around and close doors quite often."

The subject of the doors remained resolved for a year, until the new round of inspections in November 2010. When discussing the results, North's elderly care manager commented on the fact that the doors between wards were closed now.

Senior manager B, Brook: "Yes, but I've had to bring up with our landlord that the doors are so heavy. It's almost become a health and safety problem. You press the lock and then you have to pull the door open, which is difficult if you're holding a tray, for example."

Deputy regional manager, BetaCare: "Of course, it would be easier if they were just left open."

However, North's representatives stood by their decision to keep the door closed, regardless the personnel's complaints.

This episode demonstrates that the resolution of a *role attribution* process, like the resolution of an *issue formulation* processes, was temporarily and spatially situated. As different constituents became involved at different stages of the process, the involved actors' prospective roles were brought up for re-attribution repeatedly, and with different outcomes.

At the first stage of this episode, the focal dyad followed the decision of the central elderly services inspectors. It can even be argued that no *role attribution* process had been triggered yet, since there was no question about the respective roles of the involved parties. From the perspective of both dyad members, there was only one relevant constituent for the presented issue. For the region, the central elderly services inspectors were legitimate due to their familiarity with professional norms and ability to draw on the Swedish National Board of Health and Welfare's codified guidelines and coercive due to their hierarchical relationship with the region and the fact that the region was obligated to report its actions after the inspection. For the care provider, the region was relationally important, since BetaCare wanted to a good relationship with its closest constituent, and legitimate, since the demand drew on an existing codified norm. Consequently, the care providers were happy to adopt the region's role as accountor vis-à-vis the central inspectors.

Once the clients had voiced their opinions, the episode entered a new next stage, where the residents were the most relevant constituent for both parties. Residents were legitimate based on norms designating them the *raison d'être* of elderly care operations, whereas the central inspectors based their claim on an abstract, if codified, framework. Since their inspection had been an isolated event, they did not have any lasting relational importance or coerciveness.

The episode entered its third stage when the region's inspectors criticized the open doors. From the region's perspective, its own inspectors were relationally important, due to their common organisation, and legitimate since they argued for the clients' welfare. In addition, they borrowed the Swedish National Board of Health and Welfare's coerciveness by referring to the risk of an external inspection and associated legal sanctions. For the care pro-

vider, residents had legitimacy due to their position as the *raison d'être* of elderly care, but the region was the most relevant constituent due to its relational importance.

After this, the care provider made two failed attempts to change the resolution in favour of open doors, with reference to clients, clients' families, and nursing home staff. From the region's perspective, its own inspectors were still the most relevant constituent for this issue. The clients' legitimacy was less important than the inspector's relational importance, and their families had a low relational importance since they had not contacted the region directly. Although Swedish Work Environment Authority had a large potential coerciveness due to its capacity for legal sanctions, its coerciveness was more theoretical than the Swedish National Board of Health and Welfare's. From the care provider's perspective, even direct contacts from clients' families did not surpass the region's relational importance and the Board's potential coerciveness.

At each stage of the episode, the dyad had to make a new decision about which constituent was the most relevant. Their resolution differed depending on environmental circumstances and on the type of influence behind the prospective constituents at each stage. However, even after a final decision had been made, there was room for compromise: although the doors had to be closed the floors with senile residents, they could be open on other floors.

Table 6.1 Prioritising Conflicting Constituents: Ward Size

Accountor	Constituents	Sources of Influence		
		Legitimacy	Coerciveness	Relational Importance
<i>Phase One</i>				
Region constituents	<b>Central elderly services inspectors</b>	Professional norms, codified National Board of Health and Welfare guidelines	Hierarchical relationship	
Care provider constituents	<b>Region</b>	Professional norms, codified National Board of Health and Welfare guidelines		Important constituent

<i>Accountor</i>	<i>Constituents</i>	<i>Sources of Influence</i>		
		<i>Legitimacy</i>	<i>Coerciveness</i>	<i>Relational Importance</i>
<i>Phase Two</i>				
<i>Common constituents</i>	<b>Residents</b>	Non-codified norms		
<i>Region constituents</i>	Central elderly services inspectors	Professional norms, codified National Board of Health and Welfare guidelines	Hierarchical relationship	
<i>Phase Three</i>				
<i>Common constituents</i>	<b>Swedish National Board of Health and Welfare</b>		Codified legal norms	
	Residents	Non-codified norms		
<i>Region constituents</i>	<b>Region's inspectors</b>	Professional norms, codified National Board of Health and Welfare guidelines	Support by external constituent (the Swedish National Board of Health and Welfare)	Same hierarchy
<i>Care provider constituents</i>	<b>Region</b>			Important constituent
<i>Phase Four and Five</i>				
<i>Common constituents</i>	<b>Swedish National Board of Health and Welfare</b>		Codified legal norms	
	Residents' families	Non-codified norms		Based on interaction
	Residents	Non-codified norms		
	Swedish Work Environment Authority		Based on codified legal norms	
<i>Region constituents</i>	<b>Region's inspectors</b>	Professional norms, codified National Board of Health and Welfare guidelines	Support by external constituent (the Swedish National Board of Health and Welfare)	Same hierarchy



<i>Accountor</i>	<i>Constituents</i>	<i>Sources of Influence</i>		
		<i>Legitimacy</i>	<i>Coerciveness</i>	<i>Relational Importance</i>
<i>Care provider constituents</i>	<b>Region</b>			Important constituent
	Employees			Belong to same hierarchy

Note: The most relevant actor during each phase is marked in bold.

### 6.1.2 Episode 2. Attributing the Constituent Role: Premise Manager

*East, May 2010 – September 2010*

Episode 1 centred on the prioritisation of various external constituents, but an accountor-constituent dyad could also attribute the role of constituent between themselves to gain an advantage in relation to external prospective accountors. Episode 2 revolves around the recurring conflicts between AlphaCare and MetroHousing, a real estate company that was renovating Thicket's premises for East.<sup>24</sup> Since AlphaCare was not a direct customer of MetroHousing, the nursing home manager had difficulties making demands from the organisation.

While Thicket's premises were being renovated (see Chapter 5, Episode 4), AlphaCare kept East updated on its progression and the problems they encountered due to having MetroHousing's renovation crew in the building. At the May meeting of 2010, the elderly care manager at East asked how the renovations were going and operations manager A at Thicket responded that things were "quite messy". The builders showed little consideration to the residents and barely seemed to realise that the nursing home was open as usual. Among other things, they broke up concrete during lunch hours, left supposedly locked doors open so that anyone could walk into the building and turned off the water and electricity with no warning.

<sup>24</sup> MetroHousing was the real estate company that owned and managed most of the nursing home premises in Metropolis.

Thicket's management was having weekly meetings with the builders and had brought up the problems, but they had persisted so far.

Operations manager A, Thicket: "Another problem is the new carpeting. It is extremely slippery and you can't walk on it while wearing high heels. [One of the managers] has already broken her arm, which is why she's not here today. Several other people have slipped and fallen over. Fortunately, no residents or visiting family members have had an accident yet."

Elderly care manager, East: "Have you brought this up with MetroHousing and that [MetroHousing representative] person?"

Operations manager A, Thicket: "We had a meeting last week and we'll have a safety inspection later."

MetroHousing claimed that the renovations would be done by late June, but for the moment, most of the questions AlphaCare received from clients and their families were related to the renovation.

Elderly care manager, East: "Is this something you would like us to get involved in?"

Quality inspector, East: "It's dangerous! If the personnel are having accidents, how will the residents manage (not to hurt themselves)?"

Elderly care manager, East: "When's the safety inspection?"

Operations manager A, Thicket: "May 10th."

Elderly care manager, East: "We'll make sure to contact MetroHousing before then."<sup>25</sup>

Operations manager A added that they were also having "the usual" problem with MetroHousing never finishing things on time. One resident was ready for release from the hospital, but her room was not ready to move into yet.

In September, a new problem had arisen. The garbage chutes in Thicket's building were malfunctioning, with the result that all garbage had to be removed by hand by the personnel.

---

<sup>25</sup> BetaCare also had difficulties with MetroHousing, and North's elderly care manager (Meeting North & BetaCare, 2009c) asked them that "when you raise an issue with MetroHousing, send a copy (of your e-mail) to me and the senior manager at MetroHousing so that they know I'm informed."

Operations manager B, Thicket: “At the moment, we’re using garbage bags and trolleys that we take down to the basement on the elevator. The containers down there are locked, however, so we can’t access them. In addition, there is garbage trapped in the garbage chutes all the way up to the fourth floor and it is starting to rot.”

East’s elderly care manager asked how the problems started. Operations manager B explained that the vacuum waste system in one of the chutes had broken down, which had led MetroHousing to turn it off in all chutes. “Whenever I show myself in the corridors, people ask when the garbage removal will start working again.”

Elderly care manager, East: “The garbage collection is working badly as well. I’ll talk to [MetroHousing’s project manager]; not that it’s helped much in the past.”

The renovations were also causing controversies:

Elderly care manager, East: “I had a meeting with MetroHousing earlier today on the renovation of Thicket. [This renovation] has been too long and messy. There’s a resident (at Thicket) who has demanded compensation (for the inconveniences during the renovation). [MetroHousing] said that they would consider [the request] and return with an answer.”

East’s MAS asked if this would mean that all residents would be eligible for a rent reduction if MetroHousing agreed to the request. This was why MetroHousing wanted time to think about their answer, the elderly care manager guessed.

Operations manager B, Thicket: “We talked to [East’s placement coordinator] and she said that a lot of people who come [to Thicket] to look at the premises think they look too worn. As a result, they’re not interested in joining the queue (for a room at the nursing home). Those who move in anyway, do so because they have no other options. MetroHousing has been here and looked at the rooms, but they don’t want to do anything about how they look.”

As the meeting started to wrap up, East’s elderly care manager asked if there were any more issues related to the premises. Thicket’s operations manager

(B) reported that the renovation was almost done, apart from some final issues regarding the locks:

“...I try to keep an eye on [MetroHousing]. I don’t trust them.”

While Episode 2 focused on *role attribution* among external constituents, this episode showed a situation where one member of a dyad had a stronger position against a common accountor and therefore could take on the role of constituent against that party. In this case, the region had a stronger position vis-à-vis MetroHousing since it was the proprietor’s contractual counterpart and therefore had more relational importance. In addition, the municipality was a major client of MetroHousing, which gave the region additional relational importance.

In comparison, the care provider had little relational importance and no coerciveness at all, since it was not party to the lease and had no influence over the contract. As a result, the care provider could gain relational importance in its relationship with MetroHousing by engaging in *role attribution* with East. On the region’s part, it had an incentive to help because of the care provider’s relational importance due to performing services for which the region was also accountable.

Table 6.2 Attributing the Constituent Role: Premise Manager

Accountor	Constituents	Sources of Influence		
		Legitimacy	Coerciveness	Relational Importance
<i>MetroHousing</i>	Care provider			Direct counterpart
	<b>Region</b>		Codified contract norm	Support by external constituent (Metropolis)

Note: The most relevant actor is marked in bold.

## 6.2 Episodes of Accountor Attribution

The previous section dealt with the attribution of the role of constituent, but one finding from this study was that the role of accountor could also be attributed. The role could be attributed between members of an accountor-constituent dyad, or it could be attributed to an actor outside the dyad. In an accountor attribution, the *role attribution* process was not focused on which actor to listen to, but rather on who was ultimately accountable for a particular conduct.

### 6.2.1 Episode 3. Attributing the Constituent Role – and the Accountor Role: New Security System

*North, November 2008 – February 2010*

If Episode 2 focused on attributing a constituent role to gain influence, this episode shows how a prospective accountor may also try to pass its accountor role on to another actor. Episode 3 describes the introduction of a new electronic ID system for care documentation in Metropolis. The e-IDs were not covered by the contract, which triggered a discussion about who was to pay for them. The care provider was legally and contractually obligated to document its care, but argued that the region should pay any additional costs associated with changing systems.

In 2008, during the tendering process for Brook, Metropolis' central management decided to introduce a new security system for documentation. All documentation was stored on Metropolis' servers, so private care providers had to connect to the municipality's internal network to perform their daily documentation. Previously, providers rented computers with a physical link to Metropolis' intranet, but with the new system personnel could log into the documentation software using a personal e-ID card plugged into the provider's own computers.

Since the tender call and contract both described the old security system, North added the system change to a supplementary contract, which also covered receptionist services and a few other administrative matters. At the first formal meeting between BetaCare and North in November 2008, BetaCare's deputy sector manager asked how the transition to a new system was to be

financed. The atmosphere was still tense after discussing the start-up evaluation (see Chapter 5, Episode 3) and the answer from North's elderly care manager was curt:

Elderly care manager, North: "Obviously it is the care provider who pays for the transition. The cost will be 400 SEK per ID."

Deputy sector manager, BetaCare: "Since there was no mention of this system in the tender call, I certainly don't agree that it's obvious we should pay for the new system."

At this point, North's purchaser stepped in and tried to soften the tone by explaining that there was more information available on Metropolis' website. The deputy sector manager said that BetaCare had received conflicting information about the e-IDs from different region administrations in Metropolis. She would prefer if there were a simple step-by-step description of how to acquire an e-ID that all regions could communicate to their external providers. The deputy sector manager also repeated that she did not find it obvious that BetaCare should pay for the e-ID system.

Deputy sector manager, BetaCare: "I definitely think we will be able to solve this issue, but it's a shame that it seems impossible to receive better information about the new system."

Regional manager A, BetaCare: "If you remove this issue from the supplementary contract, we could sign the rest of the contract."

The e-IDs were not brought up at the following meeting, but in February, North's elderly care manager raised "that long-standing issue, with which we are all familiar".

Regional manager A, BetaCare: "I have heard from people who have changed to the e-IDs that there has been a lot of trouble associated with the new system. The personnel at Creek (another outsourced nursing home in North), for example, are not happy with it. We would like to make an overview of the other nursing homes' experience with the e-IDs before we proceed to introduce them at Brook."

Brook's senior manager A added that other nursing homes had encounter difficulties with making personnel register for access since most nursing home employees were computer novices. The regional manager (A) added that it had been difficult to secure the assistance of banks, which issued the e-IDs, as well. It was decided that the issue would be postponed until next meeting and that North and BetaCare would sign a supplementary contract that did not include the security system.

At the March meeting, North's representatives asked for a final answer on whether BetaCare would join the new system or not and BetaCare's regional manager A turned them down. North's elderly care manager added that the municipality had just started procuring a new provider of IT services and that perhaps the new provider would make it easier to introduce the e-ID system.

Elderly care manager, North: "We can postpone the issue until then."

Purchaser, North: "Yes, there is nothing preventing us from adding the e-IDs to the supplementary contract at a later point."

In August, Metropolis' IT services procurement was finished and North's elderly care manager asked if BetaCare would like to join the e-ID system at the same time as municipal nursing homes.

Elderly care manager, North: "...if you were to implement it now, you would be able to use your own computers for the documentation. Otherwise, you will have to continue using our computers."

North's purchaser clarified that BetaCare would be forced to implement the new system regardless if they continued to rent computers from Metropolis or not. She added that she had tried to convince Metropolis' central management of helping private care providers to arrange e-IDs for their staff, especially since Brook had a large number of personnel who would need IDs. BetaCare's representatives promised to consider the e-IDs, but did not commit to anything.

For the October meeting, North's elderly care manager invited a municipal IT technician to explain why Metropolis was changing their security system. The technician started by explaining that Metropolis's central IT

department did not want private care providers to have free access to Metropolis' intranet, nor pay for their IT support.

IT technician, North: "...and that is why the issue has been solved by introducing these hardware e-IDs. The IDs can be acquired free of charge from LargeBank."

Elderly care manager, North: "Wait, free of charge? That's not what we heard."

IT technician, North: "Yes, free of charge. That information is available on LargeBank's website."

Elderly care manager, North: "The e-IDs have been something of a standing issue here, you see."

North's purchaser added that Metropolis was currently making sure that the e-ID system was included in their next tender call, so that there would be no confusion about what system to use. BetaCare's regional manager B was quick to point out that the e-IDs had not been included in their tender call, however.

Regional manager B, BetaCare: "Besides... Logging in to document the care is hardly one of the top ten most prioritised duties among the personnel."

Elderly care manager, North: "No, that is not exactly what they have been trained for."

The technician admitted that there had been some difficulties arranging for e-IDs. He knew of a person who had been forced to visit the bank three times:

IT technician, North: "First they went [to the bank office] and asked for an e-ID, but were told that 'we've stopped supplying those'. So I called the bank and they promised to improve things. The same person went there a second time and was met by another employee, who said the same thing again. I called a second time and they promised to inform the entire staff..."

BetaCare's regional manager B replied that BetaCare would need a detailed description of how they were supposed to acquire the e-IDs and what the



personnel should say at the bank office. North's purchaser added that Metropolis must ensure that Brook would not run into the difficulties other nursing homes had and the IT technician agreed. In his opinion, it was the responsibility of Metropolis' central management to arrange for LargeBank to make it easy to acquire e-IDs.

Wrapping up, BetaCare's regional manager B commented that the main point was that the documentation worked well, for the sake of their clients, but North's purchaser had a more specific viewpoint:

Purchaser, North: "Metropolis should *arrange for it* to work!" /.../

Regional manager B, BetaCare: "So the central management has not looked into how the change has worked out in practice?"

Purchaser, North: "No, this is not the slightest bit grounded in the organisation."

IT technician, North: "It's like it usually plays out: the central management decides that 'this is how things should be done' without making sure that it actually works in practice."

At the next meeting in December, North's IT manager was present and opened the meeting by stating that the outsourcing contract would start running in two weeks and all orders for new computers must be placed by then.

IT manager, North: "[Metropolis' central management] did not consider external providers at all during the IT procurement, so that issue had to be raised by the regions."

A solution was under development, however, and as far as the IT manager knew, providers could continue renting North's computers or use their own computers. Either way, they would need to change to the e-ID system.

Regional manager B, BetaCare: "Then there is the issue that an e-ID costs 300 SEK."

IT manager, North: "You receive it for free if you order it from LargeBank."

Regional manager B, BetaCare: "We've discussed with OtherBank about getting our e-IDs from them, because with OtherBank Senior Manager A can order e-IDs for everyone from her computer rather than having to send each individual member of the personnel to the bank office."

North's IT manager replied that Metropolis' central management had promised to make sure that LargeBank arranged for providers to acquire e-IDs in an easier way, for example by sending a bank clerk to the nursing homes.

BetaCare's regional manager B protested that another Metropolis region had promised that unless LargeBank simplified the process of acquiring an e-ID, the region would reimburse its private providers the cost of acquiring IDs from OtherBank instead. 300 SEK per employee was a large cost, she argued, especially since it would be a reoccurring cost for every new employee.

Purchaser, North: "I told the municipality's central IT department in September that if they just solved the distribution issue, all external providers would join the new system without any issues. But they couldn't understand why the acquisition would be such a big problem."

The IT manager repeated that he needed to know whether to order new computers for BetaCare within the next two weeks, and BetaCare's regional manager B responded that they would rather use their own computers and in-house IT support.

Purchaser, North: "It seems easier for us to grasp IT than it is for them to understand elderly care. Just take the fact that it has to work smoothly twenty-four/seven, and that things can develop into a disaster really quickly if something does not work properly."

Regional manager B, BetaCare: "And how serious the effects are if something does happen."

Purchaser, North: "When I spoke to the (central) IT manager, he said that 'if the providers are giving you this much trouble, why don't you just terminate the contracts?' And that was when I realized that we live on completely different planets."

(laughter)

The next meeting was held in February 2010 and Brook's senior manager A reported that they still had no solution for how to acquire their e-IDs.

Purchaser, North: "I've pushed for help from Metropolis' central IT department (...) for a year now, but they just don't get what the problem is."

North's elderly care manager added that BetaCare most likely would have to contact LargeBank directly, since Metropolis' central management refused to arrange anything.

Regional manager A, BetaCare: "But if the new system would be associated with additional costs, we want a guarantee that you will bear that cost."

Elderly care manager, North: "We can't promise to bear the cost until we know what kind of costs we are talking about."

Regional manager A, BetaCare: "Well, we don't want to do that either!"

Elderly care manager, North: "You will have to see how large the costs are and apply for compensation after the fact."

Regional manager A, BetaCare: "It's about time by then!"

North's elderly care manager was willing to promise that since some regions apparently had promised to reimburse the cost of the new system, there would be a discussion among the regions about what to do.

Regional manager A, BetaCare: "I want it included in the minutes that we will not have to pay [the cost of the new system]."

Elderly care manager, North: "We will note down that you don't want to pay, and bring the issue with us."

Unlike previous *role attribution* episodes, this accountability process involves the attribution of both constituent and accountor roles. Concerning the constituent role, the original demand that care providers change security systems came from Metropolis's central management, although North was given the task of enforcing it. The longer the episode continued, the more the region distanced itself from the issue by emphasising shared professional values and the fact that introducing e-IDs was a central decision in order to attribute the role of constituent (and any associated ill will) to Metropolis's central management.

However, the region still saw its care provider as the relevant accountor for the issue. The region had both the coerciveness and legitimacy to make the care provider document its care, and it was trying to extend that influence to cover the introduction of e-IDs as well.

From the care provider's perspective, the lacked coerciveness to enforce an accountor role since the e-IDs were not part of their codified contract

norm. Metropolis's central management, for its part, had no influence over BetaCare at all since it lacked any legitimacy, coerciveness or relational importance to the care provider. As a result, the care provider argued that the region was the only relevant accountor for the issue, since it was the only party accountable to the municipal central management. The region did not have enough relational importance for the care provider to be willing to adopt the region's accountorship as its own. Consequently, the care provider refused to make the change unless someone else accepted accountability for the cost.

Neither actor had enough coerciveness, relational importance or legitimacy to force the other actor to accept its *role attribution*. As a result, the *role attribution* process ended up at an impasse and the resolution kept being postponed.

As the process progressed and turned more antagonistic, BetaCare's relational importance made the region's position very difficult. The region tried to minimise the antagonism between the care provider-region dyad's members by attributing the role of constituent for the issue to Metropolis's central management rather than North itself. That way, North could continue to try to force BetaCare to accept accountorship for the issue while also maintaining a relatively good relationship by not taking on the role of constituent itself.

Both actors also drew on alternative norms in attempts to resolve the process. The region argued that all outsourcing contracts written after the procurement of Brook stated that any documentation should be signed with e-IDs, and this condition should rightly include BetaCare as well. In other words, the region had legitimacy as constituent even if it may not be coercive. The care provider, on its part, argued that other regions had agreed to pay for their care providers' e-IDs if LargeBank could not arrange them in a convenient manner. In other words, there was a non-codified norm in the form of previous practice that made the region accountor for the issue.

This impasse continued until Metropolis closed down the old security system and thereby changed the issue as well. Since the e-IDs were now necessary to document care, the issue of using an outdated security system transformed into an issue of not documenting at all. This was an issue where the region had coerciveness based on its codified contract norm. In addition, the

Table 6.3 Attributing the Accountor Role: New Security System

Perspective	Accountor	Argued Sources of Constituent Influence		
		Legitimacy	Coerciveness	Relational Importance
<i>Phase One</i>				
Region's perspective	<b>Care provider</b>		Accountable to the <b>region</b> based on codified contract norms	Accountable to the <b>region</b> as an important constituent
Care provider's perspective	<b>Region</b>		Accountable to the <b>municipal hierarchy</b> based on hierarchical relationship	
	Care provider			Accountable to the region as an important constituent
<i>Phase Two</i>				
Region's perspective	<b>Care provider</b>	Accountable to the <b>region</b> based on non-codified regional practice		
Care provider's perspective	<b>Region</b>	Accountable to the <b>municipal hierarchy</b> based on non-codified regional practice		
<i>Phase Three</i>				
Region's perspective	<b>Care provider</b>	Accountable to the <b>legislation</b> based on codified legal norms	Accountable to the <b>region</b> based on codified contract norms	
Care provider's perspective	<b>Care provider</b>	Accountable to the <b>legislation</b> based on codified legal norms	Accountable to the <b>region</b> based on codified contract norms	

<i>Perspective</i>	<i>Accountor</i>	<i>Argued Sources of Constituent Influence</i>		
		<i>Legitimacy</i>	<i>Coerciveness</i>	<i>Relational Importance</i>
	Region		Accountable to the municipal hierarchy based on hierarchical relationship	

Note: The most relevant actors during each phase are marked in bold.

care provider was legally obliged to document its care under the Health and Medical Service Act and Social Services Act. Accordingly, the care provider was coerced into an accountor role and forced to finance the e-IDs.

#### 6.2.2 Episode 4. Sharing the Accountor Role: Occupancy Rates

*East, June 2009, May 2010*

*North, April 2009*

Just as Episode 2 dealt with constituent role attribution to help the other member of a care provider-region dyad and Episode 3 demonstrated how an actor could attribute the role of constituent to another prospective constituent to maintain a good relationship, this episode demonstrates that accountor attribution can also be used to strengthen a dyad relationship.

Episode 4 focuses on how one of the care provider-region dyads discussed the number of unoccupied beds at the nursing home. Discussions centred on how the care provider could increase its occupancy rate through emergency placements, advertisement and short-term placements.

Throughout the study, some topics were routinely brought up for discussion. At AlphaCare's and East's meetings, one such example was the number of unoccupied beds, which was a standing point of discussion. One example was at the June 2009 meeting:

Elderly care manager, East: "And then there are the short-term placements... How many occupied beds do you have there?"

The reason she brought up the subject, it turned out, was that East wanted to establish a permanent emergency placement, which the region would pay

for whether it was occupied or not in return for being able to place residents there at a short notice. The idea was that people caring for an elderly family member would be able to call the nursing home directly and arrange a temporary stay for their relative when they needed a few days of relief, rather than having to go through a care administrator.

Moving on, East's elderly care manager mentioned that she had talked to other elderly care managers in the municipality and there seemed to be a decrease in nursing home queues all over Metropolis. AlphaCare's regional manager A agreed that the senile care homes were the only ones who still had a queue.

MAS, East: "We have a lot of senile care beds (in East), so maybe that's why (we have a high proportion of occupied beds)."

East's MAS asked how many short-term placement beds that were occupied, and it turned out that only one of the beds was in use.

Elderly care manager, East: "Perhaps we could advertise the unoccupied beds?"

Senior manager, Glade: (jokingly) "Stay with us instead of with the geriatrics (clinic)!"

Operations manager C, Thicket: "Unfortunately, it is not us (at the nursing home level) who manage the money (for advertisements)."

East's MAS suggested that the region could place people who needed dementia care in a short-term placement bed while they were waiting for a permanent placement at a nursing home (see Chapter 4 for information on the queue system), but the Elderly care manager explained that this was no longer allowed under Metropolis' central policies.

Elderly care manager, East: "At the moment you can only give them a temporary room in another nursing home until they're able to move into their first hand choice."

Operations manager C, Thicket: "Why can't they be given a short-term placement instead? Now they arrive (to their temporary room) without any furniture or anything. After all, the short-term placement rooms are already furnished."

Elderly care manager, East: "It's a crass economic issue: the short-term placements are simply more expensive (than the long-term placements). But we could do more advertising...."

Regional manager A, AlphaCare: “What it’s like outside of Metropolis? Closepolis needs more beds.”

The topic was brought up again at a meeting in May 2010, when East’s elderly care manager commented that the number of occupied beds seemed to have gone up.

Senior manager, Glade: “...all the [short-term placements] are occupied”

MAS, East: “In that case we’ll keep (the emergency placements) going, because obviously it’d be best to have all the short-term placements occupied. Looking further ahead, the municipality will consider the short-term placements and decide what to do.”

Some regions were removing the short-term placements completely, she mentioned, which could lead to an influx of residents in need of short-term placements for North.

Regional manager A, AlphaCare: “How is it, by the way – is the demand for elderly care decreasing? We can see that in other regions...”

MAS, East: “Well yes, it’s decreasing. But on the other hand it’s not decreasing as much as we had expected.”

Senior manager, Glade: “We had an open house at the day care section for the care administrators, which worked really well. We seem to have gotten a few more placements after that.”<sup>26</sup>

Like the constituent attribution in Episode 2, this episode shows how members of a dyad could choose to involve themselves in their counterpart’s accountability to bring the other party closer and increase their own relational importance.

---

<sup>26</sup> These discussions can be contrasted with conversations between North and BetaCare, which focused on how North could close down municipal nursing homes and transfer clients to Brook and other privately managed nursing homes (2009c):

Elderly care manager, North: “We’re going to convert one of the wards at Stream (one of the municipal nursing homes in North) to a dementia ward and move the dementia ward residents at Rivulet (another municipal nursing homes) there. If it turns out that we keep getting less dementia clients (in the region) we’d like to change some of Brook’s beds into dementia beds so we can close more wards at the municipal homes.



Despite the fact that a region was not accountable for private nursing homes' occupancy, nor directly influenced by them, it could involve itself with the issue and share the care provider's accountability at least symbolically. This did not change the region's relationship with its care provider's own constituent, the provider hierarchy, but it did influence the relationship and relational importance between the region and care provider.

Table 6.4 Sharing the Accountor Role: Occupancy Rates

Perspective	Accountors	Sources of Constituent Influence		
		Legitimacy	Coerciveness	Relational Importance
Care provider's perspective	Care provider		Accountable to the <b>provider hierarchy</b> based on hierarchical relationship	
Region's perspective	<b>Care provider</b>		Accountable to the <b>provider hierarchy</b> based on hierarchical relationship	
	<b>Region</b>			Accountable to the <b>care provider</b> as an important constituent

Note: The most relevant actors are marked in bold.

### 6.2.3 Episode 5. Displacing the Accountor Role: Personnel Training

North, August 2009 – October 2009  
East, September 2010

Episodes 3 and 4 both touched on *role attribution* processes where the purpose of a process was not to influence an actor's conduct, but rather to strengthen the relationship between members of a care provider-region dyad. This epi-

sode will show how *role attribution* could also be used to attribute accountability for an unsatisfactory conduct outside a dyad to protect the relationship between its members.

Episode 5 revolves around how the conduct of operational personnel care personnel was discussed at care provider-region meetings and how accountability was attributed between the care provider, as responsible manager, and personnel, as responsible for their own conduct.

Since nurses and nursing assistants provided the operational personnel care at nursing homes, their actions and attitudes were often the focus of supervision. Over the summer of 2009, North performed a few announced and unannounced inspections. The most urgent complaints were e-mailed to regional manager A and the two inspectors participated in the August meeting to present their findings. That way, the result of the inspection would be entered into the minutes.

During their first visit, the inspectors had encountered some nurses who did not know about the work routines and who had not received any work introduction.

MAS, North: "For example, they thought that you did not have any buffer stock of medicine."

Senior manager A, Brook: "But we do!"

MAS, North: "I know you do."

Operations manager A, Brook: "We have had two people on sick leave and two employment terminations during the summer. (...) It's been difficult to find substitutes as well; we've had to use two different (temping) companies."

Brook's operations manager A said that the nursing home was planning to hire a new nurse who would focus on quality development.

At a later point in the meeting, North's purchaser said that it also can be good to give the personnel a checklist during their work introduction so that they can see for themselves what they should know.

Senior manager A, Brook: "Usually we cover a lot of things, but later when you ask them about it they still don't know what it is."

Elderly care manager, North: "Yes, we recognise that very well."

Municipal home manager, North: "There are good materials available, but you have to make sure that they read it too."

In addition to the work routines, the inspections had cast doubt on whether the residents were given the opportunity to shower each day, as the outsourcing contract stipulated (Contract with BetaCare, 2008). “When we asked the staff how often the residents shower, they said once per week.” (MAS, North) Brook’s senior manager A responded that there were several residents who showered every day and operations manager A added that many of the residents only wanted to shower weekly. After all, she argued, that’s what they were used to from their youth.

Purchaser, North: “(The problem is, of course, that) this kind of [employee] doesn’t persist and keep asking.”

MAS, North: “Otherwise, people would be saying ‘We offer every day, but many (residents) aren’t interested’. If it was natural to ask every day, the staff would have said that.”

Purchaser, North: “There is a bit of resistance among many care employees to showering the residents every [day], but really - it's easier to shower someone than to [wash them] sitting on a chair.”

North’s elderly care manager argued that in this case the message that the residents should have a right to shower every day had clearly been lost.

MAS, North: “Obviously we know that there are certain issues that you always have to work on. We did not feel like there was a care (quality) crisis. (...) Now, we sound negative when we talk about it, but we’re not. These are just the things we saw.”

Brook’s operations manager A concluded that “It’s tough that it isn’t enough to train the staff (to make them follow instructions)”.

On the next meeting, in October, Brook’s senior manager B emphasised that “obviously everyone should have a right to shower whenever they want”.

Senior manager A, Brook: “...but it’s probably also to do with language problems and the best way to phrase a question.”

Purchaser, North: “Yes, it may well happen that if [the personnel] feel uncertain, they’ll say no rather than risk having to answer any supplementary questions.”

Senior manager A, Brook: “It can make you so frustrated! We once had a planning day (to inform the staff) about the *lex Maria* legislation and the next day, the National Board of Health and Welfare made an inspection and no one [admitted to knowing] anything about [*lex Maria*].

Purchaser, North: “I wish you could explain to them, obviously without being intimidating, that it actually has an impact what they respond.”

Senior manager A, Brook: “Yes, you’d think they could say 'Well, I’m not entirely sure but I think it’s like this' rather than no.”

East’s quality inspectors also made inspections during the summer. They presented their opinions on the first meeting of the autumn, in September, 2010. One complaint they had was that they had encountered a member of the personnel who was carrying medicines that had not been signed for.

Senior manager, Glade: “Yes, we discussed that on the Monday meeting this week. It was a member of the staff who had two bags (of medicine) at once and kept one in his pocket and signed for both afterwards. He probably knew, at least in theory, that it was wrong.”

MAS, East: “And then I showed up...” (laughs)

In a similar vein to the region’s constituent attribution in Episode 3, this episode demonstrated how a care provider could “reattribute” the role of accountant for an unsatisfactory conduct on the part of operational personnel to those individual members of the personnel. This way, accountability for the issue was removed from the members of the dyad and the relationship care provider-region relationship was left undamaged.

The initial attribution of roles was that the care provider, as accountant, was accountable to the region, as constituent. When the region brought up these issues, it had legitimacy, based on professional norms for good elderly care and the care provider’s own codified norms, as well as coercion, based on codified legislative norms and the Swedish National Board of Health and Welfare’s codified norms regarding, for instance, proper medicine management.

The operational care personnel, in their turn, were accountants to the care provider, which had legitimacy on the same grounds as the region, coupled with hierarchical coercion supported by its internal codified norms. There

was, however, no direct accountability relationship between the care personnel and the region.

When an issue was brought up in a meeting, however, the care provider argued that the role of accountor ought to be reattributed to the personnel. The implicit argument was that if a care provider had done its best to train its personnel, the accountability for a failure to learn – or for being hesitant to answer an inspector’s question – could not be traced to the care provider but rather to the personnel. Hence, any attempt to coerce the care provider into accepting the accountor role would be illegitimate. In addition, the resolution meant that the care provider was not seen as an unsatisfactory relationship partner and the relationship of the focal dyad remained undamaged by the display of unsatisfactory conduct.

This type of *role attribution* argumentation was possible due to the visibility of contextual information, in the form of the regions’ own experience of employee training, as well as to the relational importance of the care provider compared to the personnel in relation to the region. Another constituent may have been less likely to accept the reattribution.

Table 6.5 Displacing the Accountor Role: Personnel Training

Constituent	Accountor	Argued Sources of Constituent Influence		
		Legitimacy	Coerciveness	Relational Importance
<i>Phase One</i>				
Region	<b>Care provider</b>	Accountable to the <b>region</b> based on non-codified professional norms and codified organisational norms	Accountable to the <b>region</b> based on codified legislative and other norms	
Care provider	<b>Personnel</b>	Accountable to the <b>care provider</b> based on non-codified professional norms and codified organisational norms	Accountable to the <b>care provider</b> based on hierarchical relationship and codified organisational norms	

Constituent	Accountor	Argued Sources of Constituent Influence		
		Legitimacy	Coerciveness	Relational Importance
<i>Phase Two</i>				
Region's perspective	<b>Personnel</b>	Accountable to the <b>care provider</b> based on non-codified professional norms and codified organisational norms	Accountable to the <b>care provider</b> based on hierarchical relationship and codified organisational norms	
Care provider's perspective	<b>Personnel</b>	Accountable to the <b>care provider</b> based on non-codified professional norms and codified organisational norms	Accountable to the <b>care provider</b> based on hierarchical relationship and codified organisational norms	

Note: The most relevant actors during each phase are marked in bold.

## 6.3 Role Attribution Processes

This chapter has described a series of selected episodes of *role attribution* from the on-going accountability process within the focal dyad. Different prospective actors were repeatedly brought up for argumentation to determine their coerciveness, relational importance and legitimacy and thereby decide if they were the most relevant constituent or accountor. The ultimate goal of *role attribution* processes was to resolve who was accountable to whom for a certain issue.

### 6.3.1 Attribution of the Constituent Role

Regardless of the comprehensiveness of the codified norms that existed within an accountor-constituent dyad's relationship, there were always role complexities, which had to be resolved in a *role attribution* process. Some were generated by ambiguity while others were brought up because one or both parties saw existing norms, or the current interpretation of them, as problematic.

*Role attribution* processes centred on the constituent role was triggered by conflicting demands from more than one constituent or by a need to determine who would play the role of constituent towards an external accountant. In other words, *role attribution* processes were not just concerned with prioritising different constituents, as in the ward size episode, but also with determining how members of an accountant-constituent dyad would relate strategically to an external constituent.

Based on the studied episodes, an actor's legitimacy depended on its ability to draw on primarily non-codified norm. In the ward size episode, the central elderly services inspectors were legitimate due to their professional influence and knowledge. For example, the parties spoke with respect about the inspectors' competence.

In contrast, the primary way to gain legitimacy as an accountant was to speak for the residents and to be seen as representing their interests. Throughout the ward size episode, the elderly services inspectors, the region's inspectors, the residents' families and the residents themselves all claimed to speak for the elderly residents. For obvious reasons, however, it was hard to gain more legitimacy than the residents themselves once they expressed a clear demand, even if it was just by showing agitation over a closed door. This legitimacy was the reason why they were initially considered a more relevant constituent than the central elderly services inspectors.

In comparison, an actor's coerciveness was primarily based on its access to codified norms. The municipal central office, in the form of the central elderly services inspectors, had a coercive influence based on its hierarchical influence and on the associated codified norms. Part of the elderly services inspectors' initial coerciveness was the region's obligation to report on its improvements after the inspectors' visit. The central office's hierarchical coerciveness proved no match for the Swedish National Board of Health and Welfare's, and to some extent the Swedish Work Environment Authority's, coerciveness based on the ability to impose fines and other legal sanctions.

Relational importance, finally, was based on relations and mutual interdependencies within the network. In the case of the region's inspectors in the ward size episode, their relational importance was based on organisational affiliation and an organisation's loyalty to its employees. Even more interest-

ing from an inter-organisational perspective, an actor gained relational importance by being a central constituent, as the region was in both episodes, or by being important for a constituent's operations, as the care provider was in the premise manager episode.

Based on the latter two types of relational importance, an actor could convince its dyad partner to accept the actors' constituent or accountor as its own. Consequently, there was also a final source of relational importance: the ability to draw on other constituents within the network. The residents' families theoretically possessed this ability in the ward size episode, and it was the source of the care provider's relational importance in the premise manager episode.

Of the three sources of influence, relational importance and coerciveness appeared to be the strongest. The ward size episode was resolved based on relational importance and coerciveness in combination, though the legitimacy of the residents was the most influential up to the point when the region's inspectors took a stand for closed doors. In contrast, the premise manager episode was determined entirely by relational importance and did not even contain any other sources of influence.

However, it is worth noticing that all three characteristics; legitimacy, coerciveness, and relational importance, were temporarily and spatially situated. On the one hand, they were affected by how interested and engaged the constituent was. In the ward size episode, the central elderly services inspectors lost their influence as soon as they were no longer involved in the overseeing the operations. Similarly, the Swedish Work Environment Authority was less coercive and influential than the Swedish National Board of Health and Welfare, because they were less likely to express an opinion on the episode.

Another aspect affecting the influence of constituents was which other actors were involved in the process. The central elderly services inspectors were only influential until the residents expressed an opinion, whereas the residents were less influential than the region's own inspectors. Consequently, any resolution of a *role attribution* process was temporary as well and the process could start over if circumstances changed, for example if another constituent became involved. The advantage of having a good relationship between an accountor and constituent, however, was that the dyad could



arrive at a compromise in the ward size episode by letting the doors remain open between wards without any senile residents.

Finally, it is worth noticing that it was not only constituents that were influential, but accountors too. While they may not have had any coerciveness in their roles as accountors, they could have relational importance due to the constituent being dependent on them to perform its operations. Accordingly, it could be in a constituent's best interests to adapt to the needs of its accountor.

### 6.3.2 Attribution of the Accountor Role

*Role attribution* processes that focused on attribution of the accountor role were triggered when the parties of the dyad brought up the existing roles to discussion. The parties discussed who would take on the role of accountor towards an external constituent, they involved themselves in each other's role as accountor, and they could re-attribute the role of accountor from a member of the dyad to an actor outside of the dyad.

In other words, the attribution of the accountor role was either a conflict about who of the dyad's members that was accountable for a certain issue or a re-attribution of accountability away from the dyad's members to strengthen the relationship between them. The latter can be compared to the ward size episode, where the care provider took part of the region's accountability towards the central elderly services inspectors.

Relational importance, based on relations and mutual interdependencies, was the most important source of influence in these episodes. Like in the attribution of the role of constituent, an actor could gain relational importance by being a central constituent, as the region was in all three episodes. Of particular interest is the importance for the constituent to uphold a good relationship with its accountor, including that the region distanced itself from the unpopular demand that the care provider would introduce the new security system.

As mentioned above, an actor's legitimacy depended primarily on its ability to draw on non-codified norms. In the security system episode, both the region and the care provider drew on non-codified norm to increase their legitimacy. The region argued that they were speaking for the residents when

they were emphasising the importance of good documentation as an argument for why the region should supply them with computers. Both parties also drew on the practice of other regions to argue for why the other party should finance the new security system. The region invoked the current praxis; that the use of the security system had been included in the contract and that all new care providers were accountable for using it despite the cost. The care provider, on the other hand, argued that other regions had agreed to finance the change of security system, meaning that the region was accountable for financing it.

The coerciveness of the actors, finally, was the most interesting in the security system episode. The episode involved a collision between the care provider's accountability to its central office, based on coercion from a combination of hierarchy and codified budget norms, and between the region's accountability to the municipal central office, based on the same type of coerciveness. As a result, both parties refused to budge until enough time passed that the old security system was deactivated. At that point, the region became able to coerce the care provider into changing to the new e-ID system based on the threat of legal sanctions if the care provider did not document its care.

The combination of hierarchical coercion with codified norms, in particularly budget-related ones, seemed to be extraordinarily effective, in particular when compared to how easily the care provider agreed to adopt the region's accountability in the ward size episode. Regardless of the coerciveness of the central provider office's budget, however, it paled in comparison to the coercive influence of threat of legal action that finally resolved the security system episode.

The personnel conduct episode also contained an element of coerciveness of the region towards the care provider based on codified norms, and of the care provider towards its personnel based on hierarchical coercion, but the resolution of the *role attribution* processes was determined by the relational importance in both the personnel conduct and nursing home occupancy episodes.

In comparison to the attribution of the role of constituent, which was mainly concerned with creating a basis for decisions about the parties' future

conduct, the accountor attribution process was just as concerned with determining accountability for past conduct.

However, like a constituent attribution process, the resolution of an accountor attribution process was temporally and spatially situated. The most obvious example was the security system episode, which could only be resolved after enough time had passed that the issue shifted from being an issue of which security system to use to an issue of whether the care provider was documenting its care. The security system also showed that an accounting process could remain indefinitely unresolved if neither party had enough influence to resolve it.

Finally, it is possible to speculate that the care provider's prioritisation of the region over the care provider's personnel might have been different under different circumstances, such as during a discussion with the personnel. Consequently, that resolution had a clear spatial and contextual situatedness.

Like in the two constituent attribution episodes, both the constituent and the accountor had mutual influence on each other. Consequently, it is in the constituent's interest not only to share the accountor's accountability to some extent, but also to re-attribute the role of constituent to another actor in the network during the security system episode.

### 6.3.3 Role Attribution: Legitimacy, Coerciveness and Relational Importance

This chapter has described how some of the contextual complexity that surrounded elderly care was resolved through processes of *role attribution* within the focal care provider-region dyads. As suggested in Chapter 2, the accountability episodes of this chapter demonstrate that *role attribution* processes focused on determining whether prospective constituents and accountors were legitimate, coercive, and action-inducing. The goal of a *role attribution* process was to reach a spatially and temporally situated resolution on which prospective constituents and accountors were the most relevant, and which could be given a lower priority for the moment.

*Role attribution* was only part of an accountability process, however. Chapter 7 will go deeper into how *issue formulation* and *role attribution* sub-processes co-exist and interact in the course of an accountability process. In particular, the chapter will analyse how accountability processes are triggered, argued,

and resolved. During each phase, *issue formulation* sub-processes influenced which constituents and accountors were seen as most relevant and *role attribution* sub-processes influenced which potential issues were considered issues.

As the episodes in Chapter 5 had elements of *role attribution* in them, the episodes described in this chapter contained elements of *issue formulation*. In the personnel conduct episode, the change in *issue formulation* from insufficient personnel training to personnel who do not learn from the education made it possible to re-attribute the accountability for the unsatisfactory conduct from the care provider to the personnel. Another example was the security system episode, where a change in *issue formulation*, from which security system to use to whether or not to document the care, was the factor that enabled the region to coerce its care provider into accepting accountor-ship for introducing the new system. This type of interplay between *issue formulation* and *role attribution* processes will be analysed further in the next chapter.

## 7. Accountability as Intertwined Processes of Issue Formulation and Role Attribution

The previous three chapters described processes of *issue formulation* and *role attribution* and how these were used to address complexities stemming from the multiple actors and accounting in the accountability network for elderly care. It is now time to return to the research question stated in the first chapter: *How are accountability processes carried out in an inter-organisational accountant-constituent dyad?*

To answer this question, we draw on the conceptual framework introduced in Chapter 2, which describes accountability as a process that draws on codified and non-codified norms existing in and around an organisation. These norms are expressed through accounting practices, whereby a prospective accountant provides more or less standardised descriptions that allow a prospective constituent to act on the accountant.

Accountability processes are made more complex by existing within a network of multiple direct and indirect accountability relationships between prospective accountants and constituents following different norms of conduct. Consequently, accountability processes can be analysed as two intertwined sub-processes: *issue formulation* and *role attribution*. *Issue formulation* processes are concerned with determining whether an accountant's conduct constitutes an issue, for which it is worth demanding or offering accountability. *Role attribution* processes focus on attributing the roles of accountant and constituent among prospective actors. As demonstrated in Chapter 5 and 6, *issue formulation* processes are influenced by a potential issue's visibility, traceability, and capability of inducing action while *role attribution* processes

are influenced by prospective actors' legitimacy, coerciveness, and relational importance.

Previous chapters have discussed the sub-processes of *issue formulation* and *role attribution* separately. In contrast, this chapter will draw them together and analyse how they interact throughout an accountability process. For this purpose, accountability processes will be divided into three phases: trigger, argumentation, and resolution.<sup>27</sup> All three phases can be reiterated throughout an accountability process, however, and will shift in length and focus between individual processes.

An accountability process is initiated by a trigger. This trigger can be a disagreement or uncertainty about what constitutes a satisfactory conduct, who are the relevant accountors and constituents, or both. Once a process has been triggered, an argumentation phase begins. During the argumentation, the participants of an accountability process raise and weigh arguments for and against potential issues and prospective roles in an attempt to convince or force the other participant or participants to accept their preferred resolution. The argumentation continues until the participants reach a – temporary and spatially situated – resolution is the form of an agreement about a certain outcome of the *issue formulation* and *role attribution* processes or in the form of an explicit or implicit decision to discontinue the accountability process. A resolution can either be agreed on mutually by the members of an accountability relationship or as a result of one member forcing the other to accept a resolution. Because of the situated nature of any accountability resolution, however, a process can always be resumed at a later time, which starts a new argumentation phase (see Munro, 1993; Ahrens, 1996; Czarniawska-Joerges, 1996; Ahrens & Chapman, 2002).

Both *issue formulation* processes and *role attribution* processes have frequently been taken for granted, or 'black-boxed', in previous accountability literature. Potential issues have been described as pre-existing within the accounting information and codified norms of an accountor-constituent relationship. As a result, accountability processes have been portrayed as mainly

---

<sup>27</sup> The division of accountability processes into three stages draws inspiration from Bovens (2005). Bovens describes accountability processes as a sequence of information about an accountor's conduct, interrogation by the constituent, or accountability forum as he terms it, and judgment of the accountor's conduct by the constituent.

concerned with a choice of whether or not to draw on and how to interpret accounting information and its underlying norms. Similarly, the roles of constituents and in particular accountors have been regarded as given by existing relationships of influence and hierarchy. Consequently, accountability processes are a matter of prioritising rival prospective constituents.

In contrast to this relatively unproblematic view of issue formulation and role attribution, this chapter will show that a potential issue does not always exist before it is brought up in an accountability process. Nor are the roles of accountor and constituent always predetermined within an accountability relationship, with the consequence that actors can move from a role as accountor to a role as constituent and back within the same accountability relationship or in the course of an accountability process. Drawing on the accountability episodes presented in Chapter 5 and 6, the three parts of this section will focus on the trigger, argumentation and resolution of accountability processes respectively and how they are influenced by the visibility, traceability and capability of inducing action of potential issues and the legitimacy, coerciveness and relational importance of prospective actors.

## 7.1 Accountability Triggers

An accountability trigger is the event that prompts the beginning of an accountability process. Accountability processes were triggered when there was uncertainty or a disagreement about the prospective roles and potential issues of an accountor-constituent dyad. For example, a prospective constituent could trigger an accountability process by drawing on, typically standardised, accounting information to make a potential issue visible, as the region did in the meal choice, staffing level, and client survey episodes. In these episodes, accounting was used as a tool to make a prospective accountor's conduct visible and thereby possible to judge as unsatisfactory (Munro, 1993; Boland & Schultze, 1996; Willmott, 1996; Quattrone, 2004). In contrast, the ward size and security system episodes were examples of accountability processes where an actor drew on the coercive influence granted by a codified norm to attribute the role of constituent and accountor to itself and to other actors.

It is important to note that this did not mean that all codified norms were ever necessarily drawn on. As Ahrens & Chapman (2002) points out, the

existence of a set of norms is no guarantee that they will be used in the accountability process. For example, North chose not to draw on the contractual norm related to the staffing level for the first six months of its relationship with BetaCare. It was only when the contract was eventually drawn on through the region's request for staffing information that it sparked an accountability process.

The episodes described so far were all triggered by drawing on pre-existing norms and pieces of accounting information. The literature review in Chapter 2 raised the topic of whether it was possible to introduce new issues that had not been defined a priori by norms in the accounting relationship. One way in which this happened in the empirical episodes was that a potential issue was triggered by a demand for accountability from a prospective constituent in the surrounding network. External prospective constituents did not always base their influence on codified norms, and therefore did not have a set of predefined potential issues. Nor were they necessarily regarded as prospective constituents until they drew on their influence as relationally important due to their relationships with other constituents to make themselves influential as prospective constituents. Hence, triggers were related both to *issue formulation* – the visibility of an issue – and to *role attribution* – the relational importance of a prospective constituent.

Two examples of triggers in the form of demands for accountability from the focal dyads' accountability network were the media criticism of renovations and night staffing. In both cases, the demands were based on ad hoc information, such as an investigative TV programme or a substitute employee contacting the media. Like in the episodes based on existing accounting information, a particular conduct was made visible as a potential issue. What differs from those episodes was that the visibility was based on ad hoc information, such as complaints and media reports, which have been overlooked by much of the previous accounting literature due to its focus on intra-organisational and standardised accounting.

Another similarity between all of the above episodes was that they were triggered by a prospective constituent. However, the empirical data show that prospective accountors could also trigger accountability processes – something that has not been explored in previous research. In the start-up evaluation episode, the care provider drew on its own internal accounting



information to make the current quality of operations visible and to allocate the role of prospective accountant to the municipal region. In doing so, the provider utilised the persuasiveness of accounting information discussed by Boland & Schultze (1996) and Kirk & Mouritsen (1996) to trigger an accountability process, even though the report did not lend the provider any legally coercive influence.

Another example of how prospective accountants could introduce their own triggers is care providers' information about positive care events such as movie nights or photo exhibitions, as described in section 4.2.1 (p. 108). Although Kirk & Mouritsen (1996) mentions the allocation of credits for positive events, previous literature on accountability has been exclusively concerned with accountability for negative conducts. This concern is in its turn a reflection of accounting's focus on making negative outcomes visible. In contrast, this study highlights the ongoing efforts by prospective accountants to make satisfactory conducts visible and thereby assign themselves the role of accountant for these positive potential issues.

The start-up evaluation and positive care events are both examples of how accountability process were triggered not just to discuss an unsatisfactory conduct, but also to question the current prospective roles and potential issues. Another alternative was that the members of a focal dyad triggered a *role attribution* to rearrange the attribution of roles between them to their own advantage. In the interaction with the premise manager, the *role attribution* was concerned with drawing on one actor's superior coerciveness whereas the episode with the number of occupied beds was intended to increase the relational importance between the parties.

The latter two episodes were also examples of how an accountability process could take place without the participation of both an accountant and a constituent, as suggested in Chapter 2. Another way in which this could play out was that accountability processes could be triggered in anticipation of being held accountable. In this aspect, the study further develops Roberts & Scapens (1985) discussion about how an accountability process could offer a safe context for its members to discuss and interpret "the concerns and intentions" of a distant constituent (p. 451), but in a network setting. In a network, demands for accountability had the potential to spread quickly between prospective constituents so that each constituent added its influence

to the demand for accountability, thereby increasing the initial prospective constituent's relational importance. Consequently, a change in an external norm could be a trigger in itself.

In the restrictive measures episode, no operations had yet been made visible to the Swedish National Board of Health and Welfare. However, the change in the agency's codified norms made new potential issues action-inducing and traceable, which was enough to trigger a proactive *issue formulation* process to determine whether there was a risk of being held accountable in the future. Similarly, the potential issues of the renovations and night staffing episodes had also been discussed within a region-care provider dyad before they became subject to an actual demand for accountability from a prospective constituent.

## 7.2 Accountability Argumentation

Once an accountability process had been triggered, members of the process entered into an argumentation phase. The focus of an argumentation was to raise and examine arguments for and against possible resolutions by considering potential issues' and prospective actors' characteristics. Although an actor could argue predominantly about issues or roles, most arguments contained elements of both *issue formulation* and *role attribution*. It should be noted however, that argumentation needed an arena in which to take place. Such arenas were provided by accounting in the form of supervision meetings and informal contacts, which offered a forum for two-way dialogue between accountors and constituents. Only in such a non-standardised form of accountability could complementary aspects of operations and accountor conducts to be made visible, as suggested by Roberts & Scapen (1985).

Previous literature has primarily focused on *role attribution* as a choice between available prospective constituents, but this study shows that *role attribution* processes also concerned the role of accountor. In particular, prospective accountors tried to negotiate or coerce other actors into adopting their own accountor role as a way of avoiding accountability for an unsatisfactory conduct. In the security system episode, a region was arguing that the accountor role for implementing the system should pass to its care provider, whereas in the personnel training episode, a care provider re-attributed

the accountability for its personnel's unsatisfactory conduct to the personnel themselves. Although previous researchers (Munro, 1993; Kreiner, 1996; Ahrens & Chapman, 2002; Messner, 2009) have discussed strategies to avoid an accountor role, the possibility of re-allocating the role to another actor in the network only becomes clear once a network perspective is taken.

Also in relation to the constituent role, argumentation extended beyond that of a prospective constituent trying to promote itself as the most relevant one to a prospective accountor. This study elaborates on Frimanson's (2007) finding that actors engaged in *role attribution* on other actors' behalf to strengthen their own arguments – thereby using their accountability network as a resource and not just a source of complexity. In particular, actors within an elderly care network were trying to attribute the role of most relevant constituent to the elderly care clients in such a way that the clients' ostensive definition of a satisfactory conduct was aligned with their own. Because of clients' high legitimacy, this added to an actor's own relational importance and, by extension, legitimacy. This kind of argumentation happened in the ward size, renovations, and restrictive measures episodes.

Chapter 2 specifically brought up the question of whether an actor could change its role from accountor to constituent or vice versa within an existing accountability relationship. The start-up evaluation episode stands out in this regard, since it involved a transfer of accountability, and thereby the accountor role, for an unsatisfactory state of operations from a prospective accountor to a prospective constituent so that the actor that normally held the constituent role became the accountor. Although the reversal of roles was partially enabled by the fact that it took place between two organisations, it was more closely related to the interdependence between the prospective constituent's former conduct and the prospective accountor's current conduct than to the fact that the two actors did not have a hierarchical relationship.

Both the roles of accountor and constituent were allocated and re-allocated over the course of an accountability process and depending on the context of the process. Although both Carnaghan, Gibbins, & Ikaheimo (1996) and Brettell Grip (2009, pp. 10-11, 117, 191 & 202) mention the shifting influence of prospective constituents over time, it has not been demonstrated this explicitly before. The most extreme example was the changes in

roles during the ward size episode, where the role of most relevant constituent shifted back and forth several times and between multiple actors, though the security system episode also contained abrupt shifts in roles.

These shifts in role were associated either with the introduction of a new prospective constituent for a potential issue or with a change in influence by an already present one. Of the three sources of influence discussed in this thesis' accountability framework, coerciveness in particular was strongly associated with codified norms and the production of standardised accounting information as a basis for sanctions, as described by Boland & Schultze (1996) and Kirk & Mouritsen (1996). However, while these authors both discussed hierarchical accountability relationships, inter-organisational coerciveness by necessity had to be supported by legal norms. This increased prospective constituents' dependency on accounting information to make a particular conduct visible in a seemingly objective way and thereby enable sanctions such as litigation and penalties. The effect was demonstrated by the contract termination process described in section 4.1.3 (pp. 103-103) and by the staffing level, ward size, and security system episodes.

The connection between coerciveness and accounting information to make potential issues visible meant that an actor's coerciveness could be limited by the selective visibility created by written accounting information (see Power, 1991; Munro, 1993; Boland & Schultze, 1996; Lindholm, 2003). This increased the importance of relational importance in making actors influential (Roberts & Scapens, 1985; Ahrens & Chapman, 2002), particularly between actors in a network. For example, relational importance played an important part in the restrictive measures and premise manager episodes and for example the news media drew their main influence from their importance to prospective accountants' hierarchical superiors in the renovations and night staffing episodes.

The third source of influence was legitimacy, which was also associated with norms albeit not necessarily codified ones. Although actors were quick to draw on the legitimacy of elderly care clients, it was mainly used as a complement together with coerciveness or relational importance. For example, arguments were more convincing if they were compatible with a counterpart's norms. The start-up evaluation was helped by its connection to professional norms within the dyad, whereas the changed regulations on

restrictive measures were actively opposed because they were in conflict with the same norms.

Because accounting information made actors coercive and could help make a claim seem more legitimate, a common focus of accountability argumentation was to engage in *issue formulation* by drawing on operational information to question a potential issue that had been suggested by accounting information. This is in line with previous findings on how operational information was drawn on to argue against a potential issue (Roberts & Scapens, 1985; Kirk & Mouritsen, 1996; Ahrens & Chapman, 2002). However, by connecting *issue formulation* to visibility, traceability, and capability of inducing action, this study's conceptual framework helps specify further how this type of argumentation can be carried out.

The operational information could be used to question the quality of the visibility that had been created by accounting information. In the client survey episode, the argumentation focused on whether the accounting information was reliable enough to make the potential issue action-inducing and to give a legitimate representation of the underlying prospective constituent. Here, operational information provided during meetings allowed accountors to argue that accounting methods, and thereby the resulting visibility, were incomplete (Roberts & Scapens, 1985; Kirk & Mouritsen, 1996; Ahrens & Chapman, 2002).

Another approach was to argue for a different view of what should be considered action-inducing and traceable. In the meal choice episode, the argumentation revolved around the operational feasibility of taking action. In contrast, the prospective accountors in the renovations, abolishment of restrictive measures and increased night staffing episodes were arguing that the potential issues made visible by the accounting were insignificant in comparison to other, more action-inducing ones.

As described by Munro (1993) and Ahrens & Chapman (2002), it was also possible to engage in *issue formulation* by drawing on alternative norms within a relationship, such as budget constraints in the night staffing episode and the importance of residents' safety in the restrictive measures episode. This study shows, however, that an argumentation could also draw on best

practice in other parts of the network or on the influence of alternative prospective constituents such as politicians and society, all of which were demonstrated in the staffing level episode.

### 7.3 Accountability Resolutions

The argumentation phase continued until an accountant-constituent dyad succeeded in reaching a mutually accepted – if not agreed – resolution of their accountability process. This resolution could be a decision on whether a potential issue was an issue and who were the relevant accountors and constituents or it could be a tacit agreement to abandon a process without having made a final decision on potential issues and prospective roles. That a resolution was reached also did not mean that the members of an accountability relationship were equally satisfied with the resolution, as shown in the staffing level and security system episodes. They did however need to be willing to at least accept a resolution, if only temporarily. In some episodes, this meant that a resolution was reached quickly, whereas in others it took up to a year of recurring argumentation back and forth before a resolution was arrived at.

Discussing the way that accountability processes were resolved brings attention to two factors: the codified norms of an accountability relationship and the relationship between the members of that same relationship. The codified norms were expressed in numeric accounting information, which provided an authoritative and seemingly neutral way of making potential issues visible and traceable while also providing actors with a basis for coerciveness (Munro, 1993; Boland & Schultze, 1996; Lindholm, 2003). In the staffing level and ward size episodes, quantifiable accounting information made it possible to threaten legal action and thereby force a resolution, whereas the authoritative visibility and traceability of accounting information alone was enough to bring about a resolution to the start-up evaluation episode.

In other cases, members of an accountant-constituent dyad drew on mutual relational importance and common norms to argue that an existing norm was not applicable to a particular situation, as described by for example Ahrens (1996), Kirk & Mourisen (1996), and Ahrens & Chapman (2002).

Unlike the situations described by for instance Ahrens (1996) and Ahrens & Chapman (2002), this was not merely a down-prioritisation of a potential issue. Rather, a potential issue could be deemed as not action-inducing and thereby be resolved as a non-issue, meaning that it was completely disregarded. This happened in client survey, night staffing, and renovation episodes.

Another situation that has not been explored by previous accountability literature is that a prospective constituent was sometimes unable to enforce accountability for a potential issue, despite the support of a codified norm. In the meal choice episode, there was enough doubt about the feasibility of acting on the potential issue that the prospective accountant managed to avoid being cast in the role of accountant. This demonstrates that a prospective constituent's influence could be more uncertain than is often assumed, especially when an accountability relationship is inter-organisational.

A third possible outcome, which was not predicted by previous literature, was that an accountability process was resolved by transforming a potential issue into another issue. In the night staffing episode, alternative norms were drawn on to turn the potential issue into one of insufficient funding. In the renovations and restrictive measures episodes, conversely, the visibility of a potential issue to external prospective constituents or the external prospective constituent itself were seen as the 'actual' issue, respectively.

This reinterpretation filled an important function to members of an accountant-constituent dyad. By resolving that an external potential issue was not action-inducing, the members could maintain the perception of their own or their partner's prior conduct as satisfactory. The re-allocation of the accountant role from a care provider to its employees in the personnel conduct episode served a similar function. Other accountability processes were triggered and resolved specifically to find a mutually advantageous solution to dilemmas that affected one or both members of an accountant-constituent relationship. This included the episodes involving the interaction with the premise manager and the number of occupied beds.

The one episode where legitimacy played a decisive role for the resolution of an accountability process was the restrictive measures episode. Despite the coerciveness of the Swedish National Board of Health and Welfare, its framing of restrictive measures as a potential issue was resisted by both

accountor-constituent dyads in favour of the interests of their more legitimate but less coercive clients. This was the one accountability process where the coerciveness of a prospective constituent proved irrelevant, perhaps because the possible consequences in terms of loss of life were also the highest.

It is interesting to note that several of the analysed accountability processes contained a mixture of *issue formulation* and *role attribution*. In the security system episode, the coerciveness of the prospective constituent was entirely dependent on what was seen as the potential issue to be resolved. While the potential issue was related to which security system the care provider used, the region could only rely on its relational importance to convince its counterpart to change systems. Once the old system was shut down, the potential issue shifted to concern whether the care provider was documenting at all; an area where the region was coercive. Similarly, the episode on restrictive measures started with *issue formulation* around a new potential issue, but developed to be entirely determined by the outcome of a *role attribution* process. Whether the residents or the Swedish National Board of Health and Welfare was seen as the most relevant constituent, decided whether the use of restrictive measures were seen as action-inducing, and thereby an issue, or not.

The restrictive measures episode is also an example of how accountability processes, which have mainly been seen as a division of blame, were integral in determining future action and which actor would be accountable for it. The meal choice, staffing level, restrictive measures, night staffing, ward size, and security system episodes all focused as much on determining an accountor's future conduct as on evaluating its past actions. The interaction with the premise manager stands out especially in this context, since that episode was concerned solely with attributing the role of constituent vis-à-vis an external prospective accountor and thereby influencing this actor's future conduct. Even when an accountability process focused on allocating blame, such as in the start-up evaluation, there was usually an action to be taken, although it might simply be for a constituent to take into consideration a low starting quality of a nursing home's operations in future evaluations.



## 7.4 Issue Formulation and Role Attribution in Different Phases of an Accountability Process

Describing accountability processes as a sequence of triggers, argumentations, and resolutions showcases that the *issue formulation* and *role attribution* elements of an accountability process varied across its different phases.

Although the accountability process of a particular accountant-constituent could be triggered by an external demand for accountability, other types of accountability processes typically started with a potential issue. Once the issue had been brought up, members of an accountant-constituent dyad could move on to discuss who were the relevant accountant and constituent for it or they could focus on the *issue formulation* aspect of accountability. However, even processes that mainly centred on *role attribution*, such as the premise manager and occupancy rate episodes, were triggered by the visibility of ongoing cooperation or occupancy problems respectively. Triggers related to an external demand for accountability, such as in the ward size, security system, and renovations episodes, also started with a potential issue, although that issue was initially only visible to the prospective constituent that triggered the process.

It follows that some manner of visibility of either the prospective accountant's conduct or a conduct like it – as in the media scandal around the night staffing – was necessary for a trigger. This also explains why accountant-triggered accountability processes, such as the positive care events (section 4.2.1, p. 108) or the start-up evaluation episode, focused on making a particular conduct visible. Even in the restrictive measures episode, where no demand for accountability had yet been made, the trigger was related to a potential for future visibility of the potential issue. In comparison, the ward size episode did not involve any uncertainty – and thereby warrant a process – until multiple prospective constituents became involved in the episode, but the *role attribution* process was intertwined with an *issue formulation* process. Depending on which constituent was considered most relevant, there would be or not be an issue. Accordingly, *issue formulation* sub-processes, and in particular visibility, seem to play a more central role in the triggering phases of accountability processes than *role attribution* does.

In contrast, Chapters 5 and 6 provide a few examples of episodes where all argumentation revolved around *issue formulation*, such as the staffing level and client survey episodes, or *role attribution*, such as the premise manager and personnel training episodes, respectively. However, a majority of the episodes' argumentation phases contained elements of both *issue formulation* and *role attribution* and the sub-processes seem to be about equally central. Hence, it is difficult to argue that either sub-process was more prominent in the argumentation phases, the way *issue formulation* was more important to trigger accountability processes.

The resolution phases, finally, also displayed a mixture of *issue formulation* and *role attribution* elements. Several resolutions centred on the relational importance and coerciveness of involved actors. One actor could have the coerciveness to enforce a particular interpretation of an issue or a role, such as in the staffing level and security system episodes, or the relational importance to convince its counterpart, such as in the personnel training and premise manager episodes. Other resolutions focused on whether the potential issue was an issue or not, such as in the start-up evaluation and client survey episodes. The most interesting resolutions contained elements of both sub-processes, however. The night staffing, renovation and restrictive measures episodes were resolved by formulating a new issue, which in turn gave an external actor the constituent role. Despite the fact that some episodes were resolved based on *issue formulation* alone, resolutions phases did seem to have a stronger element of *role attribution* than *issue formulation*, just like trigger phases had a stronger element of *issue formulation*.

Just as a connection between triggers and *issue formulation* makes an intuitive sense, given the connection between accountability and being "observable-and-reportable" (Willmott, 1996, p. 27), the connection between resolutions and actor influence can be traced to the fact that accountability processes are associated with uncertainty or disagreement. In a situation without a clear answer, processes are likely to be resolved on the strength of one actor's influence.

The uncertainty that surrounds any accountability resolution is emphasised by the reiterative nature of trigger, argumentation, and resolution phases. As argued by Czarniawska-Joerges (1996), local resolutions are by necessity a fragile and temporary achievement. An accountability process that

had seemingly been resolved could become visible again and trigger another accountability process, as happened in the meal choice episode. In other episodes, it was the characteristics and involvement of various prospective constituents that changed over time. The ward size episode was seemingly resolved at several points, only to be activated again after a new prospective constituent became involved. In a similar vein, the security system episode was repeatedly dropped and resumed until contextual circumstances changed in such a way as to make the prospective constituent coercive.

Finally, a small group of episodes were resolved simply by both members of an accountability dyad abandoning the process. The meal choice and, for over a year, security system episodes were both examples of this. A process was restarted repeatedly as the associated potential issue was made visible, and equally repeatedly dropped since neither party was able or willing to make its counterpart accept a more final attempt at resolution.



## 8. Accountability Processes in Networks

Chapter 7 described how accountability processes were carried out in an inter-organisational accountant-constituent dyad. This chapter will widen the view to deal with how such a dyad interacts, as a single unit and as individual organisations, with its immediate context and with the surrounding accountability network. By doing this, this chapter fulfils the second aim of this thesis: to analyse how accountability processes are influenced by the presence of an accountability network and the associated complexity of roles and issues.

In particular, this chapter will analyse how an accountability network was both a source of complexity and a source of influence for individual actors and how local accountability processes were influenced by and used to address network complexity. A third point of interest is how actors tried to influence the context of a local accountability relationship.

The chapter starts by returning to the complex accountability context described in Chapter 4. Based on this context, it describes how the presence of a accountability network constituted a source of complexity for individual accountant-constituent dyads within that network. The next part continues by discussing ways in which an accountant-constituent dyad could function as a tool to mitigate network complexity and how an accountability network could be a resource in the accountability processes of a dyad. The final section will deal with how members of an accountant-constituent dyad made efforts to shape the context of future accountability processes in the dyad. These efforts involved both the creation of new norms and the curation of relational importance between members of a dyad.

## 8.1 Sources of Network Complexity

Chapter 4 outlined an empirical context that consisted of a complex accountability network with multiple actors aspiring to a role as constituent, each demanding multiple forms of accounting based on different norms for what constituted a satisfactory conduct. The norms of and demands for accountability from different prospective constituents in the network sometimes aligned to add urgency to a certain potential issue and sometimes diverged so that an accounting had to weigh different prospective constituents against each other.

Researchers such as Messner (2009) have mainly studied network complexity in terms of a large number of accountability relationships, whereas this study expands on this perspective by showing the additional effects of network interconnectedness and accountor-constituent interdependencies. As described in Chapter 2, actors within an accountability network were connected to every other actor in the network through direct or indirect accountability relationships. This meant that a change in one accountor-constituent relationship had the potential to spread through the network to affect other accountor-constituent relationships with no direct ties to the first.

Given that network complexity has its origin in the presence of multiple accountability relationships with multiple prospective accountors and constituents, the next section discusses complexity related to multiple actors. The section after that discusses complexity related to multiple and parallel forms of accounting.

### 8.1.1 Actor Complexity

As described in Chapter 4, the introduction of a ‘market’ for elderly care provided a powerful mandate for various prospective constituents to hold elderly care providers and regions accountable for any perceived unsatisfactory conduct in delivering care. A large number of prospective constituents is a factor that has been held up in previous literature as a source of complexity when the entire accountability network around a focal accountor-constituent dyad is taken into account (e.g. Kreiner, 1996; Messner, 2009). Another aspect that stands out in this study as almost as important, however, is the

distance between the studied focal accountant-constituent dyads and many of their prospective constituents within the network.

This distance was physical, in terms of a lack of narrative accounting and direct interaction, but just as often cognitive. As apparent in the elderly care professionals' discussions of the media and clients' families – or, for that matter, of Metropolis's central management – there was a sense that the focal accountant-constituent dyads and many of their prospective constituents lived “on different planets” as North's purchaser phrased in the security system episode. This resulted in the same sense of exposure as described by Sinclair (1995) and Messner (2009), but with the added lack of understanding described by Roberts & Scapens (1985)

One aspect of this exposure was that the members of the dyad saw themselves as existing at a constant disadvantage, where they were held accountable for any failure to accommodate an external prospective constituent, be it their clients' families or a state agency. The other side of the dilemma was that accountant-constituent distances meant that external demands could be based on norms that were widely different from an accountant-constituent dyad's own (Ahrens, 1996; Laughlin, 1996). As a result, members of local dyads found themselves torn between their own, internal norms for what constituted a satisfactory conduct and an external demand for accountability that followed a norm that had no correspondence to, or even contradicted, their internal norms. Examples ranged from being expected to deliver the same extent and quality of service as a personal assistant but with a far smaller budget, to dealing with the Swedish National Board of Health and Welfare's ban against restrictive measures.

Other studies have discussed the tension between codified, financial norms and professional ones (e.g. Lindholm, 2003; Kraus & Lindholm, 2010), but the dilemmas brought up in the study went beyond the type of normative dichotomy that has been discussed in previous literature. Rather than a choice between cost and quality, prospective accountants were faced with contradictory views on what constituted good quality, or in the terms of this study, a satisfactory conduct, for example in the ward size episode.

Within the boundaries of the studied care provider-region dyads, a prospective accountant could initiate an accountability process to renegotiate a potential issue or even bring up potential issues of its own, but that was not

an option with most prospective constituents in the network. Instead, local dyads had to act through other, more influential actors by for example letting the municipal hierarchy challenge the regulations on restrictive measures.

A second source of complexity, which becomes apparent as a direct effect of taking a network view of accountability, was the interconnectedness between prospective constituents. Previous research has shown that a change in one business relationship affects other relationships in their connected network (Håkansson et al., 2010). This study shows that the same interconnectedness affects accountability relationships as well. In the renovations and night staffing episodes, a potential issue spread from a substitute employee to the media and from the media to politicians and clients' relatives respectively. In both episodes, the addition of extra constituents added to the original prospective constituent's influence and made it all the more vital for a prospective accountant to react to the potential issue. The interconnectedness between prospective constituents has been discussed by previous literature (Lindholm, 2003, p. 168; Brettell Grip, 2009, pp. 194-195), but the current study adds two aspects that expand on the understanding of interconnectedness within accountability networks.

First, the night staffing episode demonstrates the extent of the interconnectedness, where a demand for accountability in one accountant-constituent dyad set a norm that spread to and was adopted by accountant-constituent dyads in entirely different parts of the country. Second, the empirical data demonstrate that prospective constituents were very aware of their ability to influence other prospective constituents in their network. For instance clients' families made conscious use of their interconnectedness with other prospective constituents in a prospective accountant's network to increase their own relational importance, as in the renovations episode where a relative threatened to call the media.

Finally, the members of each focal accountant-constituent dyad were dependent on each to fulfil their accountability to external prospective constituents in their accountability network. Although it is an aspect of network connectedness that has been lost in the focus on constituents, prospective accountants within a network were interconnected as well. For example, regions were accountable to their organisational hierarchies for certain parts of their care providers' conduct. In return, care providers were dependent on



regions' support in their dealings with for example premise managers. This type of interdependencies between members of an accountant-constituent led to tensions between the actors' intra-organisational accountability relationships with an organisational hierarchy and their inter-organisational relationship with each other. Where an organisational hierarchy had a relatively flexible mode of influence based on hierarchical coercion, the actors' coercive influence on each other was constricted by their codified contract norm. For instance, regions struggled to pass on new directives from Metropolis' political management to their care providers. This created a need for regions to reconcile flexibility and coercion within their accountability relationships in a way that has not been studied before in previous literature.

To conclude the section on actor complexity, the focal accountant-constituent dyads' networks gave rise to dilemmas that were associated with differences or even conflicts between the norms and potential issues of the dyads and their prospective constituents. The complexity was magnified as network interconnectedness added a capacity for potential issues and prospective actors to grow in significance and made accountant-constituent dyads dependent on each other to fulfil or demand accountability in other accountability relationships.

### 8.1.2 Accounting Complexity

The actor complexity in accountability networks influenced the conditions for *issue formulation* as well. As described in Chapter 4, the relatively low influence of care clients gave rise to a number of prospective constituents with different demands for accounting information to hold members of the studied accountant-constituent dyads accountable. In particular, the accountability network was characterised by a tension between standardised, numeric accounting information and non-standardised, narrative accounting information. Narrative accounting had the advantage of providing a more comprehensive view of a prospective accountant's conduct (Munro, 1993; Boland & Schultze, 1996) but, as showed in Chapter 4, they were also time consuming. In contrast, standardised accounting information was easy to compare and process but necessitated a simplification and standardisation of a prospective accountant's outputs (Munro, 1993; Boland & Schultze, 1996).

Though many prospective constituents used a mixture of different forms of accounting information, there was a movement towards increasingly codified information. The distance between many prospective constituents and their prospective accountors' operations made standardised information an attractive way to make its operations visible in a confidence-inspiring way (Munro, 1993; Boland & Schultze, 1996) and across distances (Robson, 1992; Munro, 1993). In particular, this preference for standardised information applied to any accounting information to be used for legal coerciveness, which contributed to an increased reliance on detailed, codified contract norms in outsourcing relationships. The constrictions of legal coerciveness also fuelled a trend towards using organisations independent from both prospective constituents and prospective accountors to assemble accounting information.

The paradox of this increased need for standardisation was that it magnified an existing dilemma of how to make prospective accountors' "product" visible, that is each individual client's experience, visible in a standardised way. Both the Swedish National Board of Health and Welfare's general survey and Metropolis' operational supervision report received criticism at different points for delivering poor information about the prospective accountors' underlying operations. The pervasive use of external supervision organisations to gather standardised accounting information exacerbated this dilemma further, due to the poor adaptation of their standardised evaluation norms to the operations that were to be evaluated. The end result was a complex and time-consuming assortment of different types of accounting information which were perceived by the focal accountant-constituent dyads as a poor, yet vital, way to make their conduct visible.

The distance between dyads and their prospective, layperson, constituents sparked a fear among dyad members that their accounting information would be misinterpreted or misappropriated. For instance, this was an apprehension that surrounded accounting information on personnel density and error reporting under *lex Maria* and *lex Sarah*. In response, prospective accountors produced additional accounting information according to norms for a satisfactory conduct that they themselves had decided in an attempt to pre-empt future demands for accountability. This additional accounting information ranged from meetings with clients' families to activity schedules to, at its most extreme, signing lists for when clients were brought outdoors.

Although this information addressed some of the perceived problems with other accounting reports, it simultaneously increased the present information complexity.

A second dilemma that emerged from Chapter 4 was that different prospective constituents' norms for a satisfactory conduct were at odds with each other. The most striking empirical example was the frequent conflicts between dyad members' accountability to care clients and to other prospective constituents, such as client families, the Swedish National Board of Health and Welfare and organisation hierarchies. Despite the fact that clients' families acted as representatives of their relatives, representatives of both regions and care providers argued that clients' and their families' definition of a satisfactory conduct sometimes diverged. The differing norms forced prospective accountors to choose between their accountability to a virtually voiceless constituent and other, more coercive or relationally important, prospective constituents. Unlike in Cäker's (2007) study, where self-appointed representatives of an organisation's customers found themselves attributed a lower relevance than the customers itself, the clients either were unable to express a definition of a satisfactory conduct or lacked coerciveness and relational importance.

Finally, interconnectedness within the studied accountability networks increased the issue complexity since norms and potential issues could change at a rate that has not been explored by previous literature. This was particularly clear in the night staffing and ward size episodes, where the potential issue of the latter changed each time a new network constituent become involved in the accountability process.

To conclude the section on accounting complexity, accountability networks were associated with several dilemmas connected to how to make prospective accountors' conduct visible in accounting information and to conflicting norms among different prospective constituents. The resulting diversity of potential issues was intensified by the quick transportation of potential issues within the network.

## 8.2 Accountor-Constituent Dyads and Networks

With a few exceptions, such as Ahrens & Chapman (2002), previous research has focused on adversarial accountor-constituent relationships. As a result, the existence of multiple external prospective constituents has also been discussed as a source of fragmentation (Power, 1991; Sinclair, 1995; Cäker, 2007; Messner, 2009). In contrast, this research demonstrates two phenomena that contradict this perspective and develops the knowledge of accountability relationships within networks further.

First, pressures from an accountor-constituent dyad's context, and in particular the surrounding accountability network, could be mitigated through cooperation within the dyad. As a result, the outside pressures actually tied the studied accountor-constituent dyads closer together and encouraged them to act as a single unit. Second, the study demonstrates how members of accountor-constituent dyads were able to draw on other accountability relationships as a resource in their internal accountability processes. In other words, the accountability network was not only a source of complexity, but also a source of influence.

The upcoming section will discuss how accountor-constituent dyad cooperated to manage their accountability network. The second section outlines how the network helped members of an accountor-constituent dyad manage their dyad counterpart.

### 8.2.1 Dyads as a Resource to Manage Networks

The first part of this chapter discussed various sources of complexity associated with accountability networks and how they impacted individual accountor-constituent dyads. One such effect was that they had a shared accountability for certain aspects of their operations. Even if a region had outsourced the management of a nursing home to a private care provider, it was still legally as well as morally accountable for ensuring a satisfactory quality of care. In for example the ward size and renovation episodes, members of an accountor-constituent dyad were held equally accountable for the accountor's conduct and had an interest in working together to fulfil their accountability. Consequently, the activities of the two organisations were as

firmly connected as if they had operational interdependencies (see Håkansson et al., 2010).

Given the shared accountability, describing accountability as processes of *issue formulation* and *role attribution* makes it possible to analyse how accountant-constituent dyads managed their accountability by using strategic *role attribution* to buy room and time to respond to external demands for accountability. Where Frimanson (2007) describes how a prospective accountant drew on the relational importance of external accountability relationships to gain influence in relation to a hierarchical constituent, this study takes the scenario on step further by demonstrating how regions, as constituents, took an active role in negotiating with the dyad's common constituents on their accountors' behalf. For example, as described in Chapter 4, regions encouraged care providers to contact them as soon as something happened that could become a potential issue and they did their best to calm any external prospective constituents that turned to them with a potential issue. The regions' goal was to reattribute the role of constituent for the potential issue from external constituents to itself, as a way of buying time for the dyad to investigate and correct the potential issue. Only if the potential issue was considered serious enough to be an issue under a region's internal norms as well, did the region step fully into a constituent role rather than sharing accountability with its accountant. Another example of *role attribution* between mutually accountability parties was when a region took on the full accountant role for using restrictive measures in that episode.

Another source of interdependence between accountant-constituent dyads was operational areas where the members of the focal dyad were dependent on each other to fulfil their own accountability. Whenever the regions' hierarchies changed their codified budget norms to make new potential issues visible and action-inducing, the regions were dependent on their dyad partners to carry out any necessary operational changes to address the potential issues and display a satisfactory conduct under the new norm. The assistance in arranging summer jobs is an example of an *issue formulation* process that managed to establish the region's potential issue as a shared issue (see section 4.1.1, p. 94), whereas the security system episode was an example of how a region could initially fail to convince its care provider to adopt the

region's accountor role. The other side of the interdependence between accountor-constituent dyads was that a care provider could engage in to benefit from its region's influence when interacting with other actors in the network, such as the premise manager.

Because of the interdependencies between them, both members of an accountor-constituent dyad needed to cooperate with its counterpart to fulfil parts of its accountability. Added to the lack of a comprehensive source of coerciveness, this meant that network complexity provided a strong incentive to build mutual relational importance – an incentive that has played a lesser role in previous, intra-organisational accountability research. Building mutual relational importance also made it easier to find room for compromises, such as allowing the doors between wards without senile clients to stay open in the ward size episode.

A final way that an accountor-constituent dyad could function as a resource to manage network complexity was by acting as a vehicle to interpret the “concerns and intentions” of external constituents (Roberts & Scapens, 1985, p. 451). In the beginning of the restrictive measures and night staffing episodes, local accountor-constituent dyads had frequent discussions on the possible consequences of the changing norms and how to respond to the change. Although each dyad consisted of two individual organisations, their common accountability gave them a joint venue to carry out an interpretation process that they might otherwise have carried out alone (see Sinclair, 1995; Messner, 2009). Supervision meetings between members of the dyads also provided a forum to weigh moral implications of different accountability resolutions against each other, such as the choice between using restrictive measures or not. Given how fast and unexpected network changes could be, the ability to interpret and preferably predict outcomes of accountability processes elsewhere in the network was a valuable skill.

### 8.2.2 Networks as a Resource to Manage Dyads

Just as the dyad was used as a resource to handle complexities from the accountability network, actors and norms from the network could be drawn on as a resource in accountability processes between an accountor-constituent dyad. Like the way in which a network pressures encourages accountor-constituent cooperation, this area has mainly remained unstudied so far.

Given that there were multiple care provider-region dyads in Metropolis and that all regions belonged to the same hierarchy, the practices of other accountor-constituent dyads constituted a norm that was occasionally drawn on as a resource for *issue formulation*. For example, both members of a focal accountor-constituent dyad drew on the norm of previous practice in the argumentation around TeenCare's employees in the staffing level episode. The care provider argued that since other regions in Metropolis had accepted the TeenCare representatives as care professionals, meaning that the potential issue was not action-inducing according to established norms. In contrast, the region's representatives argued that they needed to confer with other regions before making a decision.

The members of an accountor-constituent dyad could also draw on their accountability network in processes of *role attribution* by recruiting prospective constituents from the network to support of their preferred resolution and thereby increase their relational importance. In the ward size episode, the first resolution of the accountability process was arrived at by drawing on clients' obvious preference to keep the doors between the wards open. In contrast, the attempt to attribute future generations of elderly care clients as the most relevant constituent in the staffing level failed. In general, arguing on behalf of care clients was the most common way to engage in *role attribution* in an attempt to gain legitimacy. For instance, the ward size episode took place entirely between various prospective constituents demanding accountability on behalf of the clients.

Just as the network could also be used as a resource against a counterpart, the members of accountor-constituent dyads also drew on network resources to strengthen their relationship. One example, which has not been explored by previous research, was to attribute the role of accountor to another actor in the network. This was the initial goal of the start-up evaluation and personnel conduct episodes, although only the latter *role attribution* process succeeded as intended. In the start-up evaluation episode, the care provider attribute the accountor role to the previous management of the nursing home, but since this happened to be its region counterpart, the manoeuvre – although successful – ended up straining the relationship of the two dyad members.

A similar action was taken by a region to re-attribute its demand to change security systems to the municipal central management, placing the central management rather than the region in the role of prospective constituent. This way, the region was only a messenger and any animosity that resulted from the accountability process would be targeted at actors outside the focal accountant-constituent dyad. With a parallel strategy, care providers let their regional managers represent the organisation in conflicts, so as to leave the relationship between its nursing home managers and the region unaffected by the conflict.

Issues could also be reallocated outside a focal accountant-constituent dyad, for example by having a region and care provider apply jointly for external funds to develop nursing home operations as described in section 4.3.2 (p. 94). This way, the need to trace an issue to a prospective accountant, and thereby a potential conflict, was removed.

### 8.3 Influencing the Context of Accountability Processes

After discussing how accountant-constituent dyads tried to mitigate the pressures exerted by the wider context of an accountability network, it is time to focus on actors' efforts to influence the immediate context of individual accountability relationships. Chapter 7 brought attention to the tensions between using codified norms and using interaction and relational importance to affect accountability processes within an accountant-constituent dyad. Both prospective constituents and prospective accountants walked a fine line between enforcing certain potential issues or prospective roles and ensuring their own ability to draw on relational importance to resolve mutual or one-sided dilemmas.

On the one hand, actors depended on codified norms to resolve situations where they were in opposition to each other. Since the studied accountant-constituent dyads were not had a hierarchical relationship, the constituent lacked the versatile coercion associated with a hierarchy, such as the ability to limit an accountant's access to organisational resources or terminating their employment (see Kirk & Mouritsen, 1996). Instead, any attempt



to enforce a particular issue or role had to be based either on a specific codified norm, such as a law or an outsourcing contract, or on the authority of written accounting information. For example, regions used codified norms in their contracts to enforce certain resolutions, as they did in the staffing level episode, whereas care providers drew on accounting information to reverse accountability relationships, as happened in the start-up evaluation episode.

On the other hand, codified norms had certain limitations to their applicability as a tool to resolve accountability processes. In particular, they placed an emphasis on defining satisfactory conducts on an *ex ante* basis: both in contracts and as a way of designing standardized accounting information to make a care provider's conduct visible and traceable. As pointed out by several scholars (e.g. Munro, 1993; Boland & Schultze, 1996; Willmott, 1996; Quattrone, 2004), standardised, numeric accounting required prospective constituents to decide in advance which aspects of a prospective accountant's conduct that were, in the terms of this thesis, action-inducing and thereby worth making visible and traceable.

Even disregarding dilemmas associated with foreseeing all possible future situations, the individualised nature of elderly care meant that no codified norm, no matter how comprehensively written, could define every aspect of an accountant's conduct (Power, 1991). In addition, it was not necessarily true that a prospective constituent knew better than its accountants which conduct would lead to its preferred outcome (see Laughlin, 1996). As demonstrated by the meal choice episode and the discussions about clients' right to shower daily, there were situations where even an explicit and applicable codified norm was difficult to enforce in practice due to uncertainty related to the traceable and action-ability of a potential issue. Codified norms of conduct could also place different constituent goals in opposition to each other without necessarily prioritising them in the way a prospective constituent would have preferred, such as when a personnel-intensive social activity like outdoor walks leads to fewer social activities for the other clients.

Accountability processes where potential issues and prospective actors fell outside the codified norms had to be resolved by drawing on non-codified norms (Czarniawska-Joerges, 1996), relational importance (Roberts & Scapens, 1985; Ahrens & Chapman, 2002) and additional visibility brought

about by non-standardised accounting information from inspections, meetings, and informal contacts (Roberts & Scapens, 1985; Kirk & Mouritsen, 1996; Ahrens & Chapman, 2002). Consequently, prospective constituents and accountors were torn between a need to establish codified norms that would influence future accountability resolutions in their own favour and the need to build a cooperative accountability relationship that would enable them to find solutions to situations that could not be foreseen or addressed on an *ex ante* basis.

The next two sections will discuss actors' ongoing efforts to affect the context of future accountability processes within a particular accountability relationship. First, attempts to create new accountability regimes in the form of new or modified norms and forms of accounting are discussed. The second section analyses the use of *issue formulation* and *role attribution* processes to strengthen cooperative relationships between members of an accountor-constituent dyad.

### 8.3.1 Creating New Accountability Regimes

Accountability regimes in the form of norms for behaviour and accounting information design influenced prospective actors' ability to be coercive and to trigger new accountability processes by drawing on accounting information. This made it attractive for an actor to try to modify existing accountability regimes in their own favour.

The most obvious method of changing the context of an accountability relationship was to modify existing norms within the relationship. As expected based on previous literature (e.g. Willmott, 1996), prospective constituents had more room to influence their codified norms. With each new procurement, regions and Metropolis' central management updated and modified tender calls and contracts to incorporate lessons from current and precious accountor-constituent relationships. The goal of these updates was to incorporate previous lessons into the codified norms of future relationships; particularly by producing increasingly specified contracts as a precondition for legal coerciveness.

Another way to modify existing norms, which became very apparent in the course of this study, was the conscious preservation of previous accountability resolutions within an accountor-constituent relationship. Munro

(1993, drawing on Robson 1992) and Boland & Schultze (1996) discussed how accounting information that was written down was made immutable and mobile, and thereby could be used to trigger another accountability process in the future. Other researchers (Kirk & Mouritsen, 1996; Kreiner, 1996) discussed the influence of previous accountability resolutions on current processes. What this study adds is to show that accountability resolutions were consciously codified in the form of meeting minutes, letters or emails to enable prospective actors to draw on them in future accountability processes just like any other codified norm.

For example, the resolution of the restrictive measures episode, as well as the care provider's opposition to it, was added to the signed minutes from the supervision meeting where the process was resolved. A more subtle way of codifying certain arguments and resolutions was to communicate them by mail or email, such as the region's letter in the staffing level episode. Both methods left an immutable trail that could be drawn on in future accountability processes. An email included the additional option of sending a copy to other prospective constituents in the surrounding network to draw on their influence, as happened in the interaction with the premise manager.

Inversely, resolutions that neither members of an accountability relationship wanted to preserve were intentionally not codified. For example, regions could choose not to record any minutes in the first few months of their relationship with a new prospective accountant, so that neither member of the accountant-constituent dyad would be bound by resolutions made before they had a chance to build up a relationship.

The ability of prospective accountants to influence norms in an accountant-constituent relationship has been less explored by previous accounting literature, but this study demonstrated multiple ways in which care providers created new norms and forms of accounting information to influence future accountability processes. Although prospective constituents had more influence on contract design, prospective accountants could influence future norms for what was considered a satisfactory conduct by determining how they would ensure a high operational quality. One example was to promise to become ISO certified, as described in section 4.2.1 (p. 114). By defining

future quality norms, prospective accountors could influence their prospective constituents' perception of what constituted a satisfactory conduct to correspond with activities that suited their own organisations.

Another strategy for prospective accountors to affect future accountability processes was to produce accounting information of their own. One aspect of this was to construct information that could trigger accountability processes centred on positive potential issues, which were made visible and traceable to the prospective accountor. For example, prospective accountors brought up positive care events during supervision meetings, as described in section 4.2.1 (p. 108). This type of accounting processes to assign credit for past events filled a dual function of setting a norm for what constituted a satisfactory conduct and establishing a history of positive conduct that increased their relational importance to a prospective future constituent.

Prospective constituents' efforts to specify satisfactory conducts in more detail in future contract can also be regarded as attempts to influence future norms for a satisfactory conduct away from a traditional focus on negative potential issues. For example, care commitments related to time outdoors or a right to choose between meals were introduced, as described in section 4.2.1 (p. 96) and the meal choice episode. However, such commitments sometimes proved difficult to make traceable and action-inducing.

Apart from efforts to assign credit for past events, this study also demonstrated how prospective accountors used accounting in a proactive way to protect themselves from future demands for accountability. This concerned care documentation (see section 4.2.3, p. 118) as well as signature lists for meals and visits outdoors (see the meal choice episode and section 4.2.2, p. 117). In other words, accounting did not just create accountability, but accountability created additional forms of accounting. Like Metropolis' efforts to introduce codified care commitments, this trend led to an increased emphasis on quantifiable and easily visible operational activities. From a constituent perspective, however, an emphasis on visibility did not necessarily lead to a desirable outcome, since it could lead to outdoor visits and social activities being forced on reluctant clients rather than presented as an option, as originally intended.

Another way that introducing new accountability regimes could lead to unintended consequences was that a codified norm that was not accepted

locally may have a different effect than originally intended. This is in line with Laughlin's (1996) argument about conflicting norms among constituents and accountors respectively, but dividing *issue formulation* processes into concerns with visibility, traceability and capability of inducing makes it possible to shed further light on why a norm is reinterpreted locally. In the restrictive measures episode, the original potential issue was considered visible and traceable but not action-inducing, which led to resistance from prospective accountors. In contrast, the night staffing episode saw prospective accountors agree with the underlying issue identified by the prospective constituent, but reinterpreting both which action was induced and who was the most relevant accountor so that the resolution of the accountability process was different to the one originally intended.

### 8.3.2 Creating a Relationship

Given the limitations of codified norms in resolving accountability processes, actors also made an effort to build up their relational importance to frequent collaborators as a resource in resolving any future dilemmas that fell outside established norms. Expressing accountability as an ongoing process consisting of *issue formulation* and *role attribution* sub-processes makes it possible to demonstrate how prospective accountors and constituents used *issue formulation* and *role attribution* to strengthen the relationship and cooperation between them.

Both prospective accountors and prospective constituents used *role attribution* processes to accept their counterpart's accountability as their own and thereby share the role of accountor between them. Adopting another actor's accountor role could be done in a tangible way, such as agreeing to fulfil a counterpart's accountability for a particular conduct. One example is a care provider's promise to help arrange summer jobs in section 4.1.1 (p. 94). Adopting another actor's accountability could also be done in a symbolic way, by taking an interest in its potential issues and suggesting possible solutions. For example, the occupied beds episode featured a region that was involved in its care provider's activities to ensure a high occupancy rate.

Another way for actors to use *role attribution* to improve their relational importance to each other was to allocate both accountor and constituent roles between them in such a way that it benefitted both parties. A more

influential actor may for example accept the accountant role for an unpopular conduct, such as when a region accepted accountability for an accountant-constituent dyad's refusal to stop using restrictive measures in that episode. Another alternative was to lend influence to each other by letting a more influential actor take the constituent role in relation with a third actor, as happened in the interaction with the premise manager.

*Issue formulation* processes were also used to strengthen actors' relational importance to each other. Roberts & Scapens (1985, p. 451) describe how an accountant-constituent dyad could be used to interpret the "concerns and intentions" of distant prospective constituents, but this study demonstrates how dyad relationships were also used to reject external demands for accountability that were seen as unreasonable. This allowed them to retain an image of themselves and each other as competent actors that displayed a satisfactory conduct. In the renovations episode, the external potential issue was argued to be neither action-inducing, nor traceable to either member of the focal accountant-constituent dyad. In the night staffing episode, on the other hand, the external potential issue was reinterpreted as an issue of insufficient funding, which was traceable to an external actor – the political management.

Although an internal *issue formulation* resolution between members of an accountant-constituent dyad could not hope to avert future demands for accountability from external prospective constituents, such accountability processes filled a useful function to improve participant morale and preserve the participants' reputation with their counterparts.

## 9. Navigating a Network of Competing Demands

This thesis has been dedicated to answering one question: How are accountability processes carried out in an inter-organisational accountor-constituent dyad? To answer this question, one aim was to develop a conceptual framework that would be suitable for studying accountability between, as well as within, organisations. The result was the framework in Figure 2.1 (see p. 56), which describes accountability processes as constituted of two sub-processes: *issue formulation* and *role attribution*. *Issue formulation* processes are influenced by the visibility, traceability, and capability of inducing action of a potential issue. *Role attribution* processes are influenced by the coerciveness, relational importance, and legitimacy of prospective accountors and constituents.

Drawing on this framework, Chapter 9 will return to the research question and summarize the main findings of this thesis. In particular, it will explore how accountability processes in an inter-organisational accountor-constituent dyad are influenced by the presence of an accountability network. The next section will summarise the three main theoretical conclusions of this thesis, related to the fluidity of issues, the fluidity of roles, and the relationship between accountor-constituent dyads and their accountability network. The second section of this chapter discusses the conclusions of the thesis from a wider perspective and makes a few suggestions for future research. The final part of the chapter discusses some of the empirical consequences that this thesis' findings have for publicly financed services.

## 9.1 Issue Formulation and Role Attribution Processes in Networks

This thesis has three main conclusions about accountability processes between organisations. The first is related to the fluidity of what constitutes an issue, the second is related to the fluidity of who are the most relevant accountors and constituents, and the third is related to the interaction between individual accountor-constituent dyad and their surrounding accountability networks.

### 9.1.1 Issue Fluidity in Accountability

The first conclusion of this thesis is that what is considered an issue, meaning an example of unsatisfactory or particularly satisfactory conduct, is fluid and changeable over time and depending on context. A given organisation is surrounded by multiple norms for what types of conduct are worth giving and demanding explanations for (Sinclair, 1995; Brettell Grip, 2009; Messner, 2009). Even within an organisation, there are multiple norms and forms of accounting that raise different conducts as potential issues to pay attention to (Munro, 1993; Ahrens & Chapman, 2002; Quattrone, 2004).

As demonstrated in Chapter 5, both prospective accountors and prospective constituents are able to trigger an *issue formulation* process in order to make a particular conduct or outcome visible as a potential issue. Chapters 7 and 8 shed further light on how the visibility, traceability, and capability of inducing action of a potential issue affect whether and how accountors and constituents draw on them to trigger, argue for and against, or resolve a particular issue.

One implication of this situational fluidity of issues is that a prospective constituent may decide against triggering an *issue formulation* process if the potential issue is not considered action-inducing or traceable enough. Chapter 5 demonstrates how, even when an explicit codified norm guaranteed care clients a choice between two dishes at main meals, breaches against this norm proved difficult to enforce as an issue due to uncertainty about the potential issue's traceability to and capacity of being acted on by the care provider.



Another implication, shown in Chapters 7 and 8, is that prospective accountors may trigger *issue formulation* processes precisely to make a potential issue traceable or action-inducing by making particularly good conducts visible to take credit for them or by making unsatisfactory conducts visible at a time when it is unlikely to be traced to the prospective accountor itself.

As discussed in Chapter 8, standardised accounting tends to focus on making unsatisfactory conducts and outcomes visible. Consequently, prospective accountors have an incentive to trigger accountability processes around good conducts to make these conducts visible to a prospective constituent and to demonstrate that they are traceable to the prospective accountor. Even in cases where no accountability process had yet been triggered, prospective accountors produced written accounting information on their satisfactory conduct so that it could be made visible and traceable if needed in the future.

Prospective accountors also have an incentive to trigger *issue formulation* processes in situations where this may give them an opportunity to trace a potential issue to another actor, as happened in the start-up evaluation described in Chapter 5. Since the accountability process was triggered at an early stage, the accountor was able trace the unsatisfactory conduct to the nursing home's previous management, thus avoiding the accountor role for the potential issue itself.

As third implication of the fluidity of issues is that an *issue formulation* process that have triggered by accountability demands from actors in the surrounding network may be reinterpreted rather than having the intended effect, as discussed in Chapter 8. An accountor-constituent dyad may resolve that a potential issue is not traceable or action-inducing according to local norms, thereby making it a non-issue. Even if they may be coerced into paying lip service to the external potential issue, the focal accountor-constituent dyad's view of the potential issue, and their relational importance to each other, remains unchanged.

### 9.1.2 Role Fluidity in Accountability

The second conclusion of the study is that the attribution of accountor and constituent roles depends on the perceived and enacted influence of the prospective actors at a given moment. Although previous research has explored

choices between multiple prospective constituents (Lindholm, 2003; Cäker, 2007; Frimanson, 2007; Messner, 2009), the accountant and the constituent roles themselves have been largely taken as given. In contrast, Chapter 6 not only demonstrates how an accountant role is attributable to any one of multiple prospective accountants, but also how a prospective constituent and accountant within an established accountability relationship can even have their roles reversed for a particular issue. Chapters 7 and 8 also demonstrate how actors attempt to enhance their own legitimacy, coerciveness, and relational importance to increase their chances of influencing their own and other actors' roles.

One implication of this fluidity of roles is that a prospective accountant can engage in *role attribution* to avoid being forced to adopt the accountant role for a particular issue. Since organisations are frequently interdependent with each other due to longstanding trade or outsourcing relationships, the outcome of an actor's activities may be affected not only by its own conduct but also by another organisation's conduct (Håkansson et al., 2010). If a prospective accountant is successful in tracing a negative issue to another actor, by whose conduct it is affected, this can be enough to reattribute the accountant role for that conduct to the prospective accountant in question.

Chapter 6 demonstrates how care providers were able to reattribute the accountant role for their personnel's unsatisfactory conduct to the personnel themselves. In part, this was done by successfully arguing that the potential issue was not traceable or action-inducing to the care provider, given that it had already tried and failed to train the personnel. At the same time, this may not have been possible without the significant difference in relational importance to the region between the care provider and its personnel. Chapter 5 also demonstrates a striking example of *role attribution*, where a care provider used accounting information to gain enough legitimacy to attribute an accountant role to its predecessor, which was now a prospective constituent of the care provider, thereby reversing their roles for that particular issue.

Another implication of the role fluidity described in the beginning of this section is that an actor can draw on the influence of prospective constituents in the surrounding network by positioning them as supporters of the actor's preferred accountability resolution. As discussed in Chapters 7 and 8, an ac-

tor can increase its own legitimacy by attributing itself the role of representative for a legitimate actor in the network. Similarly, an actor can increase its own coerciveness and relational importance by drawing on the coercive influence of its counterpart's constituents, either by making itself a spokesperson for that constituent or by actually enlisting the direct support of the constituent. One example from Chapter 6 was how a care provider borrowed the coerciveness and relational importance of its region counterpart when dealing with that region's accountors.

A third implication of role fluidity is that is that an actor can increase its relational importance to a business partner by voluntarily adopting and sharing that actor's accountor-role. As outlined in Chapter 8, adopting a counterpart's accountor role could simply be a symbolic act of moral support coupled with advice of how another actor could fulfil its' constituents' demands. Alternatively, an adopted accountor role could mean that an actor actually helped fulfil its counterparts' obligations in an area where the former's influence and the latter's accountability overlapped. One example from Chapter 4 is when a care provider helped its region arrange summer jobs in its organisation, thereby increasing its own relational importance to a prospective constituent.

### 9.1.3 Accountability in Networks

The third conclusion of this thesis concerns the relationship between accountor-constituent dyads and their surrounding networks. Where previous accountability literature has focused on accountor-constituent conflicts (for instance Munro, 1993; Kirk & Mouritsen, 1996; Laughlin, 1996), this study demonstrates that accountor-constituent dyads are often forced to cooperate to deal with accountability dilemmas in their network. More specifically, Chapter 8 outlines three types of dilemmas that force accountors and constituents to work together to overcome them.

First, operational interdependencies can make an accountor-constituent dyad joint accountors for certain conducts and outcomes. This dilemma occurs whenever two actor's areas of accountability overlap. Accordingly, both members of the dyad have a strong incentive to cooperate in order to solve any potential issues or, failing that, make certain that potential issues are not visible to their joint constituents.

Second, accountability relationships where one member on an accountant-constituent dyad is dependent on the other to fulfil obligations to its own constituents will in effect make that member accountable for the conduct of the other. In these instances, the accountable member relies on the other to adapt to any potential issues or changes in its constituents' instructions.

Third, given that accountability relationships within a network are all connected, actors and norms in the network interact with and influence each other so that the network can change quickly and in ways that are difficult to predict. As demonstrated in Chapter 5, this requires prospective accountants to be able to interpret and foresee future demands for accountability. Hence, both members of an accountant-constituent dyad benefit from combining their efforts to monitor and understand their context.

These three dilemmas imply that there are strong incentives for cooperation, even between an accountant and a constituent that at times have opposite interests. Chapter 8 describes how members of accountant-constituent dyads therefore engage in *role attribution* and *issue formulation* processes for the purpose of protecting and increasing their mutual relational importance and allowing them to collaborate.

*Role attribution* processes can be used to attribute the accountant role for an unsatisfactory conduct to an actor outside the focal dyad. This is a way to relieve the original accountant of blame, although it may still be expected to act on the associated issue. Similarly, attributing the constituent role for an unpopular demand to another actor can enable a prospective constituent to use coercion against its accountant without damaging their relationship.

*Issue formulation* processes can be used to designate some potential issues as non-issues according to local norms. This way, there is no perception of the prospective accountant as having displayed an unsatisfactory conduct. Alternatively, *issue formulation* processes can be resolved by reinterpreting their original potential issue into a different issue, for which the accountant can be found outside the focal accountant-constituent dyad.

However, although the network was a source of complexity for accountant-constituent dyads, Chapter 8 analyses ways in which it can also constitute a resource in local accountability processes. On the one hand, actors that exist in the network outside an accountant-constituent dyad can be drawn

on to increase a dyad member's influence, as outlined in the section on role fluidity above. On the other hand, dyad members can draw on existing accountability practices within the surrounding network as a non-codified norm for who should have the accountor and the constituent roles in a specific situation and for what constitutes an issue.

## 9.2 Future Research

This thesis has studied inter-organisational accountability in a network setting and analysed accountability as two intertwined sub-processes of *issue formulation* and *role attribution*. However, the conclusions of the study have implications for and invite further research within the accountability field and beyond.

A main conclusion of this study is the way in which accountor-constituent dyads move back and forth between, on the one hand, protecting the interests of their respective hierarchies in disagreements within the dyad and, on the other, cooperating to handle common sources of complexity in the surrounding network. One suggestion for future research is therefore to explore further how accountor-constituent dyads move between the two states of acting as individual organisations and acting as one dyad unit.

Research projects along those lines may for example delve deeper into how organisations use *issue formulation* processes, *role attribution* processes, and possibly other methods to lessen the impact of conflicts within the dyad on the mutual relational importance of its members. Some suggestions are made in the conclusions of this thesis, but they need to be followed by further research.

Another interesting topic would be to explore how dyad members balance the interests of their respective hierarchies and the dyad. For instance, how do they decide when to pursue a particular issue or role attribution through coercion if need be and when to resolve accountability processes in their counterpart's favour – or simply by abandoning the process entirely.

A second conclusion of this study is concerned with the large number of potential issues that exist in a given setting. For example, there is rarely only one definition of what constitutes a satisfactory conduct. Consequently, a potential avenue for further research would be to explore how organisations

address not just conflicting issues rooted in radically different norms – such as the conflict between professional and financial or managerial logics that has been observed in the public sector (for example Laughlin, 1996; Kurunmäki, 2004; Pettersen & Solstad, 2013) – but also conflicting issues within the same normative framework. For instance, there is room for further investigation of conflicts between different professional prioritisations, such as between the safety of a senile elderly care client and that client's right not to be coerced, or between different prospective constituents that claim to represent the same interest group.<sup>28</sup>

Another conclusion of this study, which deserves further exploration, is the influence of accountors on accountability processes. For instance, when and to what extent do accountors produce their own accounting information with the intention of establishing a new for what is considered an example of good, rather than satisfactory, conduct? A second potential avenue for further research is the use of *role attribution* processes to increase an actor's, and particularly an accountor's, relational importance. Is it, for example, possible to speculate on under which circumstances such *role attribution* processes are likely to be successful and under which circumstances they are not?

There is also need for further study of triggers, argumentations, and resolutions in accountability processes. One area that is only touched briefly on in this study is how accountability processes move from an argumentation phase to a resolution phase, and how resolved processes are triggered again. Another topic that is suitable for a longitudinal study is how the trigger, argumentation, and resolution of one accountability process influence future processes. In particular, the influence of codified resolutions in the form of emails or meeting minutes warrants further study.

Finally, this study has answered multiple calls for research that investigates the effect of multiple demands for accountability from internal as well as external constituents (Sinclair, 1995; Lindholm, 2003; Messner, 2009). Part of this response is the development of a conceptual framework that considered not only sub-processes of *issue formulation* but also sub-processes of *role attribution*.

---

<sup>28</sup> Cäker's (2007) study of conflicting prospective constituents that both claimed to represent customers is an example of the latter, albeit with the twist that one of the constituent groups actually were the customers and therefore had higher legitimacy.

However, this framework has only been applied under very specific circumstances so far. First, this thesis has studied accountability processes within an ongoing relationship that has elements of interdependence between the prospective accountor and the prospective constituent. Hence, it remains to be seen whether all conclusions of this thesis are applicable to other forms of accountability relationships.

In addition, the framework has only been applied in a very specific setting: that of publicly financed services. Given that these services are heavily regulated as well as influenced by political concerns (see for example Anthony & Young, 1988; Samuelson, 2005), additional research is needed on the applicability of this framework in and potential adaption to a private sector setting.

### 9.3 Practical Implications for Publicly Financed Services

Finally, this study lays the foundation for a few empirical observations. Although there is rarely an easy solution to practical dilemmas, the study points to a few observations that are worth considering in the future supervision and outsourcing of publicly financed services

One such observation concerns the different approaches taken by this study's experienced purchaser of outsourced public services compared to that of the comparatively less experienced purchaser. Although no comparison based on two cases will be statistically significant, the differences between the two cases offer an anecdotal basis for reflection on different relationship styles. Of the two regions studied in this thesis, East was considered an outsourcing veteran within Metropolis. The region had been outsourcing a majority of its nursing homes for some time. In comparison, North was a relative novice that outsourced some of its nursing homes and managed the rest internally.

Contrasting an experienced purchasing organisation with a less experienced one reveals some interesting differences, both with regard to the procurement and protracting process and to the ongoing relationship with its care providers. Starting with the procurement process, the less experienced

purchaser designed a contract that relied heavily on ex ante codification of the care already in the tender call. Partially, this was a result of the prevailing interpretation of the Public Procurement Act, but it was also an expression of a general approach to outsourcing. The philosophy behind the contract's final design was to set up a contract that would be easy to supervise based on standardised accounting information and which would be enforceable in court if the need arose. For example, the purchaser had a right to fine its care provider if the codified requirements for staffing, personnel training, and certain aspects of the care were not fulfilled.

In contrast, the approach of the more experienced purchaser focused on letting the care provider define the care to as great an extent as possible in its tender. The contract design followed a similar approach, with the purchaser consciously avoiding codified criteria that would lock both parties into a specific definition of a satisfactory conduct. It also did not include a penalty clause, although the purchaser reserved the right to decrease payments if a care provider repeatedly breached the contract.

Once the procurement was finalised, purchasers used different methods in their ongoing supervision of the care as well. The more experienced purchaser focused on building relational importance to its care provider, for example by financing minor purchases such as barbeque equipment and by spearheading joint applications for national and EU grants to improve care quality together with its care provider. This approach increased the purchaser's expenditures and tied quality improvement projects to available grants. On the other hand, it also meant that care providers in the area had ongoing projects to improve care quality and that there was an atmosphere of 'give and take' between the purchaser and care provider, where care providers were willing to perform minor favours for the purchaser in return.

In comparison, the less experienced purchaser was more likely to make demands of its care provider and there were no discussions about financing minor expenses or applying for external grants together. When the care provider failed to fulfil the staffing requirements stated in the contract, the purchaser used its penalty clause to impose a fine. Other quality criteria, such as the clients' right to choose dishes at main meals or to shower daily, proved more difficult to enforce, however. In practice, it was difficult for a purchaser



to determine whether non-fulfilment was due to client choice, a practical inability to fulfil the criteria, or unwillingness on the part of the care provider. As a result, the purchaser never used the penalty clause for the care quality criteria. The result of this approach was that the care provider fulfilled some but not all requirements in the contract and did not engage in any projects to improve care quality beyond those specified in the contract. On the other hand, the purchaser did not incur any costs beyond the agreed care price, although the care provider- purchaser relationship only ever remained business-like.

Although the differences between experienced and less experienced purchasers are anecdotal, they show a clear tendency towards either relational importance or coerciveness as a basis for influence. Both approaches are also associated with certain advantages and dilemmas. The dilemma of the coercive approach was that the attempt to set a codified norm for the content of elderly care proved difficult to enforce without running the risk of forcing care clients to receive services they did not want. Therefore, it seems that a different approach is needed to encourage good care. The advantage of the coercive approach, however, was that the reliance on a codified norm was more effective to enforce indirect quality factors, such as staffing numbers. Accordingly, it gave purchasers a way to sanction at least certain forms of unsatisfactory conduct.

In contrast, the relational approach seems more adapted to encouraging good care through the provision of funds for quality improvements. Depending on the size of the expenditures paid by the purchaser, they may be worth paying in exchange for a cordial and hopefully more flexible relationship. The dilemma of the relational approach is that it offers no way to sanction unsatisfactory conduct beyond ceasing the cooperation and provision of favours and, in the case of sufficiently unsatisfactory conduct, terminating the contract.

Regardless of the two purchasing approaches' respective advantages, neither offers a clear solution to the dilemma of this study: the inherent complexity of making positive elderly care outcomes visible. Although the goal of elderly care is to offer the best services possible, the empirical data demonstrate the complexity associated with making good care performance visible

to purchasers and to prospective constituents in the surrounding network – complexity that affected care providers and care purchasers alike.

The dilemmas associated with purchasers' attempts to define good care through codified quality criteria in the contract – such as the difficulty of defining good care on an *ex ante* basis while still leaving room for the individual clients' preferences to influence the care – have already been described above. Even in cases where the quality criteria remain relatively abstract, such as a minimum staffing level, they easily gain the air of a minimum requirement rather than a goal to be surpassed (see for example Hoskin, 1996).

Conversely, care providers that try to define and make visible their own criteria for good care face a different dilemma. A standardised form of accounting information inspires greater confidence from purchasers and other prospective constituents, but involves the same predicament of also standardising the care as it does for care purchasers. In comparison, a less standardised way of accounting for care offers greater flexibility to adapt its definition of quality to the preferences of the individual care client, but lacks the air of scientific objectivity that standardised accounting information offers.

Accordingly, accounting for elderly care may inevitably be a balancing act between gradually refined standardisation or less seemingly objective, but more individualised, forms of non-standardised accounting such as inspections, newsletters and meetings. However, if the goal is more individualised care, too strong an emphasis on *ex ante* specification and measurability of the care may be counterproductive.

A final and partially related dilemma raised by the empirical study is that of the contextual complexity associated with elderly care. Chapter 4 and Appendix 2 both illustrate the many prospective constituents and forms of accounting that surround elderly care. Gathering supervision of healthcare and social care under the auspices of one national agency, the Health and Social Care Inspectorate, is one step closer to reducing the supervisory complexity. However, there is still room for local and national policies that aim to coordinate nursing home supervision among as few different actors and according to as few different forms of accounting as possible.

In the absence of such measures, however, individual prospective constituents may consider coordinating their requests for elderly care accountability with those of actors in the network around them, so that the dilemmas associated with navigating the network of competing demands do not outweigh the benefits for the elderly care clients.



# References

- Aberbach, J. D., & Christensen, T. 2005. Citizens and consumers. *Public Management Review*, 7(2): 226-245.
- Ahrens, T. 1996. Styles of accountability. *Accounting, Organizations and Society*, 21(2-3): 139-173.
- Ahrens, T., & Chapman, C. 2002. The structuration of legitimate performance measures and management: Day-to-day contests of accountability in a U.K. restaurant chain. *Management Accounting Research*, 13(2): 151-171.
- Ahrens, T., & Dent, J. F. 1998. Accounting and Organizations: Realizing the Richness of Field Research. *Journal of Management Accounting Research*, 10: 1-39.
- Anthony, R. N. 1965. *Planning and control systems*. Boston, Massachusetts: Graduate School of Business Administration, Harvard University.
- Anthony, R. N., & Young, D. W. 1988. Characteristics of nonprofit organisations. In *Management control in nonprofit organizations*: 49-74. Homewood: Richard D. Irwin.
- Atkinson, A. A., & Shaffir, W. 1998. Standards for Field Research in Management Accounting. *Journal of Management Accounting Research*, 10: 41-68.
- Baxter, J., & Chua, W. F. 2003. Alternative management accounting research--whence and whither. *Accounting, Organizations and Society*, 28(2-3): 97-126.
- Berry, A. J. 2005. Accountability and control in a cat's cradle. *Accounting, Auditing & Accountability Journal*, 18(2): 255.
- Berry, A. J., & Otley, D. T. 2004. Case-Based Research in Accounting. In C. Humphrey & B. Lee (Ed.), *The Real Life Guide to Accounting Research. A Behind-the-Scenes View of Using Qualitative Research*: 231-255. Amsterdam: Elsevier.
- Boland, R. J., & Schultze, U. 1996. Narrating accountability: Cognition and the production of the accountable self. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 62-81. London: International Thomson Business Press.
- Bovens, M. 2005. Public accountability. In E. Ferlie, L. E. J. Lynn, & C. Pollitt (Ed.), *The Oxford Handbook of Public Management*: 182-208. Oxford: Oxford University Press.
- Brettell Grip, A. 2009. *Funding and accountability: Studies of a swedish and a british chamber orchestra* (PhD ed.). Stockholm: Economic Research Institute, Stockholm School of Economics (EFI).

- Broadbent, J., & Guthrie, J. 1992. Changes in the public sector: A review of recent "Alternative" accounting research. *Accounting, Auditing & Accountability Journal*, 5(2): 3-31.
- Broadbent, J., & Laughlin, R. 1998. Resisting the "new public management": Absorption and absorbing groups in schools and GP practices in the UK. *Accounting, Auditing & Accountability Journal*, 11(4): 403-435.
- Broadbent, J., Jacobs, K., & Laughlin, R. 2001. Organisational resistance strategies to unwanted accounting and finance changes: The case of general medical practice in the UK. *Accounting, Auditing & Accountability Journal*, 14(5): 565-586.
- Brunsson, N., & Jacobsson, B. 2000. Following standards. In N. Brunsson & B. Jacobsson (Ed.), *A world of standards*: 125-137. Oxford: Oxford University Press.
- Carnaghan, C., Gibbins, M., & Ikaheimo, S. 1996. Managed financial disclosure: The interplay between accountability pressures. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 164-181. London: International Thomson Business Press.
- Casell, C. 2009. Interviews in organizational research. In D. A. Buchanan & A. Bryman (Ed.), *The SAGE Handbook of Organizational Research Methods*: 500-515. London: SAGE.
- Chapman, C. S., Cooper, D. J., & Miller, P. B. 2009. Linking accounting, organizations, and institutions. In C. S. Chapman, D. J. Cooper, & P. B. Miller (Ed.), *Accounting, Organizations, and Institutions*: 1-29. New York: Oxford University Press.
- Colombo, Francesca, Llena-Nozal, Ana, Mercier, Jérôme, & Tjadens, Frits, 2011. *Help wanted? providing and paying for long-term care*. OECD Publishing.
- Cooper, D. J. & Morgan, W. 2008. Case Study Research in Accounting. *Accounting Horizons*, 22(2): 159-178.
- Cristofoli, D., Ditillo, A., Liguori, M., Sicilia, M., & Steccolini, I. 2010. Do environmental and task characteristics matter in the control of externalized local public services?: Unveiling the relevance of party characteristics and citizens' offstage voice. *Accounting, Auditing & Accountability Journal*, 23(3): 350-372.
- Czarniawska-Joerges, B. 1996. Changing times and accounts: Tales from an organization field. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 307-328. London: International Thomson Business Press.
- Cäker, M. 2007. Customer focus - an accountability dilemma. *European Accounting Review*, 16(1): 143-171.
- Dixon, R., Ritchie, J., & Siwale, J. 2006. Microfinance: accountability from the grassroots. *Accounting, Auditing & Accountability Journal*, 19(3): 405-427.
- Dyer, W. G., & Wilkins, A. L. 1991. Better stories, not better constructs, to generate better theory: a rejoinder to Eisenhardt. *Academy of Management Review*, 16(3): 613-619.
- Ebrahim, A. 2003. Accountability In Practice: Mechanisms for NGOs. *World Development*, 31(5): 813-829.

- English, L. M., & Guthrie, J. 2003. Driving privately financed projects in Australia: What makes them tick? *Accounting, Auditing & Accountability Journal*, 16(3): 493-511.
- Fine, G. A., Morrill, C., & Surianarain, S. 2009. Ethnography in Organizational Settings. In D. A. Buchanan & A. Bryman (Ed.), *The SAGE Handbook of Organizational Research Methods*: 602-619. London: SAGE.
- Frimanson, L., 2007. Accountability in network MNCs: A longitudinal study of dependence on local customers in an internal accountability process (Work in progress).
- Goddard, A., & Assad, M. J. 2006. Accounting and navigating legitimacy in Tanzanian NGOs. *Accounting, Auditing & Accountability Journal*, 19(3): 377-404.
- Golden-Biddle, K., & Locke, K. 1993. Appealing work: An investigation of how ethnographic texts convince. *Organization Science*, 4(4): 595-616.
- Hagbjer, E., & Krohwinkel, A., (2014). Information governance as market reform - the case of elderly care. In N. Brunsson & M. Jutterström (Eds.), *Organizing and re-organizing markets*. [Work in progress]
- Hagbjer, E., Lind, J. & Sjögren, E. 2013. Trust in the Monitoring of Publicly Financed Services – A Case Study of Two Outsourced Care Homes for the Elderly. In M. Reuter, B. Kristensson Ugglå, & F. Wijkström (Eds.), *Trust and Organizations: Confidence Across Borders*: 147-164. Hampshire: Palgrave Macmillan
- Hart, O., Shleifer, A., & Vishny, R. W. 1997. The proper scope of government: Theory and an application to prisons. *Quarterly Journal of Economics*, 112(4): 1127-1161.
- Hartman, L. 2011. Inledning. In L. Hartman (Ed.), *Konkurrensens konsekvenser: Vad händer med svensk välfärd?*: 9-31. Stockholm: SNS Förlag.
- Hood, C. 1991. A public management for all seasons? *Public Administration*, 69(1): 3-19.
- Hood, C. 1995. The "new public management" in the 1980s: Variations on a theme. *Accounting, Organizations & Society*, 20(2): 93-109.
- Hoskin, K. W. 1996. The 'awful idea of accountability': Inscribing people into the measurement of objects. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 265-282. London: International Thomson Business Press.
- Håkansson, H., Kraus, K., Lind, J., & Strömsten, T. 2010. *Accounting in networks - the industrial-network approach*. In H. Håkansson, K. Kraus, & J. Lind (Ed.), *Accounting in networks*: 503-549. Abingdon: Routledge.
- Jordahl, H., & Öhrvall, R. 2013. Nationella reformer och lokala initiative. In H. Jordahl (Ed.), *Välfärdstjänster i privat regi. Framväxt och drivkrafter*. 33-88. Stockholm: SNS Förlag.
- Kamuf, P. 2007. Accounterability. *Textual Practice*, 21(2): 251-266.
- Kastberg, G. 2010. *Vad vet vi om kundval? en forskningsöversikt*. Stockholm: Sveriges Kommuner och Landsting.
- King, N. 1994. The qualitative research interview. In C. Cassell & G. Symon (Ed.), *Qualitative methods in organizational research: A practical guide*: 14-36. London: Sage.

- Kirk, K., & Mouritsen, J. 1996. Spaces of accountability: Systems of accountability in a multinational firm. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 245-260. London: International Thomson Business Press.
- Kraus, K. 2007. *Sven, interorganisational relationships and control: A case study of domestic care of the elderly* (PhD ed.). Stockholm: Economic Research Institute, Stockholm School of Economics (EFI).
- Kraus, K., & Lindholm, C. 2010. Accounting in inter-organisational relationships within the public sector. In H. Håkansson, K. Kraus, & J. Lind (Ed.), *Accounting in networks*: 212-282. Abingdon: Routledge.
- Kreiner, K. 1996. Accountability on the move: The undecidable context of project formation. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 85-102. London: International Thomson Business Press.
- Kurunmäki, L. 2004. A hybrid profession--the acquisition of management accounting expertise by medical professionals. *Accounting, Organizations and Society*, 29(3-4): 327-347.
- Langley, A. 1999. Strategies for theorizing from process data. *Academy of Management Review*, 24(4): 691-710.
- Langley, A. 2009. Studying processes in and around organizations . In D. A. Buchanan & A. Bryman (Ed.), *The SAGE Handbook of Organizational Research Methods*: 409-429. London: SAGE.
- Lapsley, I. 2008. The NPM agenda: Back to the future. *Financial Accountability & Management*, 24(1): 77-96.
- Laughlin, R. 1996. Principals and higher principals: Accounting for accountability in the caring professions. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 225-244. London: International Thomson Business Press.
- Law, J. 1996. Organizing accountabilities: Ontology and the mode of accounting. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 283-306. London: International Thomson Business Press.
- Lerner, J. S., & Tetlock, P. E. 1999. Accounting for the effects of accountability. *Psychological Bulletin*, 125(2): 255-275.
- Lind, J., & Thrane, S. 2010. Towards accounting in network settings. In H. Håkansson, K. Kraus, & J. Lind (Ed.), *Accounting in networks*: 60-79. Abingdon: Routledge.
- Lindholm, C. 2003. *Ansvarighet och redovisning i nätverk: En longitudinell studie om synliggörande och osynliggörande i offentlig verksamhet* (PhD ed.). Uppsala: Department of Business Studies.
- Lindkvist, L., & Llewellyn, S. 2003. Accountability, responsibility and organization. *Scandinavian Journal of Management*, 19(2): 251-273.
- Llewellyn, S. 2003. What counts as "theory" in qualitative management and accounting research? Introducing five levels of theorizing. *Accounting, Auditing & Accountability Journal*, 16(4): 662-708.



- Lukka, K., & Modell, S. 2010. Validation in interpretive management accounting research. *Accounting, Organizations and Society*, 35(4): 462-477.
- McKernan, J. F. 2012. Accountability as aporia, testimony, and gift. *Critical Perspectives on Accounting*, 23(3): 258-278.
- Meinow, B., Parker, M. G., & Thorslund, M. 2011. Consumers of eldercare in sweden: The semblance of choice. *Social science & medicine*, 73(9): 1285-1289.
- Messner, M. 2009. The limits of accountability. *Accounting, Organizations and Society*, 34(8): 918-938.
- Munro, R. 1993. Just when you thought it safe to enter the water: Accountability, language games and multiple control technologies. *Accounting, Management and Information Technologies*, 3(4): 249-271.
- Munro, R. 1996. Alignment and identity work: The study of accounts and accountability. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 1-19. London: International Thomson Business Press.
- Munro, R., & Hatherly, D. J. 1993. Accountability and the new commercial agenda. *Critical Perspectives on Accounting*, 4(4): 369-395.
- Munro, R., & Mouritsen, J. (Eds.). 1996. *Accountability: Power, ethos and the technologies of managing*. London: International Thomson Business Press.
- Odenjung, H., Eriksson, M., Hedlund, H., Stöckel, B., Söderström, E., Helldén, D. & Broberg, E. 2010. *Valfrihet och vårdval – Slutrapport från programberedningen om valfrihet*. Stockholm: Sveriges Kommuner och Landsting.
- O'Dwyer, B., & Unerman, J. 2007. From functional to social accountability. *Accounting, Auditing & Accountability Journal*, 20(3): 446.
- O'Dwyer, B., & Unerman, J. 2010. Enhancing the role of accountability in promoting rights of beneficiaries of development NGOs. *Accounting and Business Research*, 40(5): 451-471.
- Olson, O., & Sahlin-Andersson, K. 2005. Public sector accounting reforms in A welfare state in transition: The case of sweden. In J. Guthrie, C. Humphrey, L. R. Jones, & O. Olson (Ed.), *International public financial management reform: Progress, contradictions, and challenges*: 223-245. Greenwich, Connecticut: Information Age Publishing.
- Pettersen, I. J. & Solstad, E. 2013. Managerialism and Profession-Based Logic - The Use of Accounting Information in Changing Hospitals. Forthcoming in: *Financial Accountability & Management Accounting*. Available at SSRN: <http://ssrn.com/abstract=2372515>
- Power, M. 1991. Auditing and environmental expertise: Between protest and professionalisation. *Accounting, Auditing & Accountability Journal*, 4(3).
- Power, M. 1997. *The audit society: Rituals of verification*. Oxford: Oxford University Press.
- Quattrone, P. 2004. Accounting for god: Accounting and accountability practices in the society of jesus (italy, XVI–XVII centuries). *Accounting, Organizations and Society*, 29(7): 647-683.

- Roberts, J. 1991. The possibilities of accountability. *Accounting, Organizations and Society*, 16(4): 355-368.
- Roberts, J. 1996. From discipline to dialogue: Individualizing and socializing forms of accountability. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 40-61. London: International Thomson Business Press.
- Roberts, J. 2009. No one is perfect: The limits of transparency and an ethic for 'intelligent' accountability. *Accounting, Organizations and Society*, 34(8): 957-970.
- Roberts, J., & Scapens, R. 1985. Accounting systems and systems of accountability - understanding accounting practices in their organisational contexts. *Accounting, Organizations and Society*, 10(4): 443-456.
- Robson, K. 1992. Accounting numbers as "inscription": Action at a distance and the development of accounting. *Accounting, Organizations and Society*, 17(7): 685-708.
- Romzek, B. S., & Dubnick, M. J. 1987. Accountability in the public sector: Lessons from the challenger tragedy. *Public administration review*, 47(3): 227-238.
- Sahlin-Andersson, K. 2006. Transparensens former. In C. Levay & C. Waks (Ed.), *Strävan efter transparens: Granskning, styrning och organisering i sjukvårdens nätverk*: 19-50. Stockholm: SNS Förlag.
- Samkin, G., & Schneider, A. 2010. Accountability, narrative reporting and legitimation: The case of a New Zealand public benefit entity. *Accounting, Auditing & Accountability Journal*, 23(2): 256-289.
- Samuelson, L. A. 2005. Chapter 8. In *Organizational governance and control: A summary of research in the Swedish society*. Stockholm: EFI.
- Scapens, R. W. 2004. Doing Case Study Research. In C. Humphrey & B. Lee (Ed.), *The Real Life Guide to Accounting Research. A Behind-the-Scenes View of Using Qualitative Research*: 257-279. Amsterdam: Elsevier.
- Schweiker, W. 1993. Accounting for ourselves: Accounting practice and the discourse of ethics. *Accounting, Organizations and Society*, 18(2-3): 231-252.
- Silverman, D. 2007. *A very short, fairly interesting and reasonably cheap book about qualitative research*. London: Sage.
- Sinclair, A. 1995. The chameleon of accountability: Forms and discourses. *Accounting, Organizations and Society*, 20(2-3): 219-237.
- Slagsvold, B. 1997. Quality measurements and some unintended consequences: Can quasi-quality be a consequence of quality standards? In A. Evers, R. Haverinen, K. Leichsenring, & G. Wistow (Ed.), *Developing quality in personal social services: Concepts, cases and comments*: 291-310. Vienna: Ashgate Publishing.
- Smith, P. 1995. On the unintended consequences of publishing performance data in the public sector. *International Journal of Public Administration*, 18(2/3): 277-310.
- Strathern, M. 2000. The tyranny of transparency. *British Educational Research Journal*, 26(3): 309-321.

- Szebehely, M. 2011. Insatser för äldre och funktionshindrade i privat regi. In L. Hartman (Ed.), *Konkurrensens konsekvenser: Vad händer med svensk välfärd?*: 215-257. Stockholm: SNS Förlag.
- Tetlock, P. E. 1985. Accountability: The neglected social context of judgment and choice. *Research in organizational behavior*, 7: 297-332.
- Tomkins, C. 2001. Interdependencies, trust and information in relationships, alliances and networks. *Accounting, Organizations and Society*, 26(2): 161-191.
- Tomkins, C., & Groves, R. 1983a. The everyday accountant and researching his reality. *Accounting, Organizations and Society*, 8(4): 361-374.
- Tomkins, C., & Groves, R. 1983b. "The everyday accountant and researching his reality": Further thoughts. *Accounting, Organizations and Society*, 8(4): 407-415.
- Unerman, J., & O'Dwyer, B. 2006. James Bond and the importance of NGO accountability. *Accounting, Auditing & Accountability Journal*, 19(3): 305-318.
- van der Meer-Kooistra, J., & Vosselman, E. G. J. 2000. Management control of interfirm transactional relationships: The case of industrial renovation and maintenance. *Accounting, Organizations and Society*, 25(1): 51-77.
- Waddington, D., 1994. Participant Observation. In C. Cassell & G. Symon (Ed.), *Qualitative methods in organizational research: A practical guide*: 105-122. London: SAGE Publications.
- Willmott, H. 1996. Thinking accountability: Accounting for the disciplined production of self. In R. Munro & J. Mouritsen (Ed.), *Accountability: Power, ethos and the technologies of managing*: 23-39. London: International Thomson Business Press.
- Vollmer, H. 2007. How to do more with numbers: Elementary stakes, framing, keying, and the three-dimensional character of numerical signs. *Accounting, Organizations and Society*, 32(6): 577-600.

## Legislation, Regulations, and Public Documents

- Government bill 1990/91:14. *Responsibility for service to the elderly and disabled etc.* Sweden: Ministry of Health and Social Affairs.
- Government bill 2008/09:160. *Coordinated and Comprehensible Oversight of Social Services.* Sweden: Ministry of Health and Social Affairs.
- Government bill 2008/09:29. *Bill on the Act on Systems of Choice in the Public Sector.* Sweden: Ministry of Health and Social Affairs.
- Government bill 2008/09:74. *Patient choice in primary care.* Sweden: Ministry of Health and Social Affairs.
- National Board of Health and Welfare, 2010a. *National guidelines on social care and healthcare for people suffering from dementia.* Stockholm: National Board of Health and Welfare.
- National Board of Health and Welfare, 2010b. *Summary of unannounced regulatory oversight of elderly care at a national level, with a focus on dementia care.* Stockholm: National Board of Health and Welfare.

- National Board of Health and Welfare. *The elderly care guide*. <http://aldreguiden.socialstyrelsen.se/> 2012-03-05.
- National Board of Health and Welfare, 2011b. *The Swedish National Board of Health and Welfare: A presentation*. Västerås: National Board of Health and Welfare.
- National Board of Health and Welfare, 2011c. *What do the elderly think about the elderly care?*. Stockholm: National Board of Health and Welfare.
- National Board of Health and Welfare, & SKL, 2011. *Open comparisons 2011: Healthcare and social care for the elderly*. Stockholm: National Board of Health and Welfare & Swedish Association of Local Authorities and Regions.
- National Food Agency, Swedish Board of Agriculture, National Veterinary Institute, County Administrative Board, SKL, & Surgeon-General. 2012. *National plan for the oversight of the food supply chain 2012-2015*. Uppsala: National Food Agency.
- Myndigheten för vårdanalys, 2013. *Open comparisons for improved elderly care quality? The Myndigheten för vårdanalys's evaluation of open comparisons of healthcare and social care for the elderly*. Stockholm: Myndigheten för vårdanalys.
- Senior Alert, 2011. *Learn more about senior alert: Information materials*. [www.senioralert.se:](http://www.senioralert.se/) Senior Alert.
- SFS 1949:105. *Freedom of the Press Act* [Tryckfrihetslagen].
- SFS 1974:152. *Instrument of Government* [Regeringsformen].
- SFS 1977:1160. *Work Environment Act* [Arbetsmiljölagen].
- SFS 1982:763. *Health and Medical Service Act* [Hälsa- och sjukvårdslagen].
- SFS 1991:900. *Local Government Act* [Kommunallagen].
- SFS 1993:387. *Act Concerning Support and Service for People with Certain Disabilities* [Lag om stöd och service till vissa funktionshindrade].
- SFS 2001:99. *Act on Official Statistics* [Lag om den officiella statistiken].
- SFS 2001:453. *Social Services Act* [Socialtjänstlagen].
- SFS 2006:804. *Food Act* [Livsmedelslagen]. Stockholm:
- SFS 2007:1091. *Public Procurement Act* [Lag om offentlig upphandling].
- SFS 2008:355. *Patient Information Act* [Patientdatalagen].
- SFS 2008:962. *Act on Systems of Choice in the Public Sector* [Lag om valfrihetssystem].
- SFS 2010:659. *Patient Safety Act* [Patientsäkerhetslagen].
- SFS 2013:176. *Ordinance containing instructions for the Health and Social Care Inspectorate*.
- SMHI. *Monthly statistics: Air temperature and wind* (july). <http://www.smhi.se/klimatdata/meteorologi/klimatdata-2.1240> 2011-10-27.
- SOSFS 1992:17 *The National Board of Health and Welfare's regulation on protective restraints for people with age dementia in residential institutions for service and care* [Socialstyrelsens föreskrifter om skyddsåtgärder för personer med åldersdemens i särskilda boendeformer för service och omvårdnad].
- SOSFS 1997:10. *Medically Responsible Nurses in municipal healthcare* [Medicinskt ansvarig sjuksköterska i kommunernas hälso- och sjukvård].

- SOSFS 2000:1. *The National Board of Health and Welfare's regulations and guidelines on the management of medications in healthcare* [Socialstyrelsens föreskrifter och allmänna råd om läkemedelshantering i hälso- och sjukvården].
- SOU 2003:123. *Development potential for a sustainable welfare*. Stockholm: Ministry of Health and Social Affairs.
- SOSFS 2006:5. *The National Board of Health and Welfare's regulations and guidelines on documentation of case administration and implementation of care actions under SoL, LVU, LVM and LSS* [Socialstyrelsens föreskrifter och allmänna råd om dokumentation vid handläggning av ärenden och genomförande av insatser enligt SoL, LVU, LVM och LSS].
- SOU 2006:110. *Regulations for the safety and legal protection of people with dementia*. Stockholm: Ministry of Health and Social Affairs.
- SOU 2007:11. *State and local government - tasks, structure and relationship*. Stockholm: Ministry of Health and Social Affairs.
- SOU 2008:127. *The patient's right. some proposals for strengthening the position of the patient*. Stockholm: Ministry of Health and Social Affairs.
- SOSFS 2010:2. *The National Board of Health and Welfare's regulation on the revocation of the regulations and guidelines (SOSFS 1992:17) on protective restraints for people with age dementia in residential institutions for service and care*. [Socialstyrelsens föreskrifter om upphävande av föreskrifterna och allmänna råden (SOSFS 1992:17) om skyddsåtgärder för personer med åldersdemens i särskilda boendeformer för service och omvårdnad].
- SOU 2011:73. *In search of the best deal - analysis and experiences of public procurement*. Stockholm: Ministry of Health and Social Affairs.
- Swedish Agency for Public Management (Statskontoret), 2007. *Healthcare, education and social care: What information does the user need to make a choice?* (2007:19 ed.). Stockholm.: Swedish Agency for Public Management.
- Swedish Competition Authority (Konkurrensverket), 2011. *Better statistics on public procurement*. Stockholm: Swedish Competition Authority.
- Swedish Dementia Centre, 2010. *For whose benefit? on coercion and protection in dementia care*.
- Swedish Register of Palliative Care, 2012a. *Annual report for 2011*. www.palliativ.se: SRPC.
- Swedish Register of Palliative Care, 2012b. *Death survey*. www.palliativ.se: SRPC.

## Case Documents

- AlphaCare, 2007. Tender for the procurement of the operational management of the elderly care home Glade. Metropolis: AlphaCare.
- AlphaCare's website, 2010. Quality development. 2010-05-04.
- BetaCare, 2008. Tender for the procurement of the operational management of the elderly care home Brook. Metropolis: BetaCare.
- East, 2007. Contract regarding the operational management of the nursing home glade between Metropolis, through East, and AlphaCare. Metropolis: East

- East, 2009. Termination of contract for the operational management of the nursing home meadow between Metropolis, through East, and DeltaCare. Metropolis: East.
- East, 2011. Operational supervision report, Glade. Metropolis: East.
- East, 2011. Business plan for 2012, East. (Business plan for 2012.) Metropolis: East.
- East, 2011. MAS' quality indicators for the review of municipal healthcare. Metropolis: East.
- East, 2011. Quality oversight in elderly and social care. (Supervision report). Metropolis: East.
- Elderly Care Inspectors, 2010. The elderly care inspectors' annual report. Metropolis: Elderly Services Administration.
- Elderly Care Ombudsman, 2011. The elderly care ombudsman's annual report. Metropolis: Elderly Services Administration.
- Elderly Services Administration, 2007. Instructions for care need assessments for the determination of remunerations levels in the municipality's system of choice for nursing homes. Metropolis: Elderly Services Administration.
- Elderly Services Council, 2007. Elderly plan for Metropolis 2007-2011. Metropolis: Elderly Services Council
- ISO Webpage. ISO 9001:2000. [http://www.iso.org/iso/iso\\_catalogue/catalogue\\_ics/catalogue\\_detail\\_ics.htm?csnumber=21823](http://www.iso.org/iso/iso_catalogue/catalogue_ics/catalogue_detail_ics.htm?csnumber=21823) 2012-02-09.
- Metropolis, 2000. Participation in the national quality registers Senior Alert and the Swedish Register of Palliative Care. Metropolis: Metropolis' political council.
- Metropolis, 2007a. Bill on Introduction of a freedom of choice system for nursing homes. Metropolis: Metropolis' political council.
- Metropolis, 2007b. Bill on proposed elderly care voucher system divided by three levels. Metropolis: Metropolis' political council.
- Metropolis, 2007c. Competition and Freedom of Choice Policy. Metropolis: Metropolis' central management
- Metropolis, 2008. Tender call for the procurement of the operation of nursing homes in 9 municipal regions. Metropolis: Metropolis' central management
- Metropolis, 2008. Bill on healthcare indicators. Metropolis: Metropolis' political council.
- Metropolis, 2010. The quality of your nursing home (Client Survey). Metropolis: Metropolis' central management
- Metropolis, 2011. Information on Compare Services. Metropolis: Metropolis' central management
- Metropolis, 2011. Municipal budget for 2012 and directions for 2013 and 2014. Metropolis: Metropolis' political council.
- Metropolis' website, 2011. Find and compare nursing homes. 09/09/2011.
- Metropolis' website, 2012. The care diary. 05/11/2012.
- Metropolis' website, 2012. Elderly care direct. 05/11/2012.
- MAS' Official Report for 2010, 2011. The medically responsible nurse's (MAS) and medically responsible rehabilitator's (MAR) report on healthcare. Metropolis: East.

- North, 2008. Contract regarding the operational management of the nursing home Brook. Metropolis: North.
- North, 2009a. Demands and request for correction. (Letter to BetaCare) Metropolis: North.
- North, 2009b. Demands and request for correction. (Letter to BetaCare) Metropolis: North.
- North, 2009. Documentation of unannounced visits. Metropolis: North.
- North, 2011. Mapping of healthcare interventions. Metropolis: North.
- North, 2011. Business plan, North. (Business plan for 2012.) Metropolis: North.
- North, 2012. The quality of your nursing home. (Client Survey) Metropolis: North.
- News article, 2010a. "The situation is unacceptable". Metropolis: Local media outlet.
- News article, 2010b. No decrease in rent at Thicket. Metropolis: Local media outlet.
- News article, 2010c. Personnel at nursing home raise the alarm about health hazard. Metropolis: Local media outlet.
- Uppdrag: Granskning (Mission: Investigation), 2012. De inlåsta. (TV programme.) Sveriges Television, SVT1. 2010-09-08





# Appendix I: Empirical Data Collection

The tables on the following pages outline the data collection of the empirical study. First, attended supervision meetings of each care provider-region dyad are listed, together with the participants in each meeting. Second, other attended meetings are described. Third, interviews conducted with members of the respective care provider and region organisations and with the central management of Metropolis are listed. The final section provides examples of the interview guides used during the semi-structured interviews.

Table I Supervision Meetings

<i>Date</i>	<i>Participants</i>
<i>Case East</i>	
2009 June	East: Elderly care manager, MAS  AlphaCare: Regional manager A Glade: Senior manager Thicket: Operations manager A, operations manager B (deputy), operations manager C, operations manager D (deputy)
2010a May	East: Elderly care manager, Quality manager, MAS  AlphaCare: Regional manager A Glade: Senior manager, operations manager A Thicket: Operations manager A, operations manager B
2010b September	East: Elderly care manager, Quality manager, MAS  AlphaCare: Senior regional manager, regional manager B Glade: Senior manager, operations manager B Thicket: Operations manager B

<i>Date</i>	<i>Participants</i>
2010c November	East: Elderly care manager, Quality manager, MAS  AlphaCare: Regional manager B Glade: Senior manager, operations manager B Thicket: Operations manager B
2011 May	East: Elderly care manager, quality manager, MAS  AlphaCare: Regional manager B Glade: Senior manager
<i>Case North</i>	
2008a November	North: Elderly care manager, purchaser  BetaCare: Regional manager A, deputy sector manager
2008b December	North: Elderly care manager, purchaser, MAS  BetaCare: Regional manager, MAS Brook: Senior manager A, operations manager A, operations manager B
2009a February	North: Elderly care manager, purchaser, project coordinator, assistant purchasing manager  BetaCare: Regional manager Brook: Senior manager A, operations manager A, operations manager B
2009b March	North: Elderly care manager, purchaser, project coordinator, staff administrator  BetaCare: Regional manager A Brook: Senior manager A, operations manager A
2009c April	North: Elderly care manager, purchaser  BetaCare: Regional manager A Brook: Senior manager A, operations manager A, operations manager C
2009d June	North: Elderly care manager, purchaser  BetaCare: Regional manager A Brook: Senior manager A, operations manager A, senior manager B, group manager, activity manager

<i>Date</i>	<i>Participants</i>
2009e August	North: Elderly care manager, purchaser, MAS, municipal home manager Brook: Senior manager A, senior manager B, operations manager A
2009f October	North: Elderly care manager, purchaser, IT technician BetaCare: Regional manager B Brook: Senior manager B
2009g December	North: Elderly care manager, purchaser, IT manager BetaCare: Regional manager B Brook: Senior manager B TeenCare: Senior manager
2010a February	North: Elderly care manager, purchaser BetaCare: Regional manager A, deputy regional manager Brook: Senior manager B
2010b November	North: Elderly care manager, purchaser BetaCare: Deputy regional manager Brook: Senior manager B
2011a February	North: Elderly care manager, controller BetaCare: Deputy regional manager Brook: Senior manager B
2011b December	North: Quality administrator, purchasing manager, MAS, analyst BetaCare: Senior regional manager Brook: Senior manager B, operations manager D

Table II Other Meetings

<i>Date</i>	<i>Purpose of meeting</i>	<i>Participants</i>
<i>Case East</i>		
2009a January	Political Region Meeting	Local representatives of the parties
2009b June	Political Region Meeting	Local representatives of the parties
2009c December	Political Region Meeting	Local representatives of the parties
2010 June	Information meeting for the East: Elderly care manager, MAS, quality man- providers about Control for ager, operations planner Outcomes	ConsultAB: Consultant  Providers: Managers from outsourced nursing homes and home assistance firms
<i>Case North</i>		
2009a February	Political Region Meeting	Local representatives of the parties
2009b April	Political Region Meeting	Local representatives of the parties
2009a August	Supervision meeting between North & GammaCare	North: Elderly care manager, purchaser, MAS, municipal home manager GammaCare: CEO, operations manager, de- velopment manager
2009b September	Supervision meeting between North & GammaCare	North: Elderly care manager, purchaser GammaCare: CEO, operations manager
2010 November	Supervision meeting between North & GammaCare	North: Elderly care manager, purchaser GammaCare: CEO, operations manager
2011 March	Supervision meeting between North & GammaCare	North: Elderly care manager, purchaser GammaCare: CEO, operations manager, MAS

Table III Interviews

<i>Case East</i>			
<i>East</i>		<i>AlphaCare</i>	
Elderly Care Administrator A	2009-02-26	Senior Manager	2011-07-12
Elderly Care Administrator B	2009-03-04		
Elderly Care Controller	2008-11-18		
Elderly Care Manager	2009-01-08, 2011-06-16		
MAS & Quality inspector	2009-02-05		
Placement Coordinator	2009-04-06		
Purchaser	2008-11-28		
<i>Case North</i>			
<i>North</i>		<i>BetaCare</i>	
Analyst	2008-12-22	Senior Manager A	2009-04-03
Elderly Care Administrator A	2009-03-03	Operations manager A	2009-04-03
Elderly Care Administrator B	2009-03-03	Group Manager	2009-04-07
Elderly Care Controller	2008-11-12	Nurse A, Nurse B	2009-04-14
Elderly Care Manager	2009-03-13	Nursing Assistant	2009-04-21
MAS	2009-01-30		
Purchaser	2008-11-27a, 2008-12-04b		

<i>Metropolis' central management</i>			
<i>Central Management</i>		<i>Elderly Services Administration</i>	
Analyst	2008-06-17	Manager & Administrator	2008-05-02
Manager	2008-07-01	Elderly Care Inspector	2008-06-19
Project leader	2008-07-03		

## Interview Guide

The interviews were based on a series of open questions that were used to prompt the respondents to speak as openly as possible about a topic. Naturally, these questions differed slightly depending on whether the respondent was a municipal employee or a care provider employee.

### Municipal Employees

Could you tell me a little about your work?

### **Supervision**

How does the region follow up nursing homes in the area?

What type of contact do you have with the nursing homes?

- Written reports?
- Meetings?
- Phone calls?

What formal sources of information do you have about the nursing homes?

- How do you receive this information?

What kind of reports?

- From whom?
- What information does it contain?
- Indicators?
- Who has designed them?
- Who compiles the information?

Do you receive informal forms of information as well?

- How?
- From whom?

Do you visit the nursing homes in your region?

- How often?
- How are the visits carried out?
- What do you look at?
- Is there anything in particular you look for?

### **How do you define good elderly care?**

How detailed are the region's quality requirements?

Does the region set goals that need to be met?

- What do these goals look like?

Do you have a standardised template for how to follow up elderly care?

- User surveys and other standardised surveys?
- Performance measurements?
- Key indicators?

What happens if there is a problem with the care?

- What is the first thing you do?

- What happens next?
- Whom do you contact?

Who decides what action to take?

- Is there a particular procedure?
- To what extent can you dictate how the elderly care should be carried out?
- If they said something like: “That would not work in practice, we would rather do it this way”- what happens then?
- To what extent do you negotiate a solution?

How do you follow up these actions?

What happens if the care provider continues to ignore a problem?

- Whom do you contact?
- Do you have access to any sanctions?
  - At what point do you use them?

### **Client Complaints**

Who can file a complaint?

How do you get complaints?

What kind of complaints do you get?

- How many?

What do you do when you receive a complaint?

- Do you analyse or evaluate it in any way?
- Whom do you contact?



Do you follow up complaints?

- What happens if the nursing home management does not act on them?

Do you keep track of the number of complaints?

### **To whom do you report?**

How?

Formal reports?

- What kind?
- Performance measurements?

Meetings?

- What kind?

Informal vs formal information?

Do you report to the politician management?

Do you report to Metropolis's central management?

What do they do with the information?

- Do you get any feedback?
- Do they act on the information, in ways that you know?
- How do they follow up the info?
- Do they ever ask for additional information?
  - Examples?
- Is the information analysed in some way?

Who defines good elderly care?

- How are these instructions or targets communicated?
  - Meetings?
  - Reports?
  - Informal / formal information?
- Regulations from the politicians?
- Are you affected by any national or municipal instructions/regulations?
  - The Swedish National Board of Health and Welfare?

### **The procurement process**

How/do you participate in the procurement process?

- What is your role?

How does the region go about a procurement process?

What are the most important aspects of a contract when it comes to quality?

- Is there an emphasis on creating a framework agreement or on writing detailed instructions?
- Emphasis on specifying the care in advance or following up afterwards?
- The importance of creating a legally binding contract?

### **What other individuals/groups influence your work?**

Do you cooperate with other people in the region?

Do you look at the reports of other public agencies/organisations that supervise elderly care?

Do you exchange information/ advice with other people who supervise elderly care?

Is there anything else I should ask you?

What are the biggest advantages and drawbacks of outsourcing a nursing home?

Care Provider Employees

Could you tell me a little about your work?

### **Supervision**

What frameworks or guidelines determine how you perform your job?

- Are there instructions?
- How do you receive them?

Are there certain goals or targets that need to be met?

- How are they decided?
- How do you know if you have met these goals?

Do you have any general discussions at work about what constitutes good care?

- Do you have training/courses at work?
- What do you learn?

Do you document your work?

- Reports?
- Key indicators?

Are you followed up in any more informal ways?

- Such as meetings?
- Phone calls?

- E-mail?
  
- By whom?
- How often?

Do you report financial information?

- Do you have a big enough budget to get by?
- What happens to the information?
  - Do you get any feedback?

Are you evaluated based on this information?

- How are you evaluated?

**Do you feel as if the fact that this nursing home is run on behalf of Metropolis influence your daily work?**

What are the biggest effects of working for Metropolis?

Are there certain things that need to be done “on Metropolis’s instruction” or because it is stated in the outsourcing contract/tender?

- How are those things decided?
- How do you know if they have been achieved?
- Are there any discussions about what Metropolis considers ‘good care’?
  - Do you receive any training from Metropolis?
  - Such as?

Do you notice in your daily work that your organisation is supervised by Metropolis?

- Do you/your organisation give them any information about your operations?

- Reports?
- Key indicators?
- Financial and non-financial information?
- Informal supervision?
  - Such as meetings?
  - Phone calls?
  - E-mail?
- What happens to this information?
  - Do you get any feedback?

What is the difference between working for a private care provider and working for Metropolis?

- In your daily work?
- For the employees at your organisation?
- In how you are evaluated?

Does it make a difference to the clients...

- That they are not living in a municipally managed nursing home?
- That you are performing the care on behalf of Metropolis?

**Are there other organizations/national agencies that affect your work?**

- Such as the Swedish National Board of Health and Welfare?

Is there anything else I should ask you?

What are the biggest advantages and drawbacks of working for a private care provider?

Is there anything about your work that you would like to change?



# Appendix II: Accounting Information for Metropolis' Elderly Care

The tables on the following pages outline the accounting information produced in the accountability network surrounding elderly care in Metropolis. The information is categorised according to the following headlines:

## Accounting

Type of accounting information

## Frequency

How frequently the accounting information was produced

## Level of Codification

Whether the accounting information is based on codified or non-codified norms

## Categories of Performance Data

The subject of the accounting information

Table IV Accounting within the Focal Dyad

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Accounting reports to other constituents	Secondary data	Varies, but generally Codified norms	E.g. central management inspections (e.g. personnel competence, work routines, content of everyday life); Central operational oversight report (e.g. personnel and management, routines for lex Sarah and lex Maria investigations, nutrition and meals); Central client survey (e.g. client influence, satisfaction with activities, general satisfaction); Swedish National Board of Health and Welfare's survey (e.g. food and meal environment; outdoor and social activities; falls, malnutrition and pressure ulcers); Care provider internal quality reports etcetera a, b, c, d
Control for Outcomes (East)	Based on secondary data	Codified norms (survey)	Quality and individualisation of the care, nutrition and meal environment, meaningfulness of daily life, client autonomy, security, support for families, planning and evaluation, client information <sup>e</sup>
	Yearly	Non-codified norms (professional judgment by the care administrators)  Comparison with the constituent's definition of a satisfactory conduct	Client satisfaction <sup>a, f</sup>



<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Social and geriatric care statistics	Monthly or 4 times/year	Codified norms (survey)	<p>East: Incidents;</p> <p>Pressure ulcers, infections, location of death, hospitalisations, assisted medication, clients taking more than 8 medicines, risk assessments, special care measures (e.g. intravenous nutrition, extra oxygen)<sup>29 a, b</sup></p> <p>North: Incidents;</p> <p>Use of catheter, contagious viral infections, use of antibiotics to treat infections<sup>c, g</sup></p>
Geriatric Care Survey	Yearly	Codified norms (survey)	<p>East: Contact with healthcare personnel, pharmaceuticals, delegations, incident practices, medical devices, hygiene, terminal care, incontinence, pressure ulcers, nutrition, falls and fall injuries, dementia, rehabilitation, dental care, documentation<sup>h</sup></p> <p>North: Pharmaceuticals, nutrition, dental care, pressure ulcers, incontinence, infections, falls and fall injuries, use of wheelchairs, restrictive measures, deaths, hospital care<sup>i</sup></p>
Inspections (announced and unannounced)	2-5 times /year; ad hoc	<p>Non-codified norms (professional judgment)</p> <p>Comparison with the constituent's definition of a satisfactory conduct</p>	<p>East: Treatment of the clients, individualisation of the care, social activities, nutrition and meal environment, documentation and care plans, internal quality system, information transfer, risk assessments, personnel training, geriatric care, continuity, work routines<sup>j</sup></p> <p>Operational oversight report (e.g. )<sup>k</sup></p> <p>Contract<sup>l</sup></p>

<sup>29</sup> East collected more data since the region's MAS was also MAS for the outsourced nursing homes.

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
			North: Available personnel and management, documentation and information transfer, personal carers and care continuity, meals, social activities, work routines, individualised care, cleaning and ancillary services, secure management of client funds and keys, personnel training, knowledge of legal rights and obligations, treatment of the clients <sup>m</sup>  Contract <sup>n</sup>
Contract supervision	With inspections and/or meetings	East: Non-codified norms (professional judgment)  North: Non-codified norms (professional judgment); Codified norms (commitments)  Comparison with the constituent's definition of a satisfactory conduct	East: Management and personnel (common goals and values, time to reflect on the work), care and stimulation for the client (as active a life as possible, care continuity, occupational therapists and physiotherapist, documentation, cooperation and communication between professional groups and with other care actors, monitoring), Evaluation and development (quality system and monitoring) <sup>l</sup>  North: Care and service in the everyday life of the individual; activities in the everyday life of the individual; geriatric care; food; motivation, continuity and values while performing the services; insurance that the activities are performed; training and education of the personnel <sup>n</sup>
Annual Review (North)	Yearly	Codified norms (survey); Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Operational oversight report (e.g. economy and administration, personnel and management, client influence) <sup>k</sup>  Contract (e.g. care and service in the everyday life of the individual; activities in the everyday life of the individual; motivation, continuity and values while performing the services) <sup>n</sup>  Tax and fee compliance, client fund routines <sup>o</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Collaboration/ supervision Meetings, Ad hoc communi- cation	East: 3 times /year; ad hoc North: 2 times /year; ad hoc	Non-codified norms (professional judgment) Comparison with the constituent's definition of a satisfactory con- duct	Conflicting or uncertain oversight data Complaints Quality issues Intra-organisational changes Positive events in the care <sup>p</sup>
Dissatisfied cli- ents and client families	Ad hoc	Non-codified norms (cli- ent judgment) Comparison with the constituent's definition of a satisfactory con- duct	Ad hoc contacts <sup>b, c</sup>
Care level deci- sion	At placement, Within two months after the place- ment, At request	Codified framework (professional judgment within a set framework) Comparison with codi- fied framework	Need for assistance with: personal hygiene, dressing and undressing, going to the bathroom, moving, incontinence, eating; Level of dementia; Psychological wellbeing (anxiety, aggression etc); Geriatric care needs <sup>d</sup>

## References

<sup>a</sup> MAS & Quality inspector, East (2009)

<sup>b</sup> Elderly Care Manager, East (2009)

<sup>c</sup> MAS, North (2009)

<sup>d</sup> Meeting between North and BetaCare (2009g); Meeting  
between East and AlphaCare (2010a)

<sup>e</sup> Information Meeting, East (2010)

<sup>f</sup> Elderly Care Administrator B, East (2009)

<sup>g</sup> Group manager, BetaCare (2009)

<sup>h</sup> Health care quality indicators, East (2011)

<sup>i</sup> Mapping of health care, North (2011)

<sup>j</sup> Oversight report for elderly and social care, East (2011)

<sup>k</sup> Operational oversight report, Glade (2011)

<sup>l</sup> Tender call Glade, East (2007)

<sup>m</sup> Inspection checklist, North (Meeting North & BetaCare, 2010b)

<sup>n</sup> Tender call, centralised procurement (2008)

<sup>o</sup> Purchaser, North (2008a)

<sup>p</sup> Meetings (e.g. Meeting North & BetaCare, 2008a; 2008b; 2009b; Meeting East & AlphaCare, 2009; 2010a; 2010b)

<sup>q</sup> Elderly Services Administration (2007)

Table V Accounting within the Provider and Municipal Organisations

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
<i>Provider Hierarchy</i>			
Financial budget	Monthly	Codified norms (budget)	Revenues based on number and care levels of residents; expenditures on operational costs, overhead <sup>a, b</sup>
Internal quality system	AlphaCare: Yearly	AlphaCare: Codified norms (survey)	AlphaCare: Contract, finances, information and cooperation with the region, organisational values, nutrition, quality factors, social care, geriatric care, security, hygiene, work environment <sup>a, c</sup> BetaCare: Organisational values, routines when clients move in, social care routines, social and healthcare documentation, meals and nutrition, social activities, terminal care, geriatric care, cooperation with the region and physicians, complaints and incidents, meetings, security <sup>b, d</sup>
	BetaCare: Yearly (inspection), 2-3 times per year (self-control)	BetaCare: Codified framework (professional judgment within a set framework)  Comparison with the constituent's definition of a satisfactory conduct	
Quality index (AlphaCare)	Monthly	Codified norms (survey)	User surveys; audits from national oversight agencies and Metropolis; special events, such as lex Sarah and lex Maria reports, incidents and serious complaints; reports from the internal quality system; internal quality development activities, participation in development projects; positive events reported to Metropolis and the residents' family members <sup>e, f</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Client survey	Yearly	AlphaCare: Codified norms (survey) BetaCare: Codified norms (survey)	AlphaCare: Care and service, social activities, food, willingness to recommend, treatment by personnel, personal carer <sup>c, f</sup> BetaCare: E.g. treatment by personnel, client influence, client security <sup>g</sup>
Personnel survey	Yearly	AlphaCare: Codified norms (survey) BetaCare: Codified norms (survey)	AlphaCare: Work fulfilment and influence, personnel training, values, management, stress, workplace harassment <sup>c</sup> BetaCare: Same areas as the client survey <sup>g</sup>
Purchaser survey (AlphaCare)	Yearly	Codified norms (survey)	General satisfaction; satisfaction with AlphaCare's commitment, responsiveness, service development, professionalism, honesty <sup>c</sup>
Client family survey (BetaCare)	Yearly	Codified norms (survey)	Same areas as the client survey <sup>g</sup>
ISO certification	Reviewed yearly	Codified framework (professional judgment within a set framework) Comparison with codified evaluation framework	Ability to meet customer, statutory, and regulatory requirements; assurance of conformity to customer statutory and regulatory requirements; effective application of the system; processes for continual improvement of the system <sup>h, i</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Area management oversight	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Results of quality reports, serious incidents, conflicts with region administration <sup>a, b</sup>
MAS (BetaCare)	Continuously	Codified framework (professional judgment within a set framework)  Comparison with codified legal framework  Non-codified norms (professional judgment); Codified norms (survey of number of incidents)  Comparison with the constituent's definition of a satisfactory conduct	Routines for contacting a physician, routines for delegations, investigations under lex Maria <sup>j</sup>  Work routines, client safety, incidents <sup>k</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
<i>Municipal hierarchy</i>			
Financial budget	Every three months	Codified norms (budget)	Revenues based on projected number of senior citizens; expenditures on care placements, operational costs of internally run care homes, overhead, upkeep <sup>l</sup>
Operational budget indicators	Every three months	Codified norms (survey)	<p>Perceived freedom of choice, client satisfaction, satisfaction with the food, satisfaction with the meal environment, perceived client security, personnel with basic care education <sup>m</sup></p> <p>East: Clients who have made an active choice of nursing home, nursing homes where more than 90 percent of the personnel have relevant education or 5 years of experience, nursing homes with an education plan that is updated yearly, clients with an ADL assessment, clients with a malnutrition risk assessment, clients with a pressure wound risk assessment, clients with an individual incontinence assessment, client satisfaction, perceived care personnel continuity, satisfaction with the food, satisfaction with the meal environment, clients who are partially or fully satisfied with social activities, social interaction and time spent outdoors, clients with up to date care plans, clients who feel that they are treated with respect, clients who feel that they can influence their care, clients who feel secure, clients who know who's their personal carer, clients who feel informed about what will happen, when, how and by whom <sup>n</sup></p> <p>North: individual risk assessment for falls, malnutrition and pressure wounds; good routines for hygiene <sup>o</sup></p>



<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Operational supervision report	Yearly	Codified norms (survey)	Economy and administration, personnel and management, living facilities, cleaning and washing, management control system, routines for lex Sarah and lex Maria investigations, client influence, moving in, personal carers <sup>30</sup> , documentation of social and geriatric care, nutrition and meals, activities, secure management of client funds and keys, geriatric care, preventive care, medical devices, rehabilitation, hygiene, medication, terminal care <sup>31</sup> <sup>p</sup>
Geriatric care indicators	Yearly	Codified norms (survey)	Functionality in daily life, falls, pressure wounds, health care competency, infections, incontinence, medication, dental health, nutrition <sup>q</sup>
Centralised procurements	Varies, approximately every 2 years	Non-codified norms (professional judgment); Codified norms (commitments)  Comparison with the constituent's definition of a satisfactory conduct	Care and service in the everyday life of the individual; activities in the everyday life of the individual; geriatric care; food; motivation, continuity and values while performing the services; insurance that the activities are performed; training and education of the personnel <sup>r</sup>
Client survey	Yearly	Codified norms (survey)	Treatment by personnel, client influence, satisfaction with time outdoors, satisfaction with activities, perceived freedom of choice, satisfaction with the food, satisfaction with the meal environment, security, general satisfaction <sup>s</sup>

<sup>30</sup> A care assistant who has the main responsibility for aiding a particular client.

<sup>31</sup> Before 2011, the Operational Supervision Report also recorded the use of restrictive measures (see section 5.2, episode 6).

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Elderly ombudsman report	Yearly	Codified norms (survey)	Number of complaints, who makes the complaint, medium of contact, home region, reason for the complaint <sup>f</sup>
Inspections	Every 5-7 years	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Care monitoring and review, management, personnel competence, treatment by personnel, work routines, content of everyday life, healthcare, staffing at dementia units, rehabilitation, existence of a personal carer, care planning, documentation, meals, time outdoors <sup>u</sup>
MAS	Continuously	Codified framework (professional judgment within a set framework); Non-codified norms (professional judgment)  Comparison with applicable legislation and the constituent's definition of a satisfactory conduct	Routines for contacting a physician, routines for delegations, investigations under lex Maria <sup>i</sup>  Metropolis: Work routines, client safety, incidents <sup>k</sup>

## References

- <sup>a</sup> Senior manager, AlphaCare (2011);
- <sup>b</sup> Senior manager, BetaCare (2009);
- <sup>c</sup> Tender AlphaCare (2007);
- <sup>d</sup> Meeting North and BetaCare (2008a);
- <sup>e</sup> AlphaCare Website (AlphaCare, 2010);
- <sup>f</sup> Meeting between AlphaCare & East (2010a);
- <sup>g</sup> Tender BetaCare (2008);
- <sup>h</sup> Meeting between North and BetaCare (2010b)
- <sup>i</sup> ISO webpage (2012)
- <sup>j</sup> Health and Medical Service Act (1982:763) § 24

- <sup>k</sup> MAS, North (2009); MAS & Quality inspector, East (2009)
- <sup>l</sup> Elderly care controller, East (2008); Elderly care controller, North (2008)
- <sup>m</sup> Municipal Budget for 2012 (2011)
- <sup>n</sup> Business plan 2012, East (2011)
- <sup>o</sup> Business plan 2012, North (2011)

- <sup>p</sup> Operational oversight report, Glade (2011)
- <sup>q</sup> Bill on health care indicators (2008)
- <sup>r</sup> Tender call, centralised procurement (2008)
- <sup>s</sup> Client Survey, North (2012)
- <sup>t</sup> Elderly Care Ombudsman (2011)
- <sup>u</sup> Elderly Care Inspector (2010)

Table VI Accounting within the Elderly Care Market

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
<i>Clients</i>			
Comparison tool, Metropolis' website	Continuously	Non-codified norms (description); Codified norms (survey)	Location, management type (municipal, outsourced, private), type of home, focus, living premises, meals, personnel training, social activities, activities to ensure client influence, number of apartments, number of apartments per ward, rent <sup>a</sup>  Results of the central client survey (i.e. treatment by personnel, satisfaction with activities, general satisfaction) <sup>b</sup>
Elderly Care Guide, Swedish National Board of Health and Welfare's website	Yearly	Codified norms (survey)	Client influence, personnel density, personnel education, care continuity, care environment, meals, coordination with the county's health care, preventive measures, care monitoring <sup>c</sup>
Plan of implementation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Care decision, goal for the care, potential segments of the care activities and what they contain, when and how the care will be provided, how the client has influenced the plan, who participated in the planning, when the plan was made, when and how the plan will be followed up <sup>d</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Social care documentation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	E.g. care activities and decisions, events of note, incident reports under lex Sarah, the reception or preparation additional files <sup>e</sup>
Elderly Care Direct phone line	Ad hoc	Codified framework (professional judgment within a set framework – cannot make recommendations)  Comparison with the constituent's definition of a satisfactory conduct	Information about elderly care in the municipality <sup>f</sup>
Care administrators	Ad hoc	Codified framework (professional judgment within a set framework: cannot make recommendations)  Comparison with the constituent's definition of a satisfactory conduct	Objective facts about nursing homes, e.g. location, premises, length of queues <sup>g</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Visits	Ad hoc	Non-codified norms (individual judgment)  Comparison with the constituent's definition of a satisfactory conduct	Nice properties, balconies, opportunities to spend time outdoors, clientele at a similar stage of dementia <sup>h</sup>
Rumours and media reports	Ad hoc	Non-codified norms (individual judgment)  Comparison with the constituent's definition of a satisfactory conduct	Home reputation, client satisfaction <sup>h</sup>
<i>Client families</i>			
<i>Lex Maria &amp; lex Sarah</i>	Continuously	Codified framework (professional judgment within a set framework)  Comparison with the constituent's definition of a satisfactory conduct	Cases under lex Maria; cases under lex Sarah <sup>i</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Plan of implementation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Care decision, goal for the care, potential segments of the care activities and what they contain, when and how the care will be provided, how the client has influenced the plan, who participated in the planning, when the plan was made, when and how the plan will be followed up <sup>d</sup>
Social care documentation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	E.g. care activities and decisions, events of note, incident reports under lex Sarah, the reception or preparation additional files <sup>e</sup>
Information meetings	Twice per year (BetaCare)  Ad hoc (AlphaCare)	Non-codified norms (description)  Comparison with the constituent's definition of a satisfactory conduct	Activities, recent events, future plans, media coverage <sup>i</sup>
Activity schedules	Weekly	Non-codified norms (descriptions)  Comparison with the constituent's definition of a satisfactory conduct	Activities <sup>k</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Information letters	Ad hoc (AlphaCare) Weekly (BetaCare)	Non-codified norms (descriptions) Comparison with the constituent's definition of a satisfactory conduct	Activities, recent events l
Individual information	Ad hoc	Non-codified norms (family judgment) Comparison with the constituent's definition of a satisfactory conduct	Activity participation, recent care events <sup>m</sup>
Family council (BetaCare)	4 times/year	Non-codified norms (descriptions) Comparison with the constituent's definition of a satisfactory conduct	Discussing the care and the nursing home's activities <sup>n</sup>
<i>Media</i>			
Reports to the political management	Continuously	Codified framework (professional judgment within a set framework) Comparison with the constituent's definition	Cases under lex Maria; cases under lex Sarah <sup>o</sup>



<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
		of a satisfactory conduct	
Information for the care clients	Continuously	Mixed  Comparison with the constituent's definition of a satisfactory conduct	Comparison tool on Metropolis' website (e.g. personnel training, social activities), results of the central client survey (e.g. perceived freedom of choice; general satisfaction), results of the national survey at the Swedish National Board of Health and Welfare's website (e.g. outdoor and social activities; falls, malnutrition and pressure ulcers; the clients' general assessment of the care) <sup>p</sup>
Dissatisfied clients, client families and personnel	Ad hoc	Non-codified norms (public interest)  Comparison with the constituent's definition of a satisfactory conduct	Ad hoc contacts <sup>a</sup>
Interviews with care personnel and politicians	Ad hoc	Non-codified norms (public interest)  Comparison with the constituent's definition of a satisfactory conduct	Ad hoc contacts <sup>r</sup>

## References

<sup>a</sup> Metropolis' Central Management (2011)

<sup>b</sup> Analyst, North (2008)

- c National Board of Health and Welfare (2011a)
- d SOSFS (2006:5) on documentation of case administration and implementation of care actions under SoL, LVU, LVM and LSS, ch 6 § 1
- e Metropolis' website (2012a); Meeting between North and BetaCare (2009f; 2009g)
- f Metropolis' website (2012b); Elderly Care Administrator B, East (2009)
- g Elderly Care Administrator A, East (2009); B, East (2009); A, North (2009); B, North (2009)
- h Placement Coordinator, East (2009); Elderly Care Administrator A, East (2009); B, North (2009)
- i Placement Coordinator, East (2009)
- j Tender, BetaCare (2008); Senior Manager, BetaCare (2009); Senior Manager, AlphaCare (2011); Meeting between East and AlphaCare (2010a)
- k Meeting between North and BetaCare (2008a); Meeting between East and AlphaCare (2009)
- l Meetings between East and AlphaCare (2010a; 2010b); Meetings between North and BetaCare (2009c)
- m Meeting between East and AlphaCare (2010a); Meeting between North and BetaCare (Meeting North & BetaCare, 2009d)
- n Tender, BetaCare (2008)
- o MAS, North (2009)
- p Elderly Care Manager, East (2009);
- q Meeting East & AlphaCare (2010a); Elderly Care Manager, North (2009)
- r Elderly Care Manager, East (2009); Elderly Care Manager, North (2009); MAS & Quality Inspector, East (2009)

Table VII Accounting at the National Level

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Social care documentation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Decisions, care activities, factual circumstances, events of note <sup>a</sup>  When the care was initiated, when a plan of implementation was prepared, how the client has influenced the practical care actions, any circumstances that have prevented the implementation of the care, how the plan of implementation has been followed up and revised, relevant information given by the care client or others, incident reports under lex Sarah, the reception or preparation of additional files, cessation of the care and why <sup>b</sup>
Geriatric care documentation	Continuously	Non-codified norms (professional judgment)  Comparison with the constituent's definition of a satisfactory conduct	Necessary information for a good and safe care, the patient's identity, background information for the care, diagnosis and reason for major care measures, information on taken and planned measures, information provided to the patient, choice of treatment options and the possibility of a modified medical assessment, who made a particular note and when <sup>c</sup>  Information for: monitoring and development of the care operations, oversight and legal demands, disclosure according to legal requirements, research <sup>c</sup>  Current health condition and medical assessments, prescription of medicines and treatments, reason for prescribing medicines, results of examinations, hypersensitivity to certain drugs or substances, information on contaminations in the course of the care, summaries of completed care, received patient consents, the patient's treatment preferences, information for traceability of medical devices, information on care planning, certificates, referrals and other incoming and outgoing data <sup>d</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Reports under <i>lex Maria</i>	Continuously	Codified framework (professional judgment within a set framework)  Comparison with codified legal framework	Investigations of incidents that "resulted in or could have resulted in health care damage" <sup>e</sup>  Reports to the Swedish National Board of Health and Welfare of incidents that "resulted in or could have resulted in serious health care damage" <sup>e</sup>
Reports under <i>lex Sarah</i>	Continuously	Codified framework (professional judgment within a set framework)  Comparison with codified legal framework	Investigations of "mistreatment or a tangible risk of mistreatment" <sup>f</sup>  Reports to the municipal social services committee of "mistreatment, or a tangible risk of mistreatment" <sup>f</sup>
Client survey (Swedish National Board of Health and Welfare)	Every other year	Codified norms (survey)	Information, treatment by personnel, client influence, security, the amount of assistance and care, meals, cleaning and clothes wash, showers and baths, geriatric care, social activities, the care delivery, premises <sup>g</sup>
General survey (Swedish National Board of Health and Welfare)	Yearly since 2010	Codified norms (survey)	Treatment by personnel; participation and influence; security; food and meal environment; outdoor and social activities; falls, malnutrition and pressure ulcers; availability; support and counselling after a stroke; terminal care; medical briefings and high-risk treatments; the clients' general assessment of the care; personnel; background information such as cost, care activities, and client health and psychological well-being <sup>h</sup>
Statistics (Statistics Sweden)	Ad hoc	Codified norms (survey)	Name and registration number of the organisation; production of goods and services; consumption of goods and services; number of employees, their employment, wages and occupations; stock; investments; orders, purchases, sales and deliveries of goods and services; price of goods and services; income and

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
			expenses; import and export; energy consumption; assets and liabilities; savings and capital, credit and currency conditions; extent of subleasing rights and tenancies; environmental protection costs <sup>i</sup>
Swedish Register of Palliative Care	Every death	Codified norms (survey)	Location at death; cause of death; whether an autopsy will be performed; whether the death was expected; lucidity before death; decision to give palliative care; information about palliative care to client and family; pressure ulcers; dental health; personnel present at death; family counselling; intravenous nutrition; degree of pain, breathing difficulty, nausea, anxiety, wheeziness, confusion; medication at death; last examination by physician; consultation of external expertise; personnel satisfaction with the care <sup>j</sup>
	Every year	Non-codified norms (professional judgment)  Comparison with the registry's best practice	Organisational routines and resources for palliative care <sup>k</sup>
Senior Alert	Continuously (new clients, then 1-2 times/year)	Codified norms (survey)	Risk of pressure ulcers, malnutrition, falls, dental health; height; weight; falls; pressure wounds <sup>l</sup>
		Non-codified norms (professional judgment of preventive measures)  Comparison with the registry's best practice	Preventive measures <sup>l</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
Inspections (Work Environment Authority, Environment and Health Administration)	Work Environment Authority: Ad hoc  Environment and Health Administration: Yearly	Codified framework (professional judgment within a set framework)  Comparison with codified legal framework and the agency's definition of a satisfactory conduct	Work Environment Authority: Physical or mental stress (including salary calculation and working hours) that can cause illness or accidents; work variety, social contact and coherence between work tasks; opportunities for personal and professional development, influence and professional responsibility; health and safety; work premises; work conditions related to air, sound, light, vibration and similar conditions; adequate precautions against injury from falls, fires, electric current etcetera; maintenance of equipment, tools and other technical devices; areas for personal hygiene, meals and rest; first aid equipment in case of accident or illness; working hours <sup>m</sup>  Environment and Health Administration: Local risk analysis of physical, chemical, and biological hazards; fulfilment of microbiological criteria; food traceability; food labelling <sup>f</sup>  Safe handling, storage, cleaning and temperature of food <sup>n</sup>
Themed inspections (Swedish National Board of Health and Welfare)	Continuously	Non-codified norms (professional judgment)  Comparison with the inspectors' definition of a satisfactory conduct	Areas that are considered important for quality <sup>o, p</sup>
Inspection reports of complaints (Swedish National Board of Health and Welfare)	Continuously	Non-codified norms (professional judgment)  Comparison with the agency's definition of a satisfactory conduct	Client complaints <sup>p</sup>
Medicine audit	Yearly	Non-codified norms (professional judgment)	Medicine handling <sup>q</sup>

<i>Accounting</i>	<i>Frequency</i>	<i>Level of Codification</i>	<i>Categories of Performance Data</i>
		Comparison with inspectors' definition of a satisfactory conduct	

## References

- <sup>a</sup> Social Services Act (2001:453) ch 11 § 5
- <sup>b</sup> SOSFS (2006:5) on documentation of case administration and implementation of care actions under SoL, LVU, LVM and LSS, ch 6 § 2
- <sup>c</sup> Patient Information Act (2008:355) ch 3 §§ 1, 2, 6
- <sup>d</sup> SOSFS (2008:14) on information management and record keeping in health care, ch 3 §§ 6-7
- <sup>e</sup> Patient Safety Act (2010:659) ch 3; Exercise of the Healthcare Profession Act (2010:659), ch 6 § 4
- <sup>f</sup> Social Services Act (2001:453) ch 14
- <sup>g</sup> National Board of Health and Welfare (2011c)
- <sup>h</sup> National Board of Health and Welfare & SKL (2011)
- <sup>i</sup> Act (2001:99) on Official Statistics, § 7
- <sup>j</sup> The Swedish Register of Palliative Care (2012b)
- <sup>k</sup> The Swedish Register of Palliative Care (2012a)
- <sup>l</sup> Senior Alert (2011)
- <sup>m</sup> Work Environment Act (1977:1160), ch 2
- <sup>n</sup> National Food Agency et al. (2012)
- <sup>o</sup> National Board of Health and Welfare (2010b)
- <sup>p</sup> MAS, North (2009); MAS & Quality inspector, East (2009)
- <sup>q</sup> SOSFS (2000:1) on the management of medications in health care, ch 2 § 2