

CULTURE FOR ALL?

**A MULTIPLE LOGICS APPROACH TO PUBLIC ORGANISATION
SUCCESS**

KATRI HYYTIÄ

MARCUS SANDSTRÖM

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Culture for all? A multiple logics approach to public organisation success

Abstract:

This paper examines multiple institutional logics in a public sector organisation and how they are reflected in the management control system (MCS) in terms of success. We define two logics, governance and culture logic. The former describes organisational and political demands on reporting and accountability, while the latter outlines creation cultural and social value. The study was carried out as a single case study at the Culture Committee at the City of Stockholm, where the primary data was collected through interviewing controllers and upper management. The data was then analysed considering the two logics we defined through previous research. Our study determines that the governance logic, i.e. the demands for accountability and reporting, are strongly reflected in the organisation. The measures of success are greatly determined by the logic, as many of interview subjects emphasize balancing budget and formal goal achievement as signs of success. However, we found out that the culture logic is a subject to collaboration and compromise in relation to the governance logic. Dialogue with the politics and own goal setting are examples on the compromise, while integration of the culture logic into the formal objective is a sign of collaboration. Thus, success measured by the formal MCS might in some cases even reflect success according to the culture logic.

Keywords:

Management control, Public sector, Institutional logics, Culture, Success

Authors:

Katri Hyytiä (23502)

Marcus Sandström (23332)

Tutors:

Martin Carlsson-Wall, Associate Professor, Department of Accounting

Examiner:

X

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Stockholm School of Economics

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1. Introduction

Cultural activities have often a secondary position among the politics' order of priority, where, for example care, school and security have precedence over investments. At the same time, culture is usually one of the areas that may be cut first in times of economic crisis (Emtö, 2019; Lundström, 2019). On the other hand, cultural activities contribute to several important functions in today's society. Among other things, cultural activity generates social development, improved health and increased well-being among citizens (Blackburn, Harris, Mowlah & Niblett, 2014; Moody, Naylor, Phinney, Pickersgill, Solorzano & Weaving, 2012). Consequently, the culture as a phenomenon is a resource issue where its benefits should be weighed against its costs (Jeacle, 2012).

Public sector organisations engaged in cultural activities must learn to manage these potential conflicts of interest. On one hand, there are requirements that culture life should be accessible, equal and professional (Kulturrådet, 2018). On the other hand, there is a general idea that the creation of public services should be made in a resource-efficient manner in order to fully maximize the value of the taxpayers' money (Barrow, 1996; James, 2000; Modell, 2012). Hence, the life as a public-sector cultural worker is a constant struggle of balancing different pressures. But how do you know if you are successful in balancing these demands?

Jay (2013) uses the concept of institutional logics to describe c “rules of the game” within different spheres of social and economic life. These rules influences organisational practice and put organisations under constant pressure. The case organisation in this paper is used as a study subject to illustrate the ongoing conflict between multiple logics that many different organisations face within different fields. Organisations frequently develop techniques and strategic responses to deal with these competing demands so that pressure from different logics can be managed (Oliver, 1991; Pache & Santos, 2010).

Furthermore, there is a significant body of research focusing on public sector in terms of Management Control Systems (MCS), performance measurements and institutional logics (see e.g. Amans, Mazars-Chapelon & Villesèque-Dubus, 2015; Anessi-Pessina et al., 2016, Arnaboldi, Lapsley & Steccolini, 2015; Ezzamel, Robson & Stapleton, 2012; Johansson & Siverbo, 2014; Rautiainen, 2010; Speklé & Verbeeten, 2014). Arnaboldi, et

al., (2015) argue that the difficulty of measuring public sector performance is its complexity and over-simplistic approaches to it. The public sector organisations are often complex entities, and for the last few decades the New Public Management (NPM) movement has put a pressure on the organisations to act in an efficient manner, much like in the private sector (Hood, 1995; Hyndman &, Lapsley, 2016; Lapsley, 2009). Conflicts between multiple logics are, therefore, not uncommon in the public sector (e.g. Rautiainen, 2010; Ramberg, 2017).

There has also been a number of studies on both popular and high culture and accounting (Amans, et al., 2015; Christiansen & Skærbæk, 1997; Jeacle, 2009a; Jacobs & Evans, 2012). According to Jeacle (2012) there is, however, more to be done in the field of culture, especially popular culture. The culture our case organisation represents can easily be described as popular or everyday culture (Jeacle, 2012; Jeacle, 2009b). Moreover, to our best knowledge, there are only a few studies that are focusing on culture in the context of public organisations. We believe there is, therefore, a research gap that can be filled with our case study.

The purpose of this study is to expand the knowledge base within this field of public sector organisations on how to measure success as organisations faces competing institutional logics. The aim of this study is to examine a public sector organisation and how institutional logics are reflected in its MCS in terms of success as it faces institutional complexity. All in all, the following research question forms the basis of this paper:

How are competing institutional logics integrated in a public sector organisation to measure success?

To answer the research question, a single-case study was carried out. We studied the Culture Committee in the City of Stockholm in order to investigate how competing institutional logics are integrated in a public sector organisation to measure success. Altogether, nine semi-structured interviews were conducted with a total of ten employees of various positions at the Culture Committee. The interviews were carried out partly to understand the conditions in which the Culture Committee operates, partly to understand the employees' attitudes, values and motivation towards their work and to the Culture Committee in general. To analyse the data generated by the interviews we defined two logics through previous research, the *governance logic*, which includes political and

bureaucratic processes and practices, (Amans, et al., 2015; Anessi-Pessina et al., 2016; Ezzamel, et al., 2012) and the *cultural logic*, which refers to the creative and accessible cultural processes and activities that create social value in the society (Jeacle, 2012; Amans, et al., 2015). The logics helped to create conceptual distinctions and to organize ideas related to the observations.

Our empirical findings show that the Culture Committee in the City of Stockholm faces multiple institutional logics that they must balance. On one hand, the governance logic sets the formal rules and shapes the Culture Committees daily operations. On the other hand, the cultural logic, which comes from the context in which the Culture Committee operates, clearly shapes individuals' perception and actions. Moreover, by compromising between these two competing logics and using tight coupling as a strategic response to the institutional complexity (Oliver, 1991; Pache & Santos, 2010; Greenwood & Hinings, 1996), we conclude that both logics can coexist without any larger conflicts.

In addition, our empirical findings also show that the success in the Culture Committee, is most affected by the governance logic. The culture logic is often compromised to solve the conflict between the two logics. However, the culture logic is partly internalized in the control system as the objectives, and the relationship between the logics can even at times be collaborative. Thus, the success measured by the formal control systems and the governance logic might even entail success according to the culture logic thanks to the compromising and tight coupling of the two logics.

We contribute to the research gap by providing empirical evidence on how the institutional logics are reflected in the public sector organisations in terms of measuring success. Furthermore, our case study focuses on an organisation that has a purpose of delivering culture. Therefore, we contribute to the discussion on the interaction between culture, accounting and public sector organisations.

The disposition of this paper is as follow: In chapter 2, a theoretical development is presented. The logics used for analysis are also defined in this chapter. The method for data collection and analysis is presented in chapter 3. In chapter 4 the empirical findings are presented. The analysis of the empirical findings is being dealt with in chapter 5. Finally, chapter 6 presents the conclusion, limitations of this study and some suggestions for further research.

2. Theoretical Development

In the second chapter, the theoretical background of this paper will be presented. Initially, we will introduce a literature review. The literature review is structured into sections, each of which is linked to the research question. The first section offers a historical review related to the concept of multiple institutional logics, where its origin, development and use as of today is presented.

In the next section, we interconnect institutional logics and management control systems. First, we present a review of MCS in an institutional logic context and explain the relationship between MCS and institutional logics. Secondly, we describe institutional complexity and its effect on shaping MCS. Some strategic responses to institutional processes are presented. Lastly, we present some ways of incorporating MCS within organisations that have been explained in previous research.

In the third section, we explain what previous research has said about multiple institutional logics in the public sector. We also define the *governance logic* and the *cultural logic*, that later will be used to analyse the empirical findings.

2.1. Multiple Institutional Logics

The study of institutions goes back to the 1940s when Selznick, (1948, 1949, 1957) made empirical analyses of organisations and their institutional environment. Later, in the late 1970s, Meyer & Rowan (1977) came up with a new approach to the analyses of organisations that emphasised the importance of organisational culture in institutional analysis. As part of this, they argued that there was a clear need for rationalizing taken-for-granted rules in order to create legitimacy due to external environmental pressure.

Alford & Friedland (1985) first introduced the concept of institutional logic as they analysed the contradiction between practices and beliefs of institutions in western society. They identified three contending institutional orders: capitalism, state bureaucracy and political democracy. Later, in 1991, Friedland & Alford further developed this concept by identifying five institutional orders. The family and the religion were added. In the same article, Friedland & Alford (1991) also presented the idea that organisations could have multiple competing institutional logics.

Through the years, the inter-institutional scheme related to institutional orders have been revised several times. Up to date, there are seven institutional orders: market, corporations, professions, state, families, religion and community (Thornton, Ocasio & Lounsbury, 2012). Recent research in the field of institutional logics has focused on institutional demands that could be derived from internal pressure rather than from external pressure. To exemplify, one study by Fiss & Zajac (2004) shows that firms decisions to prioritize value creation for their shareholders is affected by both external pressure from shareholders and internal pressure from executives.

The latest research has also focused on identifying strategic responses to handle multiple conflicting logics within organisations (Pache, & Santos; 2010, Amans, et al., 2015; Ezzamel, et al., 2012; Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011; Pache & Santos 2013; Carlsson-Wall, Kraus & Messner, 2016). One of the first strategic responses, decoupling, was presented by Meyer & Rowan (1977). In section 2.2.2 additional strategic responses to cope with institutional complexity will be presented.

Finally, recently there has been a shift in the level study of institutional logics. Until today, research has primarily had its focus on the effect institutional logic has had on the macro-level, However, lately research has also started to analyse the effect institutional logic could generate on a micro-level (Glaser, Fast, Harmon, & Green, 2016).

2.2. Management Control Systems and Institutional Logics

2.2.1. Management Control Systems in an Institutional Logic Context

Several previous studies have dealt with the relationship between Management Control Systems (MCS) and institutional logics. For example, Schäffer, Strauss & Zecher (2015) study institutional complexity and the role which management controls as a system play in such situations. Damayanthi & Gooneratne (2017) make a comprehensive review of management control literature which draws on the institutional logic perspective where it is found that the institutional logics have provided anchoring in areas such as budgeting and performance management while Sundin, Granlund & Brown (2010) investigates the role that the Balance Scorecard (BSC) plays in balancing organisational objectives, in a context where there are multiple and competing objectives representing the interest of various stakeholders. The result of previous research show that MCS can be used in

several different ways to deal with conflicting institutional logics. For example, Schäffer, Strauss & Zecher (2015) conclude that MCSs are of great importance to deal with institutional complexity. Their findings showed that organisations could (re-)structure their internal control systems in a way that specific controls were shaped only by one of the two conflicting logics. By doing this, selective coupling as a structural response to institutional complexity became possible. Moreover, Sundin, Granlund & Brown, (2010) demonstrate that the Balanced Scorecard (BSC) should be seen as a useful tool in order to balance multiple and competing objectives. They also conclude that the BSC could be used to make trade-offs between different objectives.

Although Sundin, Granlund & Brown (2010) demonstrate that MCS to some extent could have an impact on multiple institutional logics by balancing them, the vast majority of previous studies have shown that the interrelationship between MCS and institutional logics is as such that institutional logics shape the construction of MCSs and hence affect MCSs use within organisations (Amans, et al., 2015; Ezzamel, et al., 2012; Carlsson-Wall, et al., 2016; Chenhall, Hall & Smith, 2013). This approach is verified by Greenwood, Díaz, Li, & Lorente. (2010) who state that “Organisational forms and managerial practices are manifestations of, and legitimated by, institutional logics” (p. 251). Moreover, Lounsbury (2007) concludes that logics shape both industry practices and the way organisations make decisions.

2.2.2. Multiple Institutional Logics and its Shaping of the MCS.

Because organisations face institutional complexity whenever incompatible multiple institutional logics occur, organisations need strategic responses to cope with multiple, competing demands (Greenwood et al., 2011). In previous studies, Pache & Santos (2010), and Powell & DiMaggio (1991) have criticized passive organisational compliance to organisational complexity.

One such strategy to tackle institutional complexity explained by Oliver (1991) would be “Compromise”, i.e. to shape MCS based on compromises between multiple institutional logics and then create different MCS for different logics. By shaping MCS in this way, organisations attempt to balance conflicting demands from different institutional logics, so that demands from all the logics are incorporated within the MCSs.

Greenwood et al. (2011) make an in-depth analysis of strategic response and how this will be embedded in organisational behaviour and decisions as an organisation faces institutional complexity. They make the sectioning that organisations respond to institutional complexity either based on organisational strategies or on organisational structures. Based on the view that organisational responses to institutional complexity are reflected in the organisations structure, Pache & Santos (2010) argues that the strategy an organisation adopt, will be a function of multiple logics that are represented within the organisation. Moreover, if one logic represented in the organisation has a relative power over another logic, so that this logic is more prioritized, then this logic will have a stronger permeation of the organisation's strategy. Based on the approach related to organisation structure, Greenwood et al. (2011) argue that the organisational response to institutional complexity will be based on in what way the multiple logics are reflected in the organisations structure and practices.

Another strategic response to institutional complexity explained by Oliver (1991) is "Acquiescence". Acquiescence could be described as a passive strategy to institutional complexity where you follow rules and make decision without any compromise between different logics (Clemens, Bamford & Douglas, 2008). Oliver (1991) explains that acquiescence may take alternative forms such as habit, imitation and compliance. Table 1 below shows a summary of Oliver's (1991) empirical findings as they are presented in her article. The table also presents some examples of how the various forms are put into practice.

Noteworthy, however, is the fact that the result of a strategic response, given some sort of institutional complexity, not necessarily has to be constant. Instead, as a study by Carlsson-Wall, et al., (2016) explains, the result might depend on the organisation's current status. What this means is that organisations have diverse approaches in confronting institutional complexity. Such organisational features that are of great importance for how organisations handle institutional complexity are, for example field position, governance, identity, ownership and structure (Greenwood et al., 2011).

Table 1. Strategic Responses to Institutional Processes according to (Oliver, 1991)

Strategies	Tactics	Examples
Acquiescence/ Collaboration	Habit	Following invisible, taken-for-granted norms
	Imitate	Mimicking institutional models
	Comply	Obeying rules and accepting norms
Compromise	Balance	Balancing the expectations of multiple constituents
	Pacify	Placating and accommodating institutional elements
	Bargain	Negotiating with institutional stakeholders

2.2.3. Multiple Institutional Logics and the Use of MCS

In this section, some common ways to deal with MCSs will be presented, that reflects how MCSs can be incorporated into organisations that faces institutional complexity.

The first approach is that organisations implements MCSs as they were initially shaped. In previous research, this approach has been named “coupling” or “tight coupling”. Greenwood & Hinings (1996) describe tight coupling as “the existence of mechanisms for dissemination and the monitoring of compliance combined with a focused and consistent set of expectations” (p. 1029). However, the actual use of coupling is only likely to occur if there is no gap between formal policies and organisational practices (Meyer & Rowan, 1977). If that’s not the case, organisations must use a different approach, such as decoupling.

Decoupling refers to the development of MCS in accordance with formal structures, however, the actual coordination of what people do in an organisation is based on an informal decision-making process (Meyer & Rowan, 1977). Thus, from the concept of decoupling it follows that there is a gap between formal MCSs and the actual system an organisation uses for steering it towards its strategic objective. The adoption of this approach is most frequently used when there is a conflict between logics prescribed by external stakeholder and which practice that is most easily used internally by the organisation (Boxenbaum & Jonsson, 2008). However, organisations can also adopt decoupling because organisational decision-makers wants to avoid policy conflict related to ideological beliefs (Tilcsik, 2010) or because this approach might serve the interest of powerful organisational leaders (Westphal & Zajac, 2001).

Finally, Pache & Santos (2013) describe a third approach to implement MCSs as there are institutional complexity; “Selective coupling”. Selective coupling is described as an alternative strategy to “decoupling” and “coupling” in which organisations selectively decouple some parts of the formal MCS. Pache & Santos (2013) argue that organisations rarely decouple their formal structures from their operational structures. On the contrary, they also explain that the data shows that organisations rarely engage in compromise by only partly incorporating institutional demands. One empirical use of selective decoupling is Schäffer, Strauss & Zecher (2015), who conducted a case study on a German SME firm. In the paper, the researchers show how different actors of an organisation that faced conflicting institutional logics could use selective coupling of components of the MCS to deal with institutional complexity. By doing this, it was possible for the organisation to balance conflicting, yet complementary, logics that were necessary for long-term organisational survival.

2.3. Multiple Institutional Logics in the Public Sector

For the last few decades the research on the public sector organisations has highlighted the phenomenon NPM that focuses on the shift towards emphasis on management skills, output and competitive basis for providing public services (Hood, 1995). The public sector organisations have seen a push to adapt management control methods used in the private sector (Hood, 1995; Hyndman & Lapsley 2016; Lapsley, 2009) and the methods are seen to increase efficiency (Arnaboldi, et al., 2015; Speklé & Verbeeten, 2014). However, prior research shows that this is not always the case (Arnaboldi, et al., 2015; Ramberg, 2017; Cuganesan, Guthrie & Vranic, 2014; Røge & Lennon, 2018; ter Bogt, Scapens, 2012). Arnaboldi, et al. (2015) suggest that the difficulty of measuring public sector performance is its complexity and over-simplistic approaches to it. As Arnaboldi, et al. (2015) notes "The achievement of balancing the books does not equate to meeting all service demands nor does it mean the organisation has operated efficiently." (p. 8). The quote implies that public sector organisations have multiple goals to achieve and that simply observing simple financial measures is not sufficient to evaluate the successfulness of the organisation.

Complex organisations often face multiple competing logics, as noted in previous research (see e.g. Amans, et al., 2015; Ezzamel, et al., 2012; Carlsson-Wall, et al., 2016)).

The complexity can reflect on different control systems, such as budgeting (Amans, et al., 2015; Ezzamel, et al., 2012) and performance measurement systems (Carlsson-Wall, et al., 2016). Ezzamel, et al., (2012) identifies professional, governance and business logics that interact with each other on construction of budget practices. Amans, et al., (2015), on the other hand, suggests performing arts organisations are working with arts, managerial and political logics in similar budget processes as Ezzamel, et al., (2012). These logics will be presented in the following sections.

Table 2. Summary of the governance and cultural logics.

Institutional logic	Goal	Source of legitimacy	Values
Governance	Protecting public interest	Democratic system, reporting	Accountability, responsibility, transparency
Culture	Creating cultural and social value	Society, profession	Creativity, entertainment, accessibility

2.3.1. Governance Logic

The political regulation of the public sector is often justified by protecting the public interest from various effects of organisational behaviour (Barrow, 1996; James, 2000; Modell, 2012). Furthermore, Amans, et al. (2015) proposes that not-for-profit organisations receiving governmental funding are subject to a political logic. This logic requires the organisation to submit financial reports on operations to show their use of funds and to comply to objective-based contracts where the will of public bodies are expressed (Amans, et al., 2015). Ezzamel, et al., (2012) describe similar logic as governance logic, which implies “democratic and bureaucratic processes associated with governance and political accountability” (p. 285). Furthermore, Greenwood & Hinings (1996) describe regulatory pressures in the governmental sector to be clear and reinforced. The political logic can, therefore, be applied to the public sector context.

To add to the political and governance logic, budget control is one of the most prevalent and important control systems in the public sector (Anessi-Pessina et al., 2016; Johansson

& Siverbo, 2014). Tight budget control emphasizes meeting the budget, not revising or deviating the budget and focuses on budget-related communications (Van Der Stede, 2001). Budgeting has also been increasingly expected to enforce managerial responsibility and discharge external accountability besides its fundamental role of allocating resources (Anessi-Pessina et al., 2016). In conclusion, we define one of the logics as *governance logic*, which includes the political and bureaucratic processes and practices, such as budget control and object-based agendas.

2.3.2. Culture Logic

There is a growing field of study on accounting and cultural activities. There has been prior research on both high culture (Amans, et al., 2015; Christiansen & Skærbæk, 1997) as well as lighter popular culture (Jeacle, 2012; Jacobs & Evans, 2012; Smith & Jacobs, 2011) and their connection to accounting. Within the study of institutional logics, a cultural logic is often described through the lens of creating a culture; it is associated with values such as creativity, inspiration and imagination (Amans, et al., 2015). Moreover, Svensson & Tomson (2016) associate a cultural logic with professionalism in the creative field and describe the main goal as creating culture of high quality.

However, the high culture is not the only source of culture in the modern society. Jeacle, (2012) argues that the “lower” levels of culture, such as movie theatres, concert halls, and in general everyday entertainment and leisure should not be overlooked in the accounting research. Although some preconceptions regard popular culture as lowly as opposed to high culture, some previous studies into popular culture describe it as a means for creating meaningfulness and social value as well as influencing attitudes that is accessible to the masses (Jeacle, 2012; Jacobs & Evans, 2012; Smith & Jacobs, 2011). The popular culture is a source for both cheerful entertainment and rituals in pursuit of leisure (Jeacle, 2009a). Therefore, we define our second logic as *cultural logic*, which refers to the creative and accessible cultural processes and activities that create social value in the society.

3. Methodology

In this chapter we will present the research methodology used in this study. We present methods and procedures used in collecting and analysing data related to the research problem, i.e. the research design is followed by comprehensive explanation on the selection process and the data collection process through primary and secondary sources. Finally, our approach to data analysis is presented and the terms reliability and validity are used to discuss the research quality of the study.

3.1. Research Design

Choosing a suitable research method is of utmost importance in order to obtain accurate results. In this study, a case study approach will be used. The case study has been described as a suitable research method within the field of management control due to its ability to generate insight into the context in which the practice of management control takes place (Adams, Hoque & McNicholas, 2008; Berry & Otley, 2004). The research question of this study is an open-ended question, i.e. more than a one-word answer will be required to answer the research question. Furthermore, the study will be conducted as a qualitative case study. Qualitative research, where interviews and focus groups are common methods for data collection, can be used to explore views, experiences, beliefs and motivations of the people working at the Culture Committee. Consequently, the qualitative research method gives us the tools to answer questions like “how” and “why”. The answer to such types of questions helps to refine the research phenomena, which contributes to broadening the knowledge base and creating a deeper understanding (Hammarberg, Kirkman & De Lacey, 2016). Qualitative research methods such as case study are often used in exploratory research (Shields & Tajalli, 2006).

The study will be conducted as a single-case study and, of course, this choice provides both pros and cons. One of the main benefits of using intensive study methods, such as the single-case study, is the possibility to get detailed and relevant information. Moreover, because the information is not taken out of context and because all focus is on a single case, something that creates good conditions for in-depth analysis, the internal validity on these types of studies are generally high (Jacobsen, 2002). However, as Flyvbjerg

(2006) argues, some common disadvantages concerning single-case studies are the fact that it is often difficult to summarize single case studies and that one cannot generalize from a single case. Baxter and Jack (2008) also argue that the evidence generated from a multiple case study is strong and reliable. Consequently, the single-case study loses out on the strength and reliability that the multiple case study offers through its cross-case analyses.

An abductive approach is used as a research approach for this study, a combination of an inductive and a deductive approach, meaning that we will move back and forth between theory and empirical data (Dubois & Gadde, 2002). Specifically, this research approach has meant that the study was initiated with a comprehensive literature review related to the research topic, in order to gain deeper understanding of the research area. After that, the interview process was initiated. We then had use of the previous literature study as it made it possible for us to identify relevant observations and to classify these observations based on the theory. Furthermore, the literature study made it possible for us to ask specific and in-depth questions so that we could capture nuance in the interview response.

As the interview process proceeded in parallel with the data collection of secondary data, new observations arose which made us realize that we had to revise our theory and then new empirical data was obtained based on this theory. In this way, the use of an abductive research approach made us move back and forth between theory and empirical data.

3.2. Selection Process

To determine which case organisation would be subject for this study, several selection criteria were established. The first criteria in this selection process of the study subject was that the case organisation would be a public organisation, since the research question requires this. The next selection criterion was that the case organisation would provide insight to an organisational setting of multiple logics and that the role and use of MCS could clearly be identified. Finally, due to the proximity to the authors, one selection criterion was that the case organisation should be in the Stockholm region.

With these selection criteria in mind, several potential candidates were identified, primarily organisations affiliated to the City of Stockholm and some government agencies. An initiating contact was taken with the Culture Committee of the City of

Stockholm in which the study proposal was presented. The Culture Committee was considered of special interest because the issue of culture and money is so debated. Topics such as “should taxes actually be used to finance cultural activities” or “how much resources should be invested in cultural activities” are often subject to conflict. In addition, the scope and the timeliness of the restructuring process were things that made the Culture Committee of the City of Stockholm more interesting to use as the case organisation of this study.

3.3. Data Collection

3.3.1. Primary Data: Interviews

Interviews have been the primary source of data collection in this study. Altogether, nine interviews were held, where a total of ten employees from the Culture Committee of the City of Stockholm were interviewed. The interviews took place between February 19th and April 16th. The interviews were of semi-structured type, so that all interviewees were asked the same types of questions, but the interviewees had the opportunity to design the answers in their own way (Bryman, 2011). An interview guide (see appendix) formed the basis for the interviews, which were sent to the interviewees in advance to give them time to prepare. As we went through the question package, we asked the interviewees to specify on some questions and asked new spontaneous questions whenever something sparked interest.

The Financial Director of the Culture Committee, four controllers and five department heads (out of seven) were interviewed. In connection with the first interview, which was conducted with the Financial Director, the thesis proposal was presented and in consultation with him the other interviews were selected. The interviews were conducted face-to-face and lasted on average for 52 minutes. Most of the interviews were carried out at the Culture Committee’s head office in Rinkeby, Stockholm, but some interviews were also conducted at other locations around Stockholm such as at the City Museum’s head office and at the City Library.

Table 3. Interviews.

Interviewed person(s)	Length of Interview	Date of Interview
Financial Director	39 minutes	February 19, 2019
Controller for the City of Stockholm libraries	66 minutes	February 26, 2019
Business Controller for Stockholm School of Arts	59 minutes	March 13, 2019
Controller for Stockholm City Museum and Controller for the Cultural Strategy staff	63 minutes	March 28, 2019
Head of administration for the Culture Committee	27 minutes	April 5, 2019
Head of Stockholm School of Arts	57 minutes	April 9, 2019
Head of Stockholm City Museum	65 minutes	April 12, 2019
Head of Event Department	57 minutes	April 15, 2019
Deputy Head of the City of Stockholm libraries	35 minutes	April 16, 2019

The interviews proceeded as such that one person took a leading role by asking questions, while the other person took a more observing role where the focus was on taking notes, observing mimics & gesticulation and to some extent asking follow-up questions when needed. When only one interviewer was present, notetaking was discarded, and the sole interviewer made all the observations and follow-up questions by himself. Prior to the interviews, we considered the list of ten requirements that Kvale (1996) makes a successful interviewer, such that the interviewer should be knowledgeable, structured, critical and sensitive. In accordance with what Bryman (2011) proposes, all interviews were recorded. Before the tape recording was started, all interviewers were asked if it was okay for them to be recorded. All respondents were in favour of this. When the interview was completed, the interview material was then transcribed within a few days while the interviews were fresh in memory.

3.3.2. Secondary Data

Various documents, such as the annual budget 2019 and annual reports for 2017 and 2018 as well as official meeting protocols, documents and other materials were used as a secondary source of information in this study. The reports were primarily used to get acquainted with the city's and Culture Committees official organisational structure, objectives and performance measurements. The information provided by the reports were then used to form the interview packages. They were also used as empirical support to build a view on the organisational structure. In connection with two of the interviews we were also introduced to the Culture Committee's internal system ILS.

3.4. Data Analysis

The choice to use an abductive approach as our research approach implies that the process of collecting data and the process of analysing data has taken place in parallel with each other. Already after the first interview, there was a short meeting between the researchers discussing their first impressions and thoughts. Interesting topics, anecdotes and body language were discussed. By doing this, it was also possible to discuss any necessary changes that had to be adjusted before the next interview. The procedure of holding meetings immediately after the interviews was repeated throughout the whole interview series.

As already mentioned, the interviews were transcribed closely after each of the interviews were finished in order to facilitate analysis. Interesting quotes that came to be our empirical findings were selected among the large amount of text generated. Personal details, such as names and department were redacted to ensure anonymity of the respondents. The anonymized quotes were coded as C1-C5, representing the controllers and the financial department and H1-H5 to represent the department heads. Moreover, pause fillers were removed to make the transcriptions and citations more readable. Since the interviews were conducted in Swedish, while this thesis is presented in English, all the quotations were translated.

The data analysis was conducted as a content analysis where the aim was to create a clear connection between data, theory and research question (Bansal & Corley, 2011). First, the interviews, as well as other documents were searched for expressions relevant to the

research question. Then, by using Microsoft Excel, the data was thematically structured into groups based on institutional logics, MCS, motivational factors and conception of success. The data was then analysed with the cultural logic and governance logic as theoretical lenses. Using these theoretical lenses, made it possible for us to draw conclusions regarding MCS and conceptions of success. Frequently, as new empirical findings emerged, the findings were positioned in relation to previous research so that a more theoretically founded analysis could be reached.

3.5. Research Quality

Assessing research quality in qualitative research is of great importance in order to guarantee the quality of the study and to verify that the study has been conducted in compliance with predetermined standards. However, key challenges related to research quality is how to define research quality and what tools and methods should be used for measuring and assessing research quality. Frequently used concepts for establishing research quality are validity, reliability, replicability and objectivity (Merriam, 1998; Yin, 2003).

However, within the field of methodological research, the views on data validation differs significantly. According to Merriam (1998), it is almost impossible to apply the concepts of reliability and validity related to qualitative research. The main explanation given for this is related to philosophical viewpoints. They argue that validity and reliability as concepts, which were first generated from a positivistic background, should not be implemented in qualitative research which is related to constructivist epistemology. Conversely, Yin (2003) is of a different opinion regarding the use of these concepts. Instead, he argues that the case-study researcher should ensure that (construct, internal and external) validity and reliability are considered when implementing the study, as criteria to establish the quality of the study.

Based on Yin's (2003) view, considering the construct validity, i.e. how well a test measures what it is supposed to measure, this is usually evaluated using some sort of method that focuses on assessing the phenomena using various methods in order to investigate whether the results of the use of different methods are similar. In this study,

only a few sources of information are used, the semi-structured interview and reports, something that is problematic in order to evaluate the quality of this model.

Regarding internal validity, which relates to causality within the context of a specific study, cross-validation has primarily been used to improve this. The answers provided by the interviewees have been cross validated by asking questions to other interviewees. Moreover, internal documents such as activity reports and budgets, as well as external documents such as annual reports and news articles, have also been used. In general, the cross validation indicated that the response of the interviewees could be confirmed by other sources as well.

In contrast, the external validity focuses on the validity of applying the conclusion of a scientific study outside the context of a specific study (Yin, 2003). In qualitative research, the term external validity is often replaced by the concept of transferability, which aims to what extent the research result could be applied to other situations with similar parameters, populations and characteristics (Lincoln & Guba, 1986). For this study, it should not be considered unlikely that one could identify other committees where there are multiple institutional logics and that the implications of this on measures and perceptions of success would approximately be the same. However, it could be difficult to comment on external validity in a single-case study.

Finally, when it comes to reliability, this focuses on the overall consistency of a measure or the repeatability of research measures. In this study, the researchers have taken several actions to try to improve reliability. First, the researchers have tried to act according to what Silverman (2014) explains as “low-inference descriptors”, i.e. recording of observations have been made as concrete as possible. To explain what this means, open ended questions have been asked in order to avoid the researcher's personal views. In addition, the interviews have been transcribed in a transparent and truthful manner and all the material such as written notes, interview questions, audio recordings and transcriptions have been collected in a data base.

4. Empirical Findings

4.1. City of Stockholm and the Culture Committee

4.1.1. The City of Stockholm

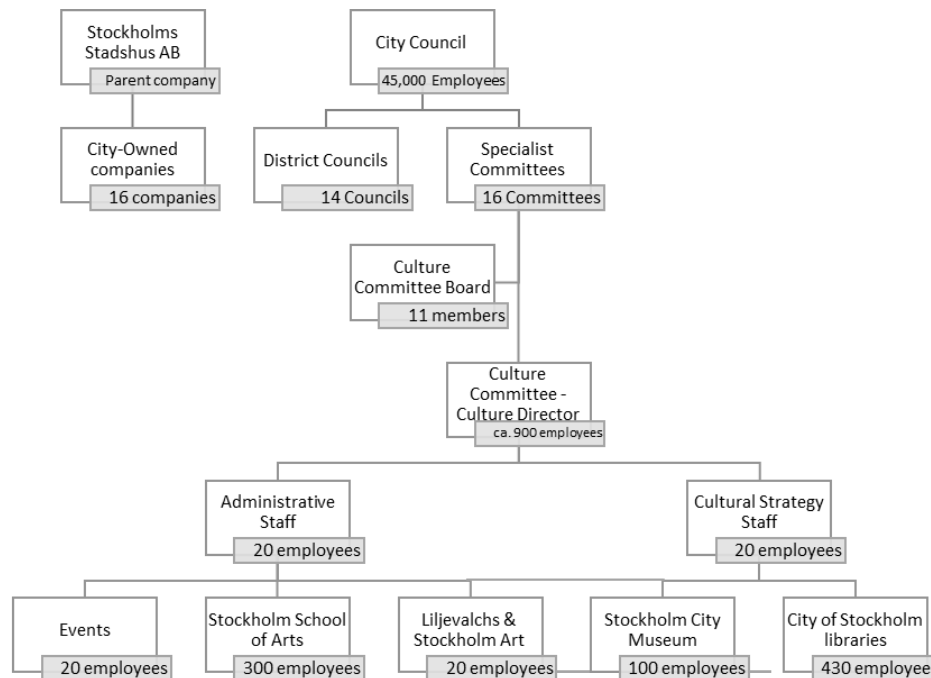


Figure 1. Organisational structure for the City of Stockholm and the Culture Committee

The City of Stockholm is a politically run organisation responsible for the municipal activities for approximately 960,000 inhabitants. The political organ consists of City Council and City Executive Board. The 101 elected City Council members set objectives and guidelines for the City of Stockholm's operations. They are responsible for decision-making for the whole municipality. While the City Council members participate in the politics alongside their ordinary occupation, the City Executive Board consist of thirteen members from both the majority and the opposition parties. The City Executive Board ensures the City Council members receive sufficient compilations of facts and proposals before decision-making. They are, therefore, responsible of guaranteeing that the decisions are executed, monitored and evaluated. The City Executive board is also responsible for the city's future development and finances. (Stockholms Stad, 2014)

The day-to-day operations in the City of Stockholm are carried out by the City's administrations and companies which are politically managed by committees and boards.

The members of these boards and committees are appointed by the City Council (Stockholms Stad, 2014) By the end of 2018, the City of Stockholm had approximately 45,000 people employed in the administrations and companies. The employees are politically unaffiliated and are responsible for executing the decisions of the committees and boards. Some of the city's operations are carried out by city-owned companies that are coordinated through Stockholms Stadshus AB parent company. These companies focus on, for example, housing, water & sewage and tourist information. (Stockholms Stad, 2014; Stockholms Stad, 2018)

Administrations under the City Council operate on areas that concern the City on the municipal level. The administrations are divided into fourteen district councils and sixteen specialist committees, as illustrated in figure 1. The district councils manage the municipal services, such as pre-school and elderly care, and have responsibility for their respective districts. The specialist committees, on the other hand, maintain operations that concern the City as a whole, such as education, culture, sports and city planning. (Stockholms Stad, 2014; Stockholms Stad, 2018)

4.1.2. The Culture Committee of the City of Stockholm

The Culture Committee of the City of Stockholm is one of the city's sixteen specialist committees. Overall political responsibility belongs to the Committee Board that oversees and follows up the development of the city's cultural life and the operations of the Committee. The Committee Board consists of eleven politically elected representatives and is appointed by the City Council (Stadsledningskontoret, 2019).

The Culture Committee is led by the Culture Director and has just under 1000 employees. The annual budget for the committee amounts to approximately SEK 900 million. (Stockholms Stad, 2018) The Culture Committee consists of two staff departments, administration & cultural strategy staff, and five operational departments. They constitute the politically unaffiliated part of the committee and answer to the politically led Committee Board. While the Committee Board makes decisions on the city's cultural questions, the Culture Committee carries out the decision through their day-to-day operations (Stockholms Stad, 2019).

Each of the departments are further divided into smaller entities. All five departments have a director who has the managerial responsibility over entity directors under respective department:

[...] the management system that we have, and how it's broken down to Committee, to department level, to entity level, is a good management control system. – C3

Thus, the department heads are assigned tasks from the Committee Board, responding to the decisions made by the politicians of the City of Stockholm. The department heads further delegate the tasks to the entity managers who, through the employees for each department, ensure that the political decisions made are implemented in the Culture Committee's operations.

4.2. Management Control in the City of Stockholm and the Culture Committee

4.2.1. City-wide Control

Budgetary Control

Budgetary control is by far the most important control mechanism in the City of Stockholm. The system and reporting are centred around the budget as one interviewee describes:

Budget is the economical control tool you use in the first hand, both when you set it in the beginning and even in the follow-ups later. – C2

Every year you think three years ahead and then the politics get to decide how much you get. Every year we make a rolling three-year plan where we contemplate about, given the objectives, do we want to carry on with this. – C1

As described, the City of Stockholm has a rolling three-year planning, which is adjusted every year. The politicians decide on the budget, but the committees can make requests for adjustments. The budgetary control sets limits to the committees and defines what is possible for the committee and its departments, as one controller told:

It's rather that [we] dimension ourselves based on a budget figure. Then you have to adjust accordingly. – C2

Each head of department is responsible for the specifics of their departments budget. The politicians decide a budget figure for the whole committee that the financial director then breaks down into each department. The departments are, then, free to dimension the budget to meet their needs. The budgeting process involves, however, the committees and departments in a constant dialogue with the politicians. The budget for the upcoming year is set in the autumn before, but the discussions start and go on long before that. One head of department described the process as battle between the committees:

Here goes our division, the Culture division, out and fights against the other committees. Everyone tries to get as much as possible to their division. – H4

The same department head then points out, that the dialogue and discussion with the politics is constant, and when the discussions have ended and the politicians set the budget, the committees need to adapt.

The budgetary control is then administered by several follow-up reports during the year:

The City has a well-developed system [...] that goes through the whole annual cycle from the annual plan to the annual report. We have basically four measurement points that we follow up, and they are done through annual plan, the first tertiary report, the second tertiary report and the annual report. – H1

There are two interim reports and an annual report that the committees are expected to submit to the committee boards, who then further answers to the City Council. In the tertiary reports financial outcomes are compared to the actual budget, and follow-ups on the operations in general are made as well in form of measurement of performance indicators. These performance indicators will be discussed later in this section.

Finally, the committees submit two yearly reports on the overall committee operations; an annual plan and an annual report. The annual plan details the goals, activities and indicators the committee has decided upon for the upcoming year. In the annual report the committee gathers results for the budget outcomes and target compliance. The committees have a balanced budget and are supposed to get as close to zero as possible. Success is, by some accounts from respondents, measured by how close the outcome is to zero and how little it deviates from the original budget.

Objectives

Besides budget, the City of Stockholm controls the committee operations with general objectives which are regulated by the City Council. The objectives are outlined through the City Council regulations (Stadsledningskontoret, 2019). Each committee has its own objective, and in the case of the Culture Committee, each department has their own objectives. In the 2019 budget, the objectives of the Culture Committee were defined as, i.a.,

“the responsibility for the main part of the city’s cultural activities, [...], to create good conditions for both city’s institutions and the free cultural life so that cultural experiences of good quality and variation is offered, [...], to follow and support the development of the cultural life in the city” (Stockholms Stad, 2018)

As mentioned before, the committee and the departments are relatively free to organize their operations as they prefer, but they are required to deliver on the set objectives. Compliance toward these objectives is followed up in the annual and interim reports through performance indicators which, for the most part, are created by the Committee and the departments by themselves. The performance indicators and goal setting are described in more detail in the next section.

4.2.2. Culture Committee’s Internal Control

The internal control systems at the Culture Committee are mainly based on the city-wide budgetary control and reporting systems. Besides the annual and tertiary reports, which are “external” and reported upwards in the organisation, the Culture Committee has adopted monthly financial reporting as a part of their internal control system. The monthly reporting is done by each department and in connection with it a deviation analysis is carried out by comparing actual financial outcomes for the specific month with the budget. In addition to the monthly follow-ups, the controllers conduct monthly forecasts to better predict future expenditures. The purpose of these reports is to ensure that the departments, and the Culture Committee as a whole stay within the strict budget limits, as one head of department points out:

We have very strict budget requirements. [...] That we are neither allowed to go plus or minus. We follow up very carefully [...]. – H1

In addition to the monthly reporting, the Culture Committee does have to comply to the objectives decided by the politics. One head of department describes the connection of the budget and goal setting as following:

I won't say budget, it's not an answer to everything. Budget is important. What is important for us is competent understanding of the policy makers and the politics. That there is a connection between budget and goals. If the budget is insanely low and the goal very high, then it will be difficult to achieve the goal. I think that's important. – H4

The head of department even emphasises the dialogue between the committee and the politicians to ensure budgetary and goal congruence. This is essential, as the objectives, as well as city-wide long-term goals are rather loosely set. It falls upon the Culture Committee itself to translate these general goals into more manageable targets. While the Culture Committee is rather autonomous when it comes to goal setting, there is political pressure to achieve the set goals:

It's not that we always achieve our goals, but they should be challenging. [...] the City's system is actually very much built up so that it is expected that you reach all your goals. – H1

The Culture Committee then measures the target compliance by various performance indicators. The departments mainly decide for themselves which indicators to use and the appropriate level of these indicators, but they are all based on the objectives given by the politics. There are, however, some few indicators that are city-wide. The performance indicators are followed up on the tertiary and annual reports. They are, nonetheless, only revised and adjusted once a year in connection with the yearly planning in August.

4.3. Motivational Factors

At the Culture Committee, as a public organisation, the presence of formal reward systems is non-existent. Bonuses or other direct incentive programs that is frequently used in the private sector do not exist at the Culture Committee:

We have no rewards; however, we do have good benefits regarding health care benefits and discounts at different gyms. So, we do have many benefits, but these

benefits are available to most people at the Culture Committee. We do not have any performance-based bonuses. – C4

The public sector salaries are not particularly high either compared to the private sector, as one department head mentions. A controller, however, brings up what she thinks motivates the employees at the Culture Committee instead, namely that the employees are driven by a public official's ideal and to be involved in the implementation process of the political tasks would be sufficient motivation to do a good job:

I have been working in both private and public organisations and one should not underestimate the public official ideal. In public organisations, there is a clear purpose of what you deliver. That you deliver something that responds to the political purpose. – C2

A strong public official ideal as an incentive for doing well is also confirmed by a department head who emphasizes the importance of working for the cause and the common good for the organisation:

You can always think that the budget is too small, that one complains about this, but you should not have that attitude. In a politically controlled organisation, you must do the best you can based on the budget you have. However, only to the limit that you can't handle it anymore. – H4

However, working solely for the sake of cause and the common good according to the policy, does not seem to be the only motivation for doing a good job among the employees at the Culture Committee. Also, self-realization motivates the employees to do a good job:

There [in the annual report] it is controlled that the budget is balanced and that you have passed all these goals you have set up. They often follow up on a goal set by the politics, for example, that we should arrange a festival in Kungsträdgården. But then we must set our own goals, so that it will be a little bit of fun. – H4

Furthermore, the interviewees testify that they are driven by continuous improvement on the assignments they undertake. The employees' target of what is to be achieved can therefore be far more extensive than what the political assignment prescribes:

Mentally, the team knows exactly what we want, but the audience has no idea what we have planned. All the time, you strive for something bigger, better and more fun. I usually say that there are great plans, but that we must wait with it and postpone it to the future. Sometimes we have had productions that we wanted to do, but we have not had the budget for doing it, so then we have had to wait 2 –3 years to make them. – H4

4.4. Conceptions of Success

In their budget proposal for the next triennial, 2020-2022, the Culture Committee emphasizes the importance of cultural activities:

The most important argument for investing in culture is its ability to create encounters, both digital and physical, between people, and that cultural experiences helps the individual to understand both themselves and their fellow human beings. (Hjort, Nilsson & Olsson, 2019)

The culture, and what it entails, is the main driver of the committee's operations, as it is in line with their objective "to create good conditions for both city's institutions and the free cultural life so that cultural experiences of good quality and variation is offered" (Stockholms Stad, 2018). Thus, the Culture Committee's overall goal is to deliver culture to the Stockholmers.

However, as mentioned before, the City of Stockholm and subsequently the Culture Committee are strongly led by the budgetary control, and the operations are measured by the performance indicators. The focus on these control systems on one hand, and the focus on creating culture on the other divides the respondents' perceptions of what constitutes success. A great deal of focus is put on the official measures, such as the performance indicators:

The departments have indicators that indicate if they are on their way to reach their goals. Green or yellow with reasonable explanations, then we'll see that they are on their way to reach their goals. – C4

One of the controllers also describes reaching zero budget deviation as "a delight" and something they want to pursue. Others establish success as, among others, forecast accuracy and goal compliance, i.e. that the performance indicators are met. On a department level, budget and performance measurements are closely intertwined:

So, performance on the department level is about [indicator] in relation to budget compliance. The same thing applies to the entities, because the entities have responsibility over budget and personnel. Then it is about getting as much out of the operations as possible for the budget you have, and that you need to stay within the budget. – H3

Conversely, many of the respondents paint a nightmare scenario where the budget would not balance and deviate greatly instead. Success in operations is closely tied together with the budgetary control, goals and performance indicators.

On the other hand, some of the respondents suggest that the focus on the official control systems is not always enough to measure success:

But it [number of visitors] is not always a measure for quality. If we have increased our number of annual visitors from 80,000 to 200,000, so maybe it depends on that we have good toilets. Thus, worst case it can be some completely different factor that plays a part. – H3

We have reached more students during this mandate than the last [...] But then there's the question of how we know there is an effect on those we reach, are we doing a good job... That's much more difficult to measure. – C3

One department head even describes how some indicators they use are redundant, but measured anyway, because it would be more difficult to take a stand on why a certain indicator should be removed. Another department head agrees on redundant measures:

One example is a system for registering chemicals that are used, and it can have its purpose, but we are the Culture Committee, which means that we barely use any chemicals. But we need to update the system each year anyway. [...] I think that you should focus on what really matters. – H1

Although the strict budgetary control and goal achievement are strong, and sometimes redundant, they are not the only measures of success according to the interviewees. One head of department describes the indicators as a good base to guide internal motivation:

I think the indicators are a good starting point and then we try to increase all the time. You should be able to improve it. As a team, it would be boring if we couldn't improve, because if we would feel satisfied... Our team is not built like that. I think everyone has an internal driving force that you always want to improve things. It's our human spirit. – H4

The same department head also mentions the public as the ultimate goal:

As I use to say, the best judge is our public. [...] The public and Stockholmers are our god. If they're happy, that's what we go by in the first hand. – H4

The quote connects back to the Culture Committees objective to deliver good cultural activities to the people of Stockholm. Another department head maintains what is needed to be successful:

We need more flexibility and innovation. To recruit the right competence. To be guided by demand. To be more percipient on how the society's looks like and what kind of need there are. Because it changes a lot each year. [...] Our habits have changed in a very short time. We need to be aware of it with this target group [the young people] and that we need to adapt our operations. – H2

Success depends, therefore, according to the interviewees on not only the budgetary controls or goal achievement, but also on the committee's ability to have a clear picture of their surroundings and adapting to it. Lastly, besides the hard numbers, emotional impressions can form the basis for assessing success within the organisation:

There are two ways to measure. "That was good [interviewees name]". The first one is feeling. The second one is, naturally, the different quantitative measures. Stockholm enforces its numbers. – H5

5. Analysis

In this chapter, we will present an analysis of the empirical findings to answer the research question. The analysis is divided into sections discussing the two institutional logics established through previous research, the strategic responses to them, and how they are reflected in measuring success.

5.1. Institutional Logics in the Culture Committee

As was observed in this study, the Culture Committee in the City of Stockholm faces multiple institutional logics. On one hand, the governance logic sets the formal rules and shapes the Culture Committees daily operations. On the other hand, the cultural logic, which comes from the context in which the Culture Committee operates, and clearly shapes individuals' perception and actions. Hence, the Culture Committee in the City of Stockholm must balance multiple institutional logics.

Since the Culture Committee is a politically governed organisation, it is required to report on its operations in order to maintain transparency towards the inhabitants of Stockholm. Furthermore, there are certain legal requirements, e.g. the Swedish Local Government Act, "Kommunallagen" (2017:725), and "Museilagen" (2017:563), that require reporting to the politicians and that set up conditions for the committee's operations. The requirements for control to ensure accountability are, therefore, strongly prevalent in the Culture Committee, which justifies the existence of a governance logic at the Culture Committee.

One of the most obvious expressions of the governance logic is the tight budget controls (Van Der Stede, 2001). The budget serves as their primary control system, as their various internal and external planning, reports and forecasts are based on it. The budgetary control enforces the accountability and transparency ensuring that the political assignments are implemented in an appropriate manner in the Culture Committees operations. In addition to the tight budget control, the governance logic is reflected by the internal reporting system, ILS, and the performance indicators which are used to measure goal congruence. Several interviewers point out that the budget sets the framework for the operations and that "budget is important". Overall, the interviewees testify that the formal control

systems are a central part of the operations, which is why we argue that the governance logic is the dominant logic at the Culture Committee.

Besides the governance logic, we can, however, identify the cultural logic by analysing the empirical findings. Based on our data, the cultural logic is not as outspoken as the governance logic. Instead, the cultural logic is more hidden in the employees' mindset. The culture logic is reflected by the employees' attitudes, ideas and working methods. Moreover, it is present in one of the city's control mechanisms, the committee objectives. The objective is, once again "to create good conditions for both city's institutions and the free cultural life so that cultural experiences of good quality and variation is offered" (Stockholms Stad, 2018). In conclusion, even though the culture logic is not as prevalent as the governance logic, it is still reflected in the committee's operations significantly.

5.2. Strategic Responses to the Institutional Logics

As our findings show, there is overwhelming focus on the governance logic over the cultural logic. The Culture Committee must conform to the rules and reporting even when they know and feel some of the reporting is completely redundant to the Committees operations. This indicates tight coupling as according to Greenwood & Hinings (1996). The governmental policies and control are in place to avoid dispersion. Even though the Culture Committee has relative freedom in delivering their operations, the formal structures monitor their compliance to ensure accountability and responsible use of their funds (Greenwood & Hinings, 1996).

The culture logic, as mentioned before, appears largely in the background. It is ingrained in the employees' motivations and attitudes. Moreover, it is present in one of the city's control mechanisms, the committee objectives. This would imply that the culture logic, with values that are i.a. creativity, entertainment and accessibility, is already a part of the system, and by complying to it, the conflict between the logics would be solved. Therefore, the Culture Committee would solve the conflicting institutional pressures by acquiescence, i.e. by adapting and complying to the institutional requirements (Oliver, 1991).

However, the interviewees mention a constant dialogue with the politics. They describe, for example, the budgeting process as a battle to receive as much resources as possible to

their committee. Furthermore, some of the interviewees debate how the official control systems do not necessarily catch the full scope of operations, i.e. delivering culture to the Stockholmers, which implies a conflict between the two logics. To cope with this conflict, the Culture Committee engages in the aforementioned dialogue with the politics and sets its internal goals. The internal goals are reflected by the fact that the political targets must be achieved, but that the management also has further ideas about what one wants to achieve with the Committees operations. According to Pache & Santos (2010), this response mechanism entails compromising.

One of the clearest observations that reflects compromising is one of the department head's description on how they relate to the tasks they are assigned by the politics. The department head describes the formal performance indicators as a good starting point but that they then go beyond the tasks trying to improve as their internal motivation. By this we suggest that the employees at the Culture Committee are combining work as an official and the cultural work by compromising. In conclusion, the tight coupling and compromise between these two competing logics does allow them to coexist without larger conflicts.

5.3. Institutional Logics and Measures of Success

Success in the Culture Committee is largely affected by the strict formal control systems. Many of the controllers describe success in their roles as meeting the budget and making accurate forecasts. Most of the controllers' motivation and measures of success stem from the governance logic, to fulfil the political tasks are assigned to them. The department heads mostly state the same, although their answers are more nuanced with topics regarding personnel. In general, the interviews indicate a great emphasis on the formal control systems, such as the budget, and, thereby, a significant part of the perceived success on the interviewees' profession stems from the governance logic. The public official's ideal, as described by one of the interviewees, can even be seen as an embodiment of governance logic in terms of personal success; a public official takes pride in serving a political purpose and complying with the strict rules without any formal reward systems. Simply being involved and ensuring responsible use of tax funds is enough motivation in itself. According to Pache & Santos (2010) a clearly dominant and prioritized logic often shapes the organisation's strategy, and in Culture Committee's case the perception of success is largely affected by the governance logic.

However, the cultural logic is not completely ignored in this setting. Some of the interviewees argue the motives behind their personal, and the department's success goes beyond the strict reporting and accountability. Since the Culture Committee's goal and objective is to deliver culture to the Stockholmers, the culture logic is already ingrained in the purpose of the Committee. This would imply a collaborative relationship between the two logics (Reay & Hinings, 2009). Yet, the governance logic does interfere, as some interviewees argue that some parts of the reporting system are redundant and taking focus away from the core operations.

It is not entirely certain either how the perception of success that stems from the cultural logic falls into place together with the governance logic. At times, the success is not measured precisely enough, as the formal control systems are unable to do so. As an example, one controller mentioned that goals might be reached, but measuring their impact is more difficult. However, one department head suggests that success comes from continuous improvement where some projects might have to wait until better political or budgetary situation. They strive for creating something "bigger, better and more fun" which is in line with the main goal of the cultural logic, to create cultural and social value.

These conflicts reflect compromising, as mentioned before. The formal control system will not always measure perfectly. The goals can, nevertheless, be set and reached by waiting for the right moment in time. The structure of the Culture Committee itself encourages to work on the cultural logic. The committee can organize their operations relatively freely as long as they deliver on the objective set by the politics. Even most of the performance indicators are set by the committee and departments themselves. Thus, they can bring in measures and activities that are in line with the cultural logic. The city governance allows, therefore, a compromise, where the committee independently manages the creative and inspiring cultural services, while still keeping itself accountable.

To conclude, the success in the Culture Committee, much like any other public sector organisation (Hood, 1995; Hyndman & Lapsley, 2016; Lapsley, 2009), is most affected by the governance logic, as it represents the formal control systems like tight budget control. The prevalence of the governance logic even affects the public officials' personal sense of success. Success is reflected through the culture logic, too, but not on as high extent as the governance logic. The culture logic is often compromised to solve the

conflict between the two logics, and it results in redundant measures or measures that will not estimate the cultural impact correctly. However, the culture logic is partly internalized in the control system as the objectives, and the relationship between the logics can even at times be collaborative. Thus, the success measured by the formal control systems and the governance logic might even entail success according to the culture logic thanks to the compromising and tight coupling of the two logics.

6. Conclusion, Limitations and Further Research

6.1. Conclusion

Our main contribution with this study is to add more empirical evidence on how multiple institutional logics are dealt with in public organisations. We aim to create more understanding on how the institutional logics are reflected in the public sector in terms of measuring success. Furthermore, our case study focuses on an organisation that has a purpose of delivering culture. Therefore, we contribute to the discussion on the interaction between culture, accounting and public sector organisations.

In this paper, we have studied the implications of multiple institutional logics on measures and perceptions of success in a public sector organisation. As Arnaboldi, et al. (2015) suggests, balancing the books is not the sole purpose or measure of success in the public sector despite recent need to incorporate private sector measures into the public sector (Hood, 1995; Hyndman & Lapsley, 2016; Lapsley, 2009). To research this problem of conflicting institutional demands, we studied the Culture Committee in the City of Stockholm and identified two primary logics, governance and culture logic.

We identified the governance logic in relation to the political and bureaucratic processes, which in the Culture Committee presented as tight budget control and objective-based agendas. Furthermore, we identified the culture logic as processes and values that create accessible culture and social value to the society. The logic is expressed mostly in the attitudes of the Culture Committee employees, but it is also ingrained in the committee's objective.

In our analysis, we discovered that the governance logic was the more dominant logic by far. The city's formal MCS, especially the budget, is a central part of the committee's operations. The governance logic is so strong that the committee submits to the MCS even though parts of it are seen as redundant. According to Greenwood & Hinings (1996) this constitutes as tight coupling, and it is needed to prevent dissemination as the Culture Committee is relatively free in setting their own goals and operations.

However, the culture logic does exist alongside the governance logic, if not as outspoken. The strategic response to the two conflicting logics has been to collaborate and

compromise (Oliver, 1991; Pache & Santos, 2010). The culture logic has partly been integrated in the formal control systems in the committee's objective, which implies collaboration on the logics, but a part of the relationship is managed through compromise. The employees compromise with the rigid reporting system by being able to set their own goals to enable their self-realization.

Finally, the logics reflect success relative to their prevalence. The governance logic, which is the more dominant logic, is manifested through i.a. tight budget control, as the rigorous reporting focuses on the budget. It affects even the public officials' personal sense of success, as many interviewees indicate how measure of success in their professional role is often balancing budget and goal achievement. The culture logic is present but is often compromised which might lead to incorrect estimates on cultural impact. However, as it is partly internalized through the committee objective, success according to governance logic might at times even imply success through the culture logic. The conflict between the two logics is, therefore, often solved through either compromise or collaboration (Oliver, 1991; Pache & Santos, 2010; Reay & Hinings, 2009).

6.2. Limitations

As it is a single case study, this paper gives only a glimpse to the reality within one organisation. In our study, we interviewed mainly individuals higher up in the hierarchy of the committee. The prevalence of the logics might appear different closer to the operations, but we chose to focus on the upper management to narrow down the scope of this study. We were also able to interview only five out of seven department heads at the Culture Committee, due to time limitations, which might have a slight impact on the results. Furthermore, our study focuses on the existence and implications of two logics, which we do not claim are the only ones present in the organisation. We selected these two logics as they are the two most distinct logics at the Culture Committee and provide an interesting conflict to study.

6.3. Suggestions for Further Research

As our study focused on the upper management in a public organisation, for the future research we suggest looking into the presence of the logics on the lower levels closer to the actual operations. Our findings showed that the governance logic affected a large portion of the perceptions of success for the upper management, but the outcome might be different for those working closer to the actual culture creation. Another research topic could be to study other similar public sector organisations to examine whether similar patterns and responses are present in other municipalities or even different kind of organisations.

7. References

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8. Appendix

8.1. An example on an interview guide

The interview guide was originally in Swedish and the one below is loosely translated from Swedish.

- 1) What is the objective of your department?
- 2) How does your role as a controller/head of department work?
- 3) How do you know that you do a good job as a controller/head of department? How do you know your department does a good job?
- 4) Which key components would you describe as central for the Culture Committee to become successful in its objective?
- 5) What is your worst nightmare as a controller/head of department?
- 6) Do you have any indicators to evaluate your work that are specific to your department? How do you use these indicators? Have you decided on them yourselves or have they been decided from above, centrally, in the organisation?
- 7) How do you decide on an appropriate level for your indicators?
- 8) How are the indicators communicated to the heads of entities and the employees?
- 9) Have you adapted your indicators after the decision of the reorganisation of the Culture Committee? Have you changed your processes to evaluate individual, entity or department?
- 10) Which processes do you use to evaluate individual, entity or department?
- 11) Do you use a reward or punishment system connected to performance?
- 12) Which specific information flows, i.e. feedback and feed-forward, do you use in the organisation and in your department to ensure the operations are run so that the indicators are achieved?
- 13) What is your biggest challenge in 2019?

- 14) How do you think you should go about streamlining/restructuring the Culture Committee? Is it needed? Which methods are you using to restructure?
- 15) The decision on the budget cuts were made in November 2018. How big part of the changes that were proposed has been implemented in the organisation? How much is left? Have you noticed the effects of this process somehow already?
- 16) Which strategies and long-term plans does the Culture Committee work with to become successful in its objective? How are these carried out and how are they communicated?
- 17) Are there some parts in the Culture Committee that aren't followed up enough? Which parts? What can it depend on?
- 18) How do you think the employees of the Culture Committee would be affected if focus on reporting performance was increased or decreased? How would you frame it if you got to decide?
- 19) Do you have any other control mechanisms besides the indicators to ensure that Culture Committee's strategies and long-term plans are implemented efficiently?
- 20) Do you change your indicators during the business year or only at the end of the period? Do you have any external parts who take a look at your indicators? How do you ensure your indicators are relevant and useful?