Searching for answers in a hybrid setting

A single-case study of the Swedish Ice Hockey Association

Natran Tzagai 25292

Claus Royo 25414

Stockholm School of Economics

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Abstract: This thesis investigates Performance Measurement Systems (PMS) in hybrid organizations, focusing on their alignment with strategic objectives. It underscores the complexity of PMS design and implementation in these multifaceted entities, reflecting on the greater efficacy achieved when diverse components are synergistically combined. The study utilizes Simons' Levers of Control (LOC) and Otley Performance Management framework. To examine how PMS integrates with organizational strategy, particularly in hybrid settings. A qualitative single-case study of the Swedish Ice Hockey Federation (SIF), a notable hybrid organization, forms the empirical basis of this research. The findings contribute to the existing literature on PMS in hybrid organizations, suggesting the effectiveness of LOC in guiding the design of PMS to align with strategic goals. This study adds to the literature of MCS tied to PMS design within a hybrid organization. As literature has highlighted the need for more PMS studies within hybrid organizations (Berry et al., 2009; Grossi et al., 2019; Van 2017; Van Helden & Reichard, 2016).

Keywords: SIF, Hybrid organization, SPMS, PMS, Strategy

Table of content:

1.   Introduction

Observing what is around you, it will become noticeable that the majority of your surroundings are constructed by a multitude of components. The line of thought here is that the combination of various components results in something greater than the constituents by itself, if it is constructed properly that is to say. Concretizing this into hybrid organizations gives insight on why these types of organizations are so interesting.

Designing and implementing a Performance Measurement System (PMS) is hard enough in any organization. Adding the aspect of a hybrid organization complicates this further, given the multitude of stakeholders that have to be represented (Grossi et al., 2019). Extending upon this, there is research conducted regarding PMS in a hybrid context (Berry et al., 2009; Chenhall, 2003; van Helden & Reichard, 2018). However, there is a need for further exploration in this domain (Dobija et al., 2019).

PMS is a part of the larger spectrum called Management Control System (MCS). There is another captivating aspect of MCS in the dimensions of displaying how to implement strategy successfully. This is through Simons' (1995) Levers of Control (LOC), Simons identifies four levers. When correctly implemented, it may guide management in implementing the strategy successfully (Simons, 1995). As already mentioned, hybrid organizations have an intricate construction. Thus, connecting strategy to PMS would arguably enhance the depths of the utilization of a PMS in a hybrid setting. In this domain, literature from Tuomela (2005) has examined Strategic Performance Measurement System (SPMS) and LOC together. Given the aforementioned, our aim is to intertwine the frameworks to understand how hybrid organizations optimally implement and design a SPMS. Hence, the thesis research question is:

"How do MCS influence the design of a SPMS in a hybrid organization?"

This study aims to answer the research question by conducting a qualitative single-case study of the Swedish Ice Hockey Federation (SIF). It is not only one of the largest Sports associations in Sweden but also a sizable hybrid organization with different stakeholders and constituents. Beyond that, this study captures the implementation phase when designing a

SPMS, capturing a unique time dimension and intertwining that with a relatively new aspect of PMS.

We intend to analyze how hybrid organizations implement and design PMS and how PMS aligns with strategic objectives The theoretical method used is LOC in conjunction with Otley's framework of Performance Management. This combination helps us delve into the realms of complex organizational structure. Otley's framework is used due to its capability to analyze various aspects of the design of PMS while simultaneously serving as a guiding tool for research in this field, MCS. Simon's four levers of control: Belief system, Boundary system, Interactive control and Diagnostic control enable an improved understanding of designing PMS (Ferreira & Otley, 2009). Through Tuomela (2005) we also see how it can be used to integrate strategy into PMS, establishing SPMS.

The authors of this study find that LOC seems to give a solid understanding of how a hybrid organization designs its PMS to align with the intended strategic objectives. In addition to that, we contribute to the domain of literature researching PMS in the context of hybrid organization (Grossi et al., 2019; van Helden, : Berry, 2009).

2. Theory

The following chapter presents the theoretical domain relevant to the thesis. Followed by introducing the theoretical framework of this study. Then, the method theories utilized will be defined and elaborated upon.

2.1 Domain Theory

The following chapter presents the theoretical domain relevant to the thesis. Firstly, Management Control Systems are introduced. Then, Performance Measurement Systems are described with a brief overview over the concept. Further we delve into the design of Performance Measurement Systems. After which Strategic Performance Measurements are extended to the Performance Measurement System. We then give insights into Hybrid Organizations, followed by the Research Gap where we highlight what is lacking within the fields of literature.

2.1.1 Management Control Systems

Management Control Systems (MCS) is a broad framework developed to guide the management of an organization to ensure that the organization produces programs and processes that are implemented effectively (Merchant & Van der Stede, 2003). MCS can be described as formal and informal processes and structures that organizations use to regulate the behavior of individuals and groups within the organization (Merchant & Van der Stede, 2003). The definition of MCS has evolved over time, transitioning from an initial focus on formal and financially quantifiable figures, to a broader conceptualization, such as managerial decision making (Chenhall, 2003).

Simons (1995) and his described Levers of Control (LOC) provide a well-used conceptualization of the MCS in relation to strategy implementation (van Helden & Reichard, 2018). Simons (1995) identifies four LOCs that, when correctly implemented, may guide management in implementing strategy successfully. The levers are diagnostic control, interactive control, belief system and boundary system (Simons, 1995). Interactive controls are used to minimize strategic uncertainties while encouraging organizational learning (Zhang

& Yu, 2020). Diagnostic control levers focus on monitoring and measuring performance (Simons, 1995). Belief system focuses on creating a sense of collective mind in the organization that inspires workers to follow organizational goals (Simons, 1995). In contrast, boundary systems act as the protocol to which workers have to conform in order to avoid risk of organizational goals not being achieved (Simons, 1995). While research has tended to focus on interactive and diagnostic controls (Berry et al., 2009), Simons (1995) advocates that all levers are necessary. The prescribed application of the levers in organizations is not a one size fits all, rather it is the balance of all four contingent on the organizational context (Simons, 2000).

2.1.2   Performance Measurement Systems

While MCS sets the overall direction of the processes, how the direction translates into ways which can be measured is through the performance measurement system (PMS). PMS deals with tracking and examining organizational performance targets (De Waele et al., 2021) Initially, performance measures prioritized and emphasized efficiency regarding operational costs and capacity use. However, researchers advocated the requirement of more versatile PMS to apply to new practices and increase of operational measures in general (such as quality and flexibility) (Eccles, 1991; Kaplan, 1983). It was as a response to this focus of financials in PMS that frameworks such as the Balanced Scorecard were developed (Kaplan, 1996). By having a broad approach, it includes operational goals along with stakeholder objectives, which it incorporates into the PMS, avoiding the pitfall of pure financial focus by tying measures to organizational objectives (Sundin et al., 2010). Although research has taken strategy into consideration through PMS, it can prove to be difficult in practice (Lipe & Salterio, 2002). This difficulty can be exhibited in the development of measurement systems (Kasurinen, 2002; Tuomela, 2005).

2.1.3   Design of PMS

The design of PMS refers to processes involved in creating and organizing the PMS, matters such as what measures to use and what targets to set regarding organizational goals (Wouters & Wilderom, 2008). Ferreira and Otley (2009) *"noted the need to examine design and use at different hierarchical levels"* regarding performance measurement systems. Some studies have researched the design and implementation of PMS in purely private or public domains

(Cavalluzzo & Ittner, 2004; Chenhall et al., 2013; Chenhall & Moers, 2015; Harahap, 2021; Lillis, 2002; Rodrigue et al., 2013; Townley et al., 2003; Tuomela, 2005; Wouters & Wilderom, 2008).

Cavalluzzo and Ittner (2004) investigated multiple factors that affect the implementation and use of result-oriented performance measures in government operations. They find that factors such as decision-making authority, employee training in PMS, information issues and interpretation of PMS significantly affect the implementation of PMS (Cavalluzzo & Ittner, 2004). Similarly, Harahap (2021) explored how a large public sector organization implemented PMS in light of recent legislation in Indonesia. Identifications of the significance of information technology capacity in developing PMS were made, further adding that regulatory requirements did not align with work culture, leading to divergent PMS (Harahap, 2021).

Rodrigue (2013) observed managers' perspective on external stakeholders in regard to the selection of performance metrics. It was found that PMS were used diagnostically and interactively, with stakeholder opinion considered through the organization's belief system (Rodrigue et al., 2013). Lillis (2002) sought to explore PMS challenges in transferring and implementing profit centers strategy to manufacturing units. Performance metrics such as manufacturing efficiency and customer response were challenging for the units, however, matters such as efficiency and quality were more easily handled (Lillis, 2002).

2.1.4   Strategic Performance Measurement Systems

Using Simon's definition, LOC intersects with the design of PMS in relation to the accomplishment of strategy. It has been argued that PMS can be utilized as a tool to aid strategic management (Kaplan & Norton, 2001). Strategic Performance Measurement Systems (SPMS) can be defined as connecting organizational strategy and goals to performance metrics and measurement (Berry et al., 2009). Chenhall (2005) finds that SPMS can provide information that aids in achieving strategic competitiveness, by aligning operational activities to strategic objectives.

Tuomela (2005) examined the introduction of a new SPMS, in this longitudinal study in regard to how diagnostic as well as interactive controls are implemented and used in a

private-sector firm. The study finds that PMS can be used both diagnostically and interactively, further stating that the latter shows capabilities of improving and strengthening strategic commitment and quality of strategic performance measures (Tuomela, 2005).

2.1.5   Hybrid Organizations

For this study non-profit organizations with for-profit activities will be studied, thus a hybrid organization. Hybrid organizations have gained popularity since the 1980s where the boundaries between organization, actors and sectors became increasingly more unclear (Dunleavy & Hood, n.d.; Miller et al., 2008). The definition of a hybrid organization can vary, either defining it as a situation of mixed origin or composition of elements (Denis et al., 2015) or as institutional logics competing within the entity (Pache & Santos, 2013). While others define hybrid entities as simply the mix between not-for-profit and for-profit sectors with varying dilutions to one of the sectors where there is no balance (Billis, 2010). As such it can be argued that hybrid organizations could be all types of entities between private and public sector (Kickert, 2002). Therefore, these entities are directly linked to complexity which makes them unique, something that can complicate the design of PMS (Grossi et al., 2019).

Competing logics can influence decision making and how resources are allocated (Carlsson-Wall et al., 2016). When organizations face competing external demands, it can lead to engagement in compromise, manipulation or defiance (Pache & Santos, 2013).

2.1.6   Hybrid and PMS

While research indicates that clear and measurable goals are positively correlated to performance (Verbeeten, 2008), this can be complicated for hybrids. The organizational complexity in hybrid entities can lead to actors involved within the development of the PMS to limit their views on values tied into organizational goals, leading to the incapacity of relevant performance metrics and management practices (Campanale et al., 2021).

Developing quantitative measures can be problematic since these types of organizations typically have undefined goals and offer intangible services (Kaplan, 2001), thus there is a need for hybrid organizations to develop PMS that account for multiple stakeholders and objectives (Grossi et al., 2017). Gaining legitimacy from external stakeholders is of particular

importance to hybrid organizations (Pache & Santos, 2013). It is argued that legitimacy is one of the most important aspects for hybrid entities to gain sustainable success (Gulbrandsen, 2011). As hybrid organizational performance is linked to legitimization of the organization (Rosser et al., 2022), it is important to establish and design relevant PMS. These types of organizations have difficulty conveying strategy, and thus could use SPMS (Kaplan, 2001). Ebrahim (2014) underlines that PMS is a vital tool for hybrid entities to ensure members work towards attaining hybrid objectives. The authors further motivate the dual pursuit of both financial and social performance can lead to mission drift, which entails that the organization prioritizes financial aspects over social impact.

2.1.7   The Research Gap

Several calls for research of PMS studies in the context of hybrid entities have been made (Berry et al., 2009; Chenhall, 2003; Silva & Ferreira, 2010) as the hybrid field of PMS "remains lacking" (Dobija et al., 2019) . Similar comments have been made: "There is surprisingly little empirical work about performance management systems" (Cappellaro & Ricci, 2017). There have been studies that have delved into the actions of individual actors in the development of PMS. However, there are still few studies invested in understanding the development of PMS (Campanale et al., 2021).

Helden & Reichard (2018) highlights that few hybrid organizational studies research links MCS with strategy. Further, Grossi (2017) has stated that *"hybrids at all levels will become much more prevalent in the future; consequently, the need to understand the particularities of their performance is urgent"*

As such our aim is to contribute to this field, which leads us to the aim of this study: *"How do MCS influence the design of a SPMS in a hybrid organization?"*

2.2. Theoretical Framework

With the help of the reviewed literature and concepts, a theoretical framework is constructed to help analyze the design of SPMS in a hybrid organization and the effects of MCS.

Simon's Levers of Control (1995) will be utilized to classify and identify MCS, while Otley's framework of performance (1999) will be used to address central issues when designing the SPMS. This studies analysis will include the previously identified levers, and their effect on the design of SPMS.

Otley's framework examines the operation of management control systems, and we have the unique opportunity to delve into their design and implementation. However, to understand why certain elements of Otley's framework are emphasized during the design phase, an additional perspective is necessary. We achieve this by applying Simons Levers of Control. Through examining these four levers, we can identify why Otley's analysis prioritizes or overlooks specific issues. This understanding will allow us to utilize Otley's framework for this unique circumstance of analyzing the design and implementation of SPMS.

2.3   Method Theory

This chapter will further explain the frameworks used for the study, where we touch upon their applicability.

2.3.1   Simons' Levers of Control

Simons (1995) developed the Levers of Control (LOC) framework to explain the application and management of business strategies. The framework consists of four parts which are called levers that represent a form of control within the organization (Simons, 1995). The levers consist of: Belief system, Boundary system, Diagnostic control system and Interactive control system (Simons, 1995). Each lever is attached to essential concepts in the framework (in order): core value, risks to avoid, vital performance variables and strategic uncertainty (Ferreira & Otley, 2009).

The framework has been highlighted for its strong attention to strategic problems and how it ties into MCS, enabling improved understanding of the design of PMS (Ferreira & Otley, 2009). This focus fits the study well as the organization in question implements a new PMS as a result of their new long-term strategy. Moreover, LOC has been shown to reliably and efficiently map out how PMS are defined in the organization, within the context of implementing PMS (Rodrigue et al., 2013; Tuomela, 2005). Further, it is acknowledged as

offering a purposeful and informative classification of different ways that MCS can be utilized (Bisbe et al., 2007; Bisbe & Otley, 2004; Widener, 2007.

Belief systems are elaborately linked with the essential values and general purpose of the organization. This lever's core lies in creating a collective that shares the same beliefs and directing principles among the employees. Its purpose is to function as a mechanism for a profound sense of purpose while fostering creativity and innovation (Simons, 1995).

Boundary systems outline the control and constraints that form the conditions in which individuals in the organization have to follow. This lever sets the limit for what is considered permissible and appropriate, essentially structuring the confines of proper conduct. It is centered around permissible actions, thus functioning as means to avoid risk behavior. Tools of which boundary systems employ include guidelines, protocols, and regulation (Simons, 1995).

Diagnostic control systems responsibility lies in systematically supervising and compensating performance in line with predefined goals. This lever employs budgets, KPIs and quantitative metrics as a form to measure. It ties into the vital goals of the organization, ensuring that they are being achieved (Simons, 1995). Explaining it as *"formal information systems that managers use to monitor organizational outcomes and correct deviations from pre-set standards of performance"* (Simons, 1995).

Interactive control systems focus on strategic uncertainties. Through ongoing discussions and feedback mechanisms, the lever enables adjustments to organizational strategies to be made quickly and efficiently. Explained as "formal information systems that managers use to involve themselves regularly and personally in the decision activities of subordinates" (Simons, 1995). This lever of control differentiates from diagnostic controls by using a forward looking approach while diagnostic controls system prioritizes past performance (Simons, 1995).

2.3.2   Otley's Framework of Performance Management

Otley's (1999) framework of performance management was developed in order to facilitate the illustration of MCS, which the author has done through dividing the framework into five

essential areas. These five areas are considered essential by the author in the development of PMS. Otley portrays these five areas in sets of questions, presented below:

Q1: What are the key objectives that are central to the organization's overall future success, and how does it go about evaluating its achievement for each of these objectives?

Q2: What strategies and plans has the organization adopted and what are the processes and activities that it has decided will be required for it to successfully implement these? How does it assess and measure the performance of these activities?

Q3: What level of performance does the organization need to achieve in each of the areas defined in the above two questions, and how does it go about setting appropriate performance targets for them?

Q4: What rewards will managers (and other employees) gain by achieving these performance targets (or, conversely, what penalties will they suffer by failing to achieve them)?

Q5: What are the information flows (feedback and feed-forward loops) that are necessary to enable the organization to learn from its experience, and to adapt its current behavior in the light of that experience?

In Otley's report (1999), he explains the importance of each question. These five key areas in which the questions are sought to answer allow the framework's applicability to be versatile. This versatility caters to both for-profit and non-profit entities MCS (Ferreira & Otley, 2009), making it a suitable framework to analyze PMS in hybrid organizations. This framework has been shown to be able to complement other frameworks, specifically the LOC framework, effectively gaining better and more holistic insight (Abdel-Halim & Ahmed, 2022; Tuomela, 2005). Moreover, the framework aids in handling data, specifically case-based research (Ferreira & Otley, 2009).

3. Method

The method section is utilized to describe the choice of research design, how to conduct the research and the selection of SIF is clarified. Additionally, describing the choice of data collection and analysis.

3.1 Research Design

Choosing a qualitative research method is necessary when wanting to go beyond the scope of a narrow and functionalist view of management accounting, the textbook view. Delimitations in what is allowed in the scope of research method affects the outcome of findings in this study. Therefore, conducting a qualitative research method based on interviews allows the paper to explore management accounting fully and not be restricted to an issue of mere economic choice (Vaivio, 2008). This paper aims to delve deeper into the realms of hybrid organizations, to understand the complex role of accounting and SPMS implementation. Trying to achieve alignment with the organizational structure and objectives. Thus, as stipulated by Lee and Humphrey (2006) a qualitative research method is essential when the idea of the paper is to understand the role of accounting in its specific, historical, and organizational context.

The applied approach to gathering data in regard to the qualitative research method is interview-based. Specifically, a single case study conducted at the Swedish Ice Hockey Association. One could argue for the notion of conducting a multiple case study, i.e., data from several organizations. To be able to perform generalized conclusions on sufficient grounds, applicable to a broader context of a domain theory. However, choosing one subject gives the study more depth (Gibb Dyer & Wilkins, 1991). To meet the argumentation above would be to focus on the main idea of a single case study. That is, to capture unique features and display that the case has been studied thoroughly, not to provide generalizations (Ruddin, 2006). SIF has a unique hybrid organizational structure compared with many of its peers. To understand the organization and its implementations of performance measurements, it is essential that the case is studied properly and that all its unique features are captured. Additionally, an in-depth study is time-consuming as it tries to capture details that contribute to the bigger picture. Thus, due to the time constraints of this research paper, the single case study is more viable (Gigg & Dyer, 1991).

Choosing a qualitative research method utilizing a single case study based on interviews is necessary when trying to understand the complex nature of a hybrid organization. To explore the performance measurement from both constituents of the organization, the profit-driven and the non-profit-driven. The performance measurements represent the objectives of both constituent parts of the SIF. The qualitative research method investigates the role of accounting in a specific organizational context (Lee & Humphrey, 2006).

3.2 Data Collection

3.2.1 Interviews

A more detailed display of how long the interviews were held, the position the interviewed represented, and the date the interviews were scheduled is found in Table 1. In short, the interview's duration was between half an hour and two thirds of an hour. The function held by the interviewees covered a broad spectrum of positions in the organizational structure. Of course, with an afterthought on which divisions of the organization were most relevant towards performance measurement and the aim of this thesis. The interviews were all held through a communication software program. Mainly for convenience but mostly in order for us to adapt to the organization's needs. The single case study should have an interval of between seven to ten interviews held in order to gather a sufficient amount of data to conduct analysis, we held eight interviews.

It can often be argued that there is a certain subjectivity surrounding interviews as data collection. Therefore, in preparation prior to the interviews, we have explored how to conduct interviews in a sufficient manner. Limiting the exposure of subjectivity in order to have scientific robustness when choosing to collect data through interviews. For example, ask questions framed in a manner sufficiently adapted to be understood by the recipient. Prior to the interviews, cultural and linguistic norms in the organization (Roulston, 2010).

One could argue that the time aspects, in conjunction with being closer to the lower bound of mandatory held interviews, would make the case that the data collection base is insufficient. However, by very carefully considering our interview candidates based on position and

relevance of the thesis we concretized our base. An important note is that we also complemented the data collection to enrich our qualitative thesis further. We examined SIF's activity report and their scorecard. It not only enriched our base through being able to cross-examine the interviewee's answers with documents reporting on both qualitative and quantitative information. In addition to that, the activity report is a report from the past, meaning that it showcases SIFs positioning in various aspects and gives information on how they have performed. It helped us get a sense of how to structure the interviews optimally to extrapolate as much knowledge and information as possible.

Date	Function	Duration (min)
2023-10-27	Market manager	00.30
2023-11-01	Association development manager	00.31
2023-11-02	Business developer	00.34
2023-11-07	Operational developer	00.36
2023-11-07	Head of development	00.40
2023-11-08	CFO	00.28
2023-11-08	General secretary	00.44
2023-11-08	Head of Commercial	00.37

Table 1. Interview sample

3.2.2   Interview Guidelines

There are different approaches on how to structure an interview. There is a spectrum of how the interviews can be more structured or less structured andt is contingent on the purpose of the interview. The approach applied in these interviews was rather a combination of the two aforementioned. It was necessary to hold interviews that were viewed as an instrument, i.e. In a more structured manner, but at the same time as a social encounter. The purpose is to seek

answers on how a hybrid organization implements performance measurements that capture the organization's objectives from a holistic point of view and not just focus on the purpose of each component of the organization. Thus, it needed to be a combination of high reliability and validity. Simultaneously, the interviews needed to capture rich and detailed answers (Bryman and Bell, 2011). Therefore, a semi-structured interview approach was applied.

In order to ensure reliability, all interviews were held in Swedish. The choice of language was to capture rich and detailed answers. The interviewees were all native Swedish speakers and were able to express themselves in an advantageous manner when speaking Swedish. There was a basic framework for how the questionnaires should be structured. The basic framework was adjusted and customized for each interview candidate beforehand. In order to capture each and every one's respective competence. For the sake of validity, there was limited contact with the interview pool. Before the interviews were held, limited information about the questionnaire was given. All necessary information was given to the interview candidates, but not any information that could jeopardize the validity of the answers. Having a semi-structured questionnaire allowed for amplified flexibility in terms of follow up questions, if we noticed in the pace of the interview that an interesting area needed to be explored further. This could present challenges such as interpreting received answers and continuously analyzing and coming up with sufficient follow up questions. Simultaneously ensuring an alignment with the intended theoretical framework (Marginson, 2004). This challenge was mitigated by the structure of who asked what. That is, one person led the interview and followed the semi- structured questionnaire. The other person had time to think of appropriate follow-up questions. Analyzing the interview from a bystander perspective, focusing on maintaining the course of our theoretical framework and not deviating from it.

All interviewed were informed of the GDPR regulation. We clarified that each interview was to be audio recorded and that the impact of this was to further uplift the result of our data collection. Further elaborations were made on how these audio records were intended to be used solely for the purpose of this study and could (if asked) be eliminated with immediate effect. It was also recognized from our side that the interviewee candidate needed to formally accept being recorded in order for the interviews to continue. It was communicated that the GDPR regulation was elaborated on in a consent form that was sent out to each candidate, drafted and backed by the institution of the Stockholm School of Economics.

3.3   Data analysis

During the interviews, we audio recorded each interview and did not take notes. Mainly due to the objective of all of our attention being on having a rich and detailed interview. One of us followed the questionnaire for the structure, and the other one complemented with follow-up questions and aligned the interview with the theoretical framework, as described above. After each conducted interview, a vivid discussion regarding the findings from the interviews was conducted and further summarized. It helped to understand what should be explored deeper and what inadequacies should be resolved.

The interviews were transcribed afterward to have a robust base to analyze the data from. Transcription is often recognized as standard practice in qualitative research (Mcmullin, 2021). It further helps to go through more thoroughly what people say and allows for repeated examinations of the obtained information (Bryman & Bell, 2011). Analyzing the transcribed material by utilizing an abductive approach. Going back and forth between findings from the data collection and the theoretical framework. It is seen as a mixture of deductive and inductive approaches and is fruitful when the objective is to discover new objects, variables, and relationships (Dubois & Gadde, 2014).

An abductive research method is suitable due to it balancing the complexity and specificity of how a hybrid sports organization implements and designs its SPMS. It allows for insights and maintains a balance between theoretical frameworks and practical realities. The inductive research method would be inadequate due to a lot of emphasis on the data collected and analyzed, that is then used to develop broader generalizations and theories. As described in the research design, generalization is not the aim but rather recognizing the unique features of the case.

Lastly, when going through the data collection, coding was employed. In order to try to identify empirical accounts as instances of theoretical constructs, which are either predefined or emerged from the coding process (Messner et al., n.d.). Following the description process of coding by Braun and Clarke (2006) in order to establish a rigorous structure. The more sophisticated the coding process, the better the extrapolation of findings from the data collection, and the greater the analysis.

4.   Empirics

4.1   Background

The intended organization to analyze is the Swedish Ice Hockey Federation (SIF). This study will examine the implementation and design of the SPMS in a hybrid organization. To properly explore how the management control practices affect the implementation and design of SPMS in a hybrid organization. We first need to delve into the nature and structure of SIF.

The nature and characteristics of a sports association such as SIF is that it is a non-profit organization under the direction of the umbrella organization RF. However, RF has made it clear through the sports movement idea program that commercial operations from a Limited Liability Company (LLC) are allowed in a sports association. However, the majority should be owned by the intended sports association. It is stated that the LLC contributes to the operations of a non-profit in a manner that probably would not have been attained without the LLC (Riksidrottsförbundet, 2019). Therefore, RF intends that the LLC is established with the sole mission to uplift the non-profit's operations. Thus, SIF is a non-profit sports organization, but with the structure of a hybrid organization. As Merchant (2003) defines it as having a non- profit constituent and a for-profit constituent.

The above, however, barely scratches the surface of the organizational structure. Thus, clarifying through a breakdown of the organization's constituents is necessary. There is a board federation that makes the final decision on establishing the strategy. SIF works with different components of the organization such as clubs and districts through workshops to establish the proposal. From the perspective of what is relevant to the strategy, four divisions of SIF will be highlighted: Development division, commercial division, national team division and competition division. There are twenty two districts that hold eighty percent of the voting power at the confederation meetings. The four regional associations represent the districts and the regions work independent from SIF. They also construct their own operational plan, calling it a "one-pager". Although independent, the operational plans should still be in alignment with the strategy and the strategic intent.

Another area to elaborate on is the recent organizational changes that have occurred. This came into play when the general secretary was appointed three years ago. Making several substantial changes to the organization. To start off with he structured a clarification of focus areas for the divisions, facilitating their operations. Furthermore, he appointed new competencies in the management team, where the absolute majority are relatively newly added. This was essential in creating a good working environment and structuring an organization that operates sufficiently. Lastly, the implementation of the four regional offices that is intended to aid the decision-making paths and information flows from the ice hockey clubs. Utilizing the regional offices as a gate to improve in this area and come closer to the clubs. SIF has also implemented a guidance for the clubs to use, called the home plan model. With the goal of ensuring that the clubs adopt a long-term focus, aligning with SIFs' long-term strategy.
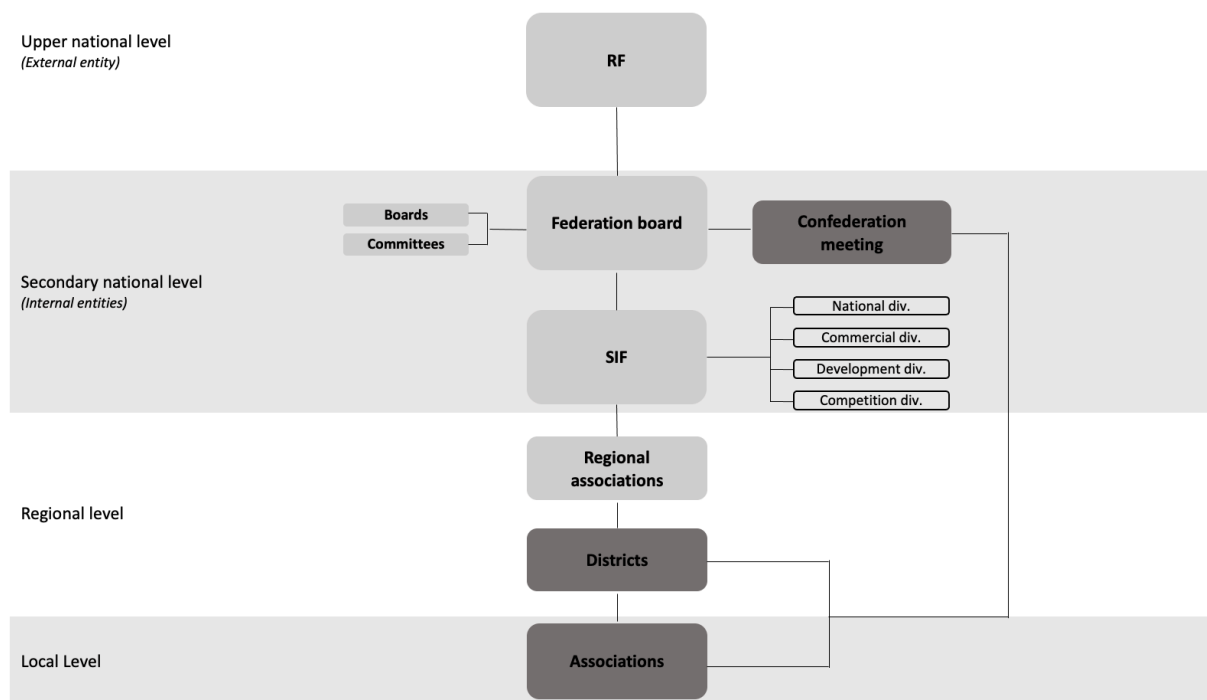
Figure 1. Organizational chart

4.2   The design process of 2030

4.2.1   The 2030 Strategy

The process of designing the 2030 strategy and the SPMS involves several processes and components. The new strategy was first discussed in this year's Confederation Meeting. Where SIF had drafted a proposal of three main areas of focus for the span of 2023-2030. These three main areas were: association hockey of the highest quality, increased interest in hockey, and best in the world.

Association hockey of the highest quality perceives the importance of a committed focus on club operations to foster player development and advocates for the implementation of high-quality activities across all tiers. This includes aspects of inclusivity, as it is perceived that the trajectory of improvement in Swedish ice hockey is closely linked to the number of players. Handling matters such as pressure and selection in youth hockey at the club level in order to ensure a lasting participation of hockey players. Another perspective is to increase the quality by implementing a focus in the operational plan on the continued work with the growth and development of women's and girl's ice hockey.

Increased interest in hockey focuses on connecting more people to Swedish hockey. The aim is to attract new demographic groups to hockey while retaining present fans. This area tries to broaden the horizons of hockey in Sweden, showing that the sport is not limited to people who have been involved in the sport. It was expressed that the national team, competitive leagues, and clubs play a significant part in this process.

Best in the world pertains to reaching the top level globally in all aspects of the sport. It involves Swedish referees judging major international competitions, Swedish coaches being prevalent in international hockey, Swedish clubs competing internationally, and the national team distinguishing itself as one of the best in the world. Thus, the aim is not only to excel in the sport but also to lead all aspects of hockey.

Following the Confederation meeting's approval of the strategy, SIF's mission is to translate the strategy into an operational plan. The operational proposal is then presented to the board,

where the board addresses and improves the proposal. It is then forwarded to the chairmen of the twenty two different districts that make up the ice hockey regions in Sweden. The chairmen give input and sign off on the proposal. SIFs are then tasked to implement the strategy.

4.2.2 The process of drafting operational plans and performance measures

All performance measures were set at the management level of SIF. However, the process of developing them is intricate.

Firstly, as SIF has the task of developing measures, they conducted workshops with clubs and districts in Swedish ice hockey. These types of workshops are nothing novel for SIF. The purpose with these workshops was to get input from the constituents to gain valuable insight regarding what to focus on in the strategy. By involving them in the process, they can acquire valuable insight on the necessities from actual practice that need to be measured for a successful implementation of the new strategy.

"There were countless meetings, and workshops. There is no one in Swedish ice hockey who can say that they haven't had the chance to be involved in this work. That's the whole point. That's where the anchoring lies. What's interesting, I think, when you've been very involved in this work, is the engagement. And the other part is actually the fairly equal view of the whole thing."

Secondly, the internal process begins with the divisions that are most knowledgeable in their respective areas being tasked with identifying and translating the strategy into indicators, much through the reflection of the input received from the workshops within the divisions. The result was that the commercial division developed indicators to generate more interest in Swedish ice hockey. The development division focuses on indicators that lead to clubs achieving the highest quality hockey. The national team divisions present indicators that are in alignment with the best-in-the-world goal. The reasoning was that these divisions have had the most relevant input on these issues. However, it should be noted that the different measures produced are strongly linked to a cooperative engagement of the different divisions. It is emphasized that all divisions work towards the same purpose and are involved.

"When we talk about the association goals, our development division is closest. Regarding being the best in the world, that's our national team department. Then again, it's not just one department working towards these goals."

Although the respective divisions produce their measures, it is emphasized that all measures were finalized at the management level. Suggestions of these were produced internally in the divisions. When presented to management, they are not simply signed off. Rather, management has a discussion, highlighting different aspects of importance.

"A relatively sharp discussion on what is measurable and what is not? What is the utility of measuring? What creates the increased measuring? What creates behaviors among our employees? What kind of behavior does it create out in the field among the clubs? We agree on them, but we might have a slightly different view on how measurable everything is."

4.2.3   The design

SIF drafted operational plans relating to the three main areas, by management first creating goals for each area. Such as 100,000 licensed players or referees in regard to association of the highest quality. The senior national team, to be in the top three ranking in the world, is tied to having the best national team. Meanwhile, twenty five percent of the population becoming interested in hockey is connected to increased interest in hockey. These goals function as a measurable way of knowing whether the organization is achieving its intended strategy. The quantification of the goals makes them concrete. However, some management doubt their reachability, arguing that it can be unrealistic.

"We cannot, from an accounting perspective, reach a hundred thousand. That's a substantial figure. It's people, it's the number of individuals."

Having three strategic objectives to reach helps with the communicability of the strategy. This is vital for the strategy to work according to management. Throughout the development process, the clubs are emphasized. This has been a previous strategic pitfall in SIF, particularly in how the strategy reaches the clubs. The ambition is to make clubs understand the strategy, as admittedly they have different priorities than SIF. Regional offices will

measure and communicate with clubs, being a control mechanism for SIF to try to ensure that the clubs conform with the strategy.

"This is what Swedish ice hockey will work towards by 2030. It has not been like this before, previously, work has been a bit sloppy. SIF comes up with some kind of strategy and vision. The clubs are busy doing their own thing. They barely know about it. There's a small booklet or some nice pamphlet lying around. What's good, we think, with the three national goals is that everyone can relate to them. So, everyone can break them down to their small activities in the little club in Dalarna, as well as a large massive SHL club like Frölunda. Everyone can break it down to their own organization."

"It is crucial to have a dialogue in our clubs to help them understand why. To understand what is happening with Swedish hockey. They (clubs) don't give a damn whether Swedish hockey reaches a hundred thousand or if we have more coaches. They just want things to go well for them. So, it's about translating that into their everyday life."

Previously, when SIF has implemented a new strategy there has been a lack of measurability, now indicators will be diligently utilized. The indicators constitute the short-term goals that tie into the long term goals of 2030. The indicators follow a two-year time frame and are designed to be revised after that period. The demand for increased measurability was highlighted as a significant part of the strategy.

"If it is to be done properly, it should be able to be directly converted into action and it should be measurable, otherwise it is completely uninteresting for me."

As indicators were discussed and set by the management team, some consensus had to be made in regards to the two-year measures. This led to some managers of respective divisions adapting their proposed indicator in order to fit the overall view of the management team. In order to understand the progress of the indicators, a scorecard is to be implemented. This scorecard includes success factors, described as activities tied into reaching the indicators. Similarly to the indicators, the activities have goals set within a two-year time frame. SIF aims to measure the activities continuously, starting with a baseline of the present value of the measure. Although, at the time of this study, no consensus has been reached regarding the frequency of the evaluation span, the aim is to be able to measure these factors quarterly.

An example of a success factor that will be utilized is a club index, where clubs fill in a scale that reflects the perceived support from SIF. The measurement of this index will be conducted by the regions, subsequently evaluated by SIF. The role of the regional offices is to function as an extension of SIF towards the clubs. It is crucial to highlight that these regional offices are not integrated into SIF. Instead, they represent the district associations, serving as a central body for SIF's communication. Given their complete autonomy from SIF, the regional offices formulate their own indicators and operational plans designed for a two-year timeframe. This autonomy is driven by the understanding that regions and clubs face distinct needs and constraints. Thus, the independence allows them to produce relevant measures based on local needs, hopefully being more effective than a vertical control approach. However, it is imperative to note that these regional offices are obligated to establish indicators aligned with the overarching three goals. SIF will assess these indicators upon completion of their tenure, mirroring the process of reviewing SIF's own operational plan. SIF has allocated substantial financial contributions to the regions to facilitate and drive the local implementation of the 2030 strategy.
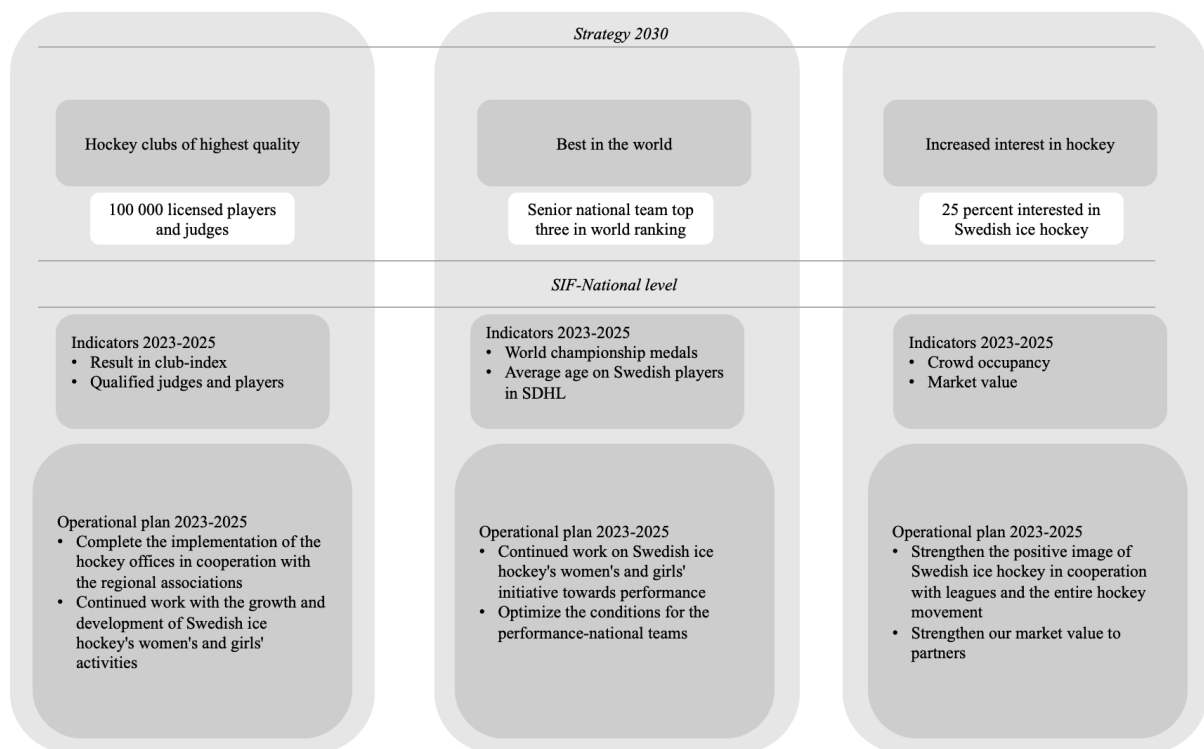
Figure 2. Operational planer *(simplified version*)*

4.3 Identifying levers of control in SIF

4.3.1 Belief system

Belief systems are prominent in SIF in areas such as communication and structure. It could also be seen from the reasoning of some employees, who are vocal about collaboration within the management team.

"Our management team works very well together, especially if one thinks of the three core operational areas that make hockey. That is, head of national team division, head of competition division and head of development"

Based on the statement above, it indicates that the management team works well together and includes everyone. That a team works well together and enjoys working with each other is something that has been seen throughout the interviews, confirming a strong belief system.

"Well, one would not start working here just for the money. It is a good working environment, of course. But it is the passion that is really important. That one is truly passionate about this."

This statement clearly demonstrates that there is a fundamental homogeneity in regard to the essential values and general beliefs of the worker. This is reassured during hiring processes, not only looking at competence but also focusing on creating a collective sharing the same passion. By establishing a cohort of persons that have a significant intrinsic motivation, it creates the narrative of not having as many extrinsic monetary incentive systems employed.

"We need each other and needs to work closely with each other, in order for it to work"

By working closely with each other both in the organizational environment but also in the communicative aspects. It establishes a scope of consensus, that in turn generates directing principles among the employees. Playing a substantial part in the process of when SIF translates the strategy into an operational plan. But also when the management team

establishes indicators because this is done through working closely with each other and believing in the set strategy and vision.

4.3.2   Boundary system

The Boundary system is not a lever that is prominent within SIF. However, there is a depth to be explored. That is, not only focusing on what is being considered permissible and appropriate by SIF. But also extending it to which tools can be applied, such as guidelines, protocols, and regulations. Furthermore, it should be noted that there is an external and internal aspect to the boundary system.

"Just the other day, I told our CFO that that money was earmarked for the kids and adolescents. Earmarked to the school operations. Where it was indicated that the money could be moved around. Sometimes, one has to be somewhat of a gatekeeper and make sure that the money actually goes towards the right way. If one should be totally crass, then one could utilize RF as the big monster that will cut the money supply if we misbehave."

Here, we can observe some insufficiency regarding the boundary system. There are not any internal guidelines or regulations in regards to this kind of behavior or misaligned incentives. However, this displays a case where one divisional head has to act as an internal regulatory system. A boundary system centered on the individual taking actions rather than guidelines the organization follows.

"As I said, we have an economy that as of now I think balances too much against short-term orientation. On one side I would want the RF to be stricter and demand more from the association. On the other side, I know how it feels when one do not get any liberty and trust"

There is an underlying control mechanism for the organization that is based on the external boundary system being employed by RF. Which is the umbrella organization that rules above SIF, as they are an ideal sports organization that has to follow RF's directives.

4.3.3 Diagnostic control

The main form of current diagnostic control identified is the budget. All divisions receive their own budget at the beginning of the year. It is currently a joint budgeting process between management to decide the amount handed to each division, and having a similar view on organizational priorities aids this process.

"I feel that the management work has improved in recent years. That we synchronize more and have a clearer process in budgeting. Before, I budgeted in our department. I didn't know how the others did it. It was a bit more piece by piece and different silos in that way… I think we need an overarching assessment of what we should invest in."

"I experience, when I hear how the budget processes proceed at the management group level, that there is a very good consensus."

However, frustrations arise from the focus on short term expenses and activities. Some divisions work with areas that require longitudinal processes, which may not be prioritized. More specifically, the national team division conducts the most costly activities which largely are attributed to traveling expenses. If there is a surplus in the budget at the end of the year, further negotiations are conducted on how to employ that surplus.

"I can sometimes be a bit frustrated with our budget or financial management because we will always have money for the national team, and we will go to our tournaments and compete against other countries. We will always find money for our competitive activities because both of them are very, very short-term."

As SIF is a nonprofit organization, they do not employ a bonus system. Motivating that all money goes into the hockey movement. Aside from the budget, there are no clear current diagnostic controls. SIF has been insufficient in monitoring performance or setting operational targets, which has been noted by workers and management, further enforcing the aspiration to implement a SPMS.

"Instead of measuring things that might not even be that important for your department. Aren't you putting time and money into things that you actually develop?" - Interviewer

"No, I do not think we are… We do not measure that much" - Interviewee

4.3.4 Interactive control

Unlike diagnostic controls, several forms of interactive controls are employed by SIF. They can be divided into external and internal interactive controls. The internal interactive controls are performed by the management team, where they inform each other of the progress and priorities of the week.

A recent addition is the editorial board, where different division representatives discuss communicational necessities. This council meets once a month to assess divisional information. Its main function is to aid cooperation between the divisions through an elevated understanding of their current progress. This can also be seen as reducing friction when divisions perform joint projects. As SIF has different constituents that vary in responsibilities, this communication helps bring these different movements together to ensure the organization works towards the holistic goals.

"How can we assist with that communication? So, there is a lot of coordination and synchronization. Because it is a quite broad movement and everyone is running a bit in their own directions."

The external interactive controls consist of workshops with constituents of the hockey movement, such as clubs. Through dialogue and inclusion of the actual associations which perform the activities of playing hockey, SIF gain perspectives on what they need which in turn enhances SIF understanding of club needs.

SIF invites scrutinization from studies as it helps identify potential improvements. It also helps legitimize the organization by arguing that the organization is evidence-based. The effect of this legitimization is as of yet not noticed. However, SIF believes that partners take this into account.

"We had the Linné University conduct two studies on us. One was a fact-based study. Especially the second study, which is most interesting... It focused on the norm in Swedish ice

hockey, specifically regarding women's hockey. It was a rather brutal read. It pointed out how poorly Swedish ice hockey addresses these issues."

4.4   Levers of control through Otley's framework

4.4.1   Objectives

From the findings it is established that the belief system has been a prevalent lever in SIF. Its significance is continuously seen in how different constituents such as SIF, clubs, and district associations need each other and work closely with each other through an extensive anchoring process. That has led to the establishment of the objectives. The belief system has been strong within SIF and is a reason for the strong consensus. Now, through the anchoring process, it is noticeable that the lever has impacted the design and implementation process as aforementioned.

Workshops between clubs, districts, and SIF have allowed for engaging discussions on what is to be prioritized and included when setting the key objectives. By utilizing interactive control, the organization reduces strategic uncertainties in the design and implementation process of the SPMS. Interactive control has been ubiquitous in SIF, and now it is also prevalent in the design and implementation process. It has been utilized to generate feedback from different constituents. This enables SIF to deepen their understanding of which objectives are to be recognized and focused on by trying to understand what the clubs are in need of.

Having significant influence on the purpose and objectives of the organization is the stakeholders ambition (Otley, 1999). SIF is an ideal sports association under the direction of the umbrella organization, RF and should follow the statutes brought forward by RF (Riksidrottsförbundet, 2023). Furthermore, SIF gets significant contributions in the form of financial aid from RF. These economic resources are restricted to be employed in accordance with ideal operations. This alignment showcases the external boundary system that is in place. The threat of RF constricting financial aid is a regulation having the function to make SIF avoid risk behavior (Simons, 1995). RFs stakeholder aspiration indirectly affects the design of

the SPMS because the key objectives that are brought forward have to align with an ideal interest. It could be seen as constricting by demanding the for-profit constituent of the organization to align with the ideal objectives.

4.4.2   Strategies and Plans

When analyzing how the management team operates, it is noticeable that they are working closely together. This builds on aforementioned analysis under objectives, that needing each other and working closely together strengthens the belief system. This leads to a consensus regarding how to balance the day-to-day operations and which indicators should be utilized. Naturally, if the lever impacts the objectives, it also impacts how those objectives are achieved.

External studies have been performed on SIF, where insights have revealed that there has been insufficient focus on Women's ice hockey when analyzing SIFs operations. By SIF using the studies as a prioritized topic for discussion, the study performed became an external interactive control. Women's ice hockey is a working-process that is still emphasized in the new operational plan. With activities such as growth and development in women ice hockey being integrated. Thus, the interactive control affected the design and implementation of the SPMS. By the management utilizing the findings from the study to impact the strategies and plans through discussion.

4.4.3   Targets

The weekly management meeting aids in the negotiation process of setting appropriate targets. Thus, it can be observed that interactive control has an effect. By already having scheduled meetings every week, all managers have a comprehensive understanding of other divisions' areas of work. This facilitates the discussion process as managers have an elevated understanding of the different core areas that targets will be based on, already having frequent management meetings. Building upon the precedent effect of a vigorous belief system, the collective view and opinions on the targets of the indicators help streamline the negotiation process of setting the targets.

SIF developed goals to be reached in different time frames. The long-term goals are to be achieved by 2030. While the short-term operational goals are to be reached every two years. The emphasis of the design process was to be able to revise the progress of the long-term goal. Thus, by designing indicators to be reached within a two-year time frame, the measures can be revised in accordance with strategy completion. This illustrates that the structure of the timeframe is intended to function as an interactive control measure, further highlighting SIF's inclination toward interactive controls.

Remarks have been made in regard to the reachability of the 2030 goals from a managerial level, which hints towards some goals being symbolic. It could be argued that in order to get a clear measurable goal it sometimes becomes symbolic, thus a diagnostic control mechanism. On the other hand, it could be argued to increase motivation and a shared sense of belief, thus belief systems. By having a clear 2030 goal, it is easier to communicate to clubs and confederations.

The prioritization of having a communicable strategy and goal towards clubs has been apparent throughout the development process. Thus, it is possible that the goal of 100 000 was selected for its communicability rather than being a diagnostic tool which realistically can be attained. Hinting towards that, the strong belief system makes communicability a priority when selecting the targets.

4.4.4   Rewards & Penalties

The design of the SPMS does not incorporate rewards for SIF personnel when reaching their intended goals. This absence is credited to the strong sense of belief in the organization, which can be traced back to the importance of personnel selection. In the hiring process, it is emphasized to have intrinsic motivation connecting to working with sports. Thus, the management and workers are motivated by more than salary. Indicating that the personnel in SIF do not need monetary rewards to be motivated to reach the goals. This observation amplifies the significance of the presence of belief systems, serving as a motivational force in this specific instance.

The regions are entrusted with the responsibility of supervision, and their incentive is linked to the successful assurance that the clubs sustain their focus. SIF will review the indicators

that are operative 2023-2025, where SIF will evaluate and discuss the progress. Should it be unsatisfactory, SIF can threaten to withdraw its funding from that region. Thus, we can observe that through the use of interactive controls, SIF can enforce a boundary system and penalize regions that do not work towards the strategy. The use of interactive controls further enforces the strategy, in this instance, through the means of a boundary system. This use reflects how the belief system in Swedish hockey is not strong enough to be applied to all the inter-organizations and thus can not be extended from SIF to the regions. The underlying threat of withdrawing funding helps incentivize the regions to ensure that clubs prioritize and shift focus from short-term to long-term strategy, which is essential for SIF (Ebrahim et al., 2014).

4.4.5   Feedback

Reviewing the design of the indicators, they are created to be revised and discussed after their expiry. It has furthermore been expressed that their applicability will be discussed. Thus, management will seek to distinguish what cause-and-effect relationships the indicators contribute to, implying that double-loop learning will be used. Discussing the measurements by focusing on how they can act differently to reach strategic goals aligns with interactive control (Simons, 1995). Thus, the preference for interactive control is manifested in the procedure in which the metrics will be discussed. The scorecards that help measure the progress of the indicators are to be measured continuously every quarter in the form of filling out the number on the scorecard. As the scorecard is not discussed when filled out, it conveys the use of diagnostic control, which have been inadequately used prior.

The regions will develop one-pagers, which will be reviewed after the two-year operational period. The one-pager function is to inform SIF of progress in the different regions and districts regarding the clubs. Functioning as a feedback tool and is essential for the strategy, as SIF wants to work closer to the clubs. The region's one-pagers will be discussed and reviewed, and therefore, interactively handled.

The development of the regional offices will be a key feedback loop to measure club progress. By implementing these offices, SIF can work closer to the clubs and their progress. Additionally, introducing regional offices with the motivation of being more connected to clubs could potentially increase belief system control, as the clubs' voices can be heard better.

In turn, if the discussion between regional offices and clubs are regarding measures, and this in turn leads to improvements of indicators when it is discussed in headquarters, we can argue for the regional offices to work as an interactive control. If this is to be proven successful, it hints towards interactive control design of regional offices.

SIF has demonstrated how closely they work together by emphasizing that they do not work in silos in the office. This allows for conversation to function as informal feedback loops, which are important in the implementation of SPMS (Otley 1999). A strong belief system is observed through cultural aspects of working closely together. That in turn, aids the information flow which is a necessity. When the design of the SPMS builds on the premises to continuously improve based on information flows and feedback loops. This effect was already noted in the development of the indicators.

Objectives	Strategies & plans	Targets	Rewards	Feedback
Belief system	Belief system	Belief system	Belief system	Belief system
Interactive control	Interactive control	Interactive control		Interactive control
Boundary system			Boundary system	
		Diagnostic control		Diagnostic control

Table 2. Illustrates which LOCs are identified in the design and implementation of SPMS.

5. Discussion

The discussion aims to connect the empirical data with a theoretical frame of reference. The analysis extension is based on the thesis's theoretical models, and therefore, the four levers are highlighted in a summarizing analysis. Reflecting the impact each lever has on understanding the design of the SPMS in SIF from an implementation perspective.

5.1 Extending insights from empirics

This analysis examines various considerations necessary for the effective implementation of a SPMS. Identifying the influential control levers for each issue addressed, our findings are consistent with Simons (2000), arguing that an effective control system captures all levers in the role of implementation. Belief systems have been integral in all areas addressed by Otley's (1999) framework during the design of SIF's SPMS. This lever plays a critical role in aligning objectives through the anchoring process.

Resistance to change can become prevalent when increasing interactive controls. Managers can feel threatened due to the risk of scrutiny and questioning, as found by Tuomela (2005). However, during the implementation of SPMS this potential risk of resistance to change was mitigated through SIFs strong belief system. Consensus drawn from the lever ensures that everyone is open to change when implementing the new SPMS.

As SIF pressed on the matter of measurability, through belief systems, individual preferences on metrics were overlooked. A manager intended to implement more process-oriented measures, however the collective prioritizing having measurable metrics made the manager adapt the metrics towards the collective view. Thus, SIF loses valuable insights which have been exhibited in hybrid organizations (Campanale et al., 2021). This can be seen here, that is, the lack of nuanced perspectives on the metrics can lead to inefficient SPMS.

An additional perspective on a strong belief system is that it can lead to the illusion of consensus. The collective view leads to indicators conforming to the need for increased measurement rather than, what is significant to measure, that gives valuable insights. The strong belief system can be partly attributed to selection of personnel on a management level.

They embody the organizational goal to such an extent, it makes them willing to accept the job with the knowledge of a potential downgrade in payment. This has in turn, affected how negotiations are conducted in the process of designing SPMS. Thus, through LOC, we give insights into how personnel selection can affect the processes of developing SPMS in hybrid organizations (Ebrahim et al., 2014).

On the other hand, previous literature has claimed that not connecting rewards to non-financial metrics, which is how SIF intends to reach its objectives, could potentially make the metrics insignificant (Eccles, 1991). However, our findings hint towards a strong belief system potentially being able to mitigate this perceived effect. This is concluded from the management team clarifying their intentions of not implementing this in the design of the SPMS. Tuomela (2005) has similar findings, arguing that a collective that shares the ambition and view to improve performance over the long run does not need monetary reward systems.

Having collective views affects levers such as interactive controls in the form of meetings that contribute to the development or in an elevated belief system, diminishing the discussion regarding the lack of boundary control and effectively acting as a substitute, which aligns with past research on the impact of the belief system on other levers (Widener, 2007).

Interactive control stands out as the second most influential lever in the SPMS implementation at SIF. The interactive control in SIF is apparent in the inclusion of clubs and districts through workshops to further help with the design of SPMS. This is what Wouters and Wilderom (2008) defines as a developmental approach, using local information and input from those who will have to apply the SPMS. Which in turn enhances the validity and acceptance of the SPMS (Wouters and Wilderom, 2008). Similar findings to Rodrigue (2013) were observed, where the joint effort of creating the SPMS further helped legitimize the SPMS, in turn earning its acceptance by those who will apply it. Through employing interactive controls in the design phase, important stakeholders' views, such as the regions and clubs were recognized. Effectively acknowledging important stakeholders which is vital for hybrid organizations (Rosser et al., 2022).

External interactive control, in the form of studies performed on them, allowed SIF to identify overlooked areas. By communicating this in management it led to organizational learning

(Zhang & Yu, 2020). Ultimately, this led to adapting the operational plan by focusing more on activities such as growth and development in women's ice hockey.

The boundary system's influence is observed in two specific issues. One is the indirect stakeholder power from RF, which necessitates SIF to establish objectives that align with ideal interests in order to receive funding from RF. It also appears to integrate a penalty control in the SPMS design, which would be in alignment with Simons (1995), who highlights boundaries to act as preventive actions against deviating behavior. That is SIF's intention with the boundary system against the regions. Holding the regions accountable to align with the three national objectives and indirectly influencing clubs to adopt a long-term focus through regional alignments. This form of control is more prominent inter-organizationally in this context. Earlier studies did not identify this lever in the design process of SPMS (Rodrigue et al., 2013; Tuomela, 2005). However, we find it prevalent inter-organizationally in the design process, which can be due to hybrid organizations having more stakeholders to cater to.

Diagnostic control is noticeable in SIF's efforts to enhance performance supervision with the new SPMS. This can be drawn from the management team's assertiveness that if objectives are to be transformed into an operational plan, then it must be measurable. Thus, SIF's intention is to use more diagnostic controls, such as scorecards that aligns with the strategic objectives (Simons, 1995). Furthermore, the increased focus on measurability in SIF was in conjunction with having three communicable goals. While previous literature has found that clarity of goals is connected to enhancing performance (Verbeeten, 2008), we find that it is equally important in designing a SPMS successfully in a hybrid setting. SIF must take into account the different stakeholders, that is, regions, districts and clubs. It is noted that the clarity of goals makes application easier. Clarity of goals has also aided SIF in establishing longer sponsor relationships, as they have been assured to "buy into the journey." Thus, a practical implication is that having clear goals not only helps the design and implementation of measures but can also provide legitimization with stakeholders.

5.2   Contribution

The contribution of this thesis relates to the previous literature on PMS in the context of hybrid organizations (Berry et al., 2009; Grossi et al., 2019; van Helden & Reichard, 2018), as the field of PMS in hybrid settings is still relatively unexplored.

Building on the notion of hybrid organizations having difficulty conveying their strategy as described by (Kaplan, 2001). We utilize LOC to observe how a hybrid organization aligns its organizational activities and decisions with strategic objectives. Our findings indicate that utilizing LOC gives an understanding of how a hybrid organization designs its SPMS to align with the strategic objectives. Already pointed out in the empirical presentation, this is seen in; (1) SIFs anchoring process leading to a strong belief system. This consensus facilitates which indicators are to be utilized. However, this can also lead to measures being adapted to conform to the need of increased measurement; (2) utilizing workshops as an interactive control to align indicators, operational activities and targets with the strategic objectives; (3) SIF integrating a boundary system, towards the regional offices, to hold autonomous constituents accountable towards the long-term strategy; (4) how SIFs management team has claimed that if the strategic objectives are to be reached, then it has to be directly translatable to operational plans. That in turn, needs to be measurable, emphasizing the utility of diagnostic controls in the design of a SPMS for a hybrid organization. Conclusively, LOC seems to give a solid understanding for how a hybrid organization designs its SPMS to align with the intended objectives.

6.   Conclusion

The research question we attempt to answer in this thesis:

"How do MCS influence the design of a SPMS in a hybrid organization?"

Summarizing the answer and the contributions elaborated upon earlier, it should be noted that tying strategic objectives to the design of SPMS in a hybrid setting is complex in itself. Thus, making it argumentatively hard to draw generalizations from our findings. As displayed in this thesis, observing SIFs' design of SPMS with Simon's (1995) four levers of control makes the case for some unique and interesting findings.

Firstly, the belief system is noted to be prevalent in every major aspect of the design of this hybrid SPMS. The consensus established through the anchoring process facilitates which indicators that are to be utilized. However, it should be recognized that this can lead to measures being adapted to conform to the need for increased measurement, losing valuable insights (Campanale, 2021). Next, understanding the prevalence of interactive control through inter-organizational workshops. Using local information from clubs and districts enhances the validity and acceptance of the SPMS (Wouters, 2008). Furthermore, interactive controls such as the workshops ensure that the indicators, operational activities, and targets conform to the strategic objectives. Extending on that insight, SIFs management team has claimed that if the strategic objectives are to be reached, then it must be directly translatable to operational plans. That in turn has to be measurable, emphasizing the utility of diagnostic controls in the design of a SPMS for a hybrid organization. Lastly, the integration of a boundary system towards the regional offices, to hold autonomous constituents accountable towards the long-term strategy.

The most significant limitation to this study is as mentioned in the research method, that we performed a single case study which has its pros and cons. It allows for an in-depth analysis needed for when applying abductive reasoning. However, it also comes with the issues of reliability and validity. By performing a single case study, it limits the possibility of generalizing findings. Adding to the spectrum of limitations is to recognize drawbacks from our data collection. When choosing a qualitative approach and conducting interviews, there

are always drawbacks to consider, such as bias in the interviewee's answers. That might affect the findings. Furthermore, increasing the amount of interviews held would probably increase the depth of our findings. However, the time limitation comes into play here as a reason for the limitation on the number of conducted interviews.

There is notable potential for future research regarding hybrid organizations. Mainly because the research field of designing SPMS in a hybrid setting is fairly unexplored. Thus, there is a need for future research in accounting orienting towards a deeper understanding of the intricate nature of hybrid organizations and how that impacts the design of SPMS. Reflecting upon this study's limitations, there is a need to establish more knowledge on the applicability of using LOC to understand how a hybrid organization designs its SPMS and how that connects to the strategic objectives. Even with our findings making the claim that using LOC allows for understanding the aforementioned. It is difficult to generalize findings from a single case study. Thus, to attain a generalization of our findings and explore this further, our final suggestion for future research would be to motivate the need of utilizing LOC in a similar manner we have done in this thesis.

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8.   Appendix

Date	Function	Duration (min)
2023-10-27	Market manager	00.30
2023-11-01	Association development manager	00.31
2023-11-02	Business development	00.34
2023-11-07	Operational developer	00.36
2023-11-07	Head of development	00.40
2023-11-08	CFO	00.28
2023-11-08	General secretary	00.44
2023-11-08	Head of Commercial	00.37

Table 1. Interview sample

Objectives	Strategies & plans	Targets	Rewards	Feedback
Belief system	Belief system	Belief system	Belief system	Belief system
Interactive control	Interactive control	Interactive control		Interactive control
Boundary system			Boundary system	
		Diagnostic control		Diagnostic control

Table 2. Illustrates which LOCs identified in the design and implementation of SPMS.

Figure. 1 Organizational chart

Strategy 2030

Hockey clubs of highest quality	Best in the world	Increased interest in hockey
100 000 licensed players and judges	Senior national team top three in world ranking	25 percent interested in Swedish ice hockey

SIF-National level

Indicators 2023-2025
- Result in club-index
- Qualified judges and players

Indicators 2023-2025
- World championship medals
- Average age on Swedish players in SDHL

Indicators 2023-2025
- Crowd occupancy
- Market value

Operational plan 2023-2025
- Complete the implementation of the hockey offices in cooperation with the regional associations
- Continued work with the growth and development of Swedish ice hockey's women's and girls' activities

Operational plan 2023-2025
- Continued work on Swedish ice hockey's women's and girls' initiative towards performance
- Optimize the conditions for the performance-national teams

Operational plan 2023-2025
- Strengthen the positive image of Swedish ice hockey in cooperation with leagues and the entire hockey movement
- Strengthen our market value to partners

Figure 2. Operational planer