

# **THE LEGITIMISING ROLE OF ACCOUNTING IN A PUBLIC DEBATE**

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**A CASE STUDY OF THE SWEDISH CANDIDACY FOR HOSTING  
THE OLYMPIC WINTER GAMES 2026**

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## **The legitimising role of accounting in a public debate**

### **Abstract:**

In this thesis we examine the legitimising role of accounting in a public debate. We draw upon a case study of Sweden's candidacy for hosting the Winter Olympics in 2026, in which the budget for the games played a central and at the same time problematic role. The Olympic candidature turned out to be a complex procedure, where competing interests, power dynamics and low confidence in the budget from the start characterised the *process* of legitimating the candidacy. Building upon the legitimacy process framework by Patriotta et al. (2011), we apply the concept 'orders of worth' to analyse the public debate and conceptualise the role of accounting in a legitimating process. We find that the role of accounting and the factors influencing it differs between the stages of the legitimating process. More specifically, we find that differing mobilisations of orders of worth affect an organisation's ability to legitimise a project to different stakeholders using accounting. In parallel, we show that the quality of current and past budgets also plays a role in the legitimating process. We term this historical bias against accounting 'the broken environment', since it affected the Swedish Olympic Committee's ability to legitimise the candidature using the budget. Thereby it influenced both the role of accounting and the legitimisation process.

### **Keywords:**

Role of accounting, legitimacy process, budgetary discourse, orders of worth

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## 1. Introduction

*“Each and every one that studies the modern history of the Olympic games find that the only thing connecting all games, except for the Olympic fire, is that they become more expensive than the organisers initially said.”* - Lead writer, Dagens Nyheter, 2019-06-17

As the above quote illustrates, the Swedish Olympic Committee (SOC) did not have an easy task in legitimising the Swedish candidacy of hosting the Winter Olympics 2026. During the candidature, accounting played a central and problematic role as the proposed budget was put under public scrutiny by stakeholders such as the media, politicians and the International Olympic Committee (IOC). Indeed, legitimising the Olympic candidature turned out to be a complex process with competing interests, power dynamics and low confidence in the budget due to historical cost overruns of previous Olympic games. The Olympic setting provides a complex empirical context in which a public budgetary discourse between several stakeholders occurred.

The legitimising role of accounting has been widely discussed in the accounting literature (e.g. Covaleski, Dirsmith, 1988, 1991; Burchell et al., 1980; Amans et al., 2015; Kaufman, Covaleski, 2019). The role of accounting has been described as either a tool for answering questions or as a tool for rationalising arguments, depending on the level of uncertainty of the environment (Burchell et Al., 1980). Building on this, it has also been argued that accounting becomes legitimising through a dynamic social process characterised by negotiations and complexity, rather than through technical and static presentations (Covaleski, Dirsmith 1988, 1991; Amans et al., 2015). Moreover, the current academic conversation identifies complex institutional environments as something influencing the legitimising role of accounting, where accounting can serve as a forum for debate and compromise (Kaufman, Covaleski, 2019; Amans et al., 2015). Previous researchers agree on that accounting has a multifaceted role, and that factors such as the level of uncertainty, stakeholder interest or stakeholder power, influence the legitimising role of accounting.

However, the development of the legitimising role of accounting literature lack a congruent process view of legitimacy. Moll & Hoque (2011) criticise previous literature for having portrayed legitimacy as an unproblematic outcome of decisions. Previous studies touch upon different parts of the legitimisation process, but do not separate the role of accounting into any

specific part (e.g. Covaleski, Dirsmith, 1988, 1991; Miller, Power, 2013; Kaufman, Covaleski, 2019). The legitimisation process needs conceptualisation in order to map the role of accounting into the process, thereby understanding when and how accounting has a legitimising role. Moreover, we find that the legitimising role of accounting theoretically can be developed further, in the following three ways:

Firstly, while previous research agrees on a multifaceted role of accounting, some differing views have emerged regarding how and why it is used differently. Factors such as stakeholder power, stakeholder interest and institutional environment have been argued to be influencing factors affecting the legitimising role of accounting (Covaleski, Dirsmith, 1991; Amans et al., 2015; Kaufman, Covaleski, 2019). However, little attention has been given to how these factors interrelate. Secondly, when looking at an institutionally complex environment with a high degree of uncertainty, the focus has predominantly been on understanding how different institutional logics affect the role of accounting (Kaufman, Covaleski, 2019). Little attention has however been given to environments where the accounting itself is criticised before the start. Thirdly, previous researchers have in most cases studied how accounting is used to legitimise decisions. However, few have studied contexts where accounting is mobilised by critics in a clearly de-legitimising way, and where the stakeholders need to be convinced that the numbers can be trusted.

Given the above, the legitimising role of accounting can be further problematised, particularly in the legitimating process. Through looking at the public budget debate that occurred during the Swedish candidature process for hosting the Winter Olympics 2026, we aim to study the following research question: *How is accounting mobilised to legitimise a project in a public debate?*

To conceptually guide and analyse the empirical setting, we adopt the ‘Dynamics of Institutional Repair’ framework developed by Patriotta et al. (2011) which apply the concept ‘orders of worth’ (Boltanski, Thévenot, 1991, 2006). This framework develops a legitimisation process, highlighting several steps in which legitimacy is managed and repaired through the mobilisation of arguments by stakeholders. Further, it also takes factors such as stakeholder interests and institutional environment into account as these influence the legitimisation process.

The aim of this thesis is to contribute to the existing legitimising role of accounting literature by addressing the above identified areas that can be further developed: the conceptualisation of the role of accounting in a legitimisation process, factors influencing the multifaceted role of accounting, the effect of an environment where accounting is highly criticised, and the development of the de-legitimising role of accounting.

The remainder of the study is structured in the following manner: Section 2 outlines the theoretical development through a review of the literature discussing the legitimising role of accounting. This section also presents the method theory that is used to analyse the empirics. Then, the theoretical framework used to answer the research question is presented. Section 3 covers the research methodology, and section 4 outlines, based on the theoretical framework, the empirical material from the discourse. Section 5 discusses the findings in comparison to previous literature and the theoretical framework. Finally, section 6 presents the conclusions, limitations and suggestions for further research.

## **2. Theoretical development**

In this section, an outline of the relevant literature that have discussed the legitimising role of accounting is presented. Section 2.1 presents a theoretical background to the field and ends with findings of the theoretical gaps. In section 2.2, the method theory used to analyse the empirics is presented. Lastly, in section 2.3 the theoretical framework is developed that will later be used to guide the presentation of the empirics, and to answer the research question.

### **2.1 The legitimising role of accounting**

#### **2.1.1 Theoretical background to the role(s) of accounting**

Accounting researchers have for several decades investigated and debated the roles of accounting in organisations and society (e.g. Burchell et al., 1980; Covaleski, Dirsmith 1988, 1991; Miller, Power, 2013; Abernethy, Chua, 1996; Covaleski et al., 1993; Hoque, Hopper, 1994; Alam, 1997). Miller & Power (2013) argue that the role of accounting can take on mainly four roles. Firstly, accounting can create calculable spaces in which actors inhabit within organisations and society. Examples of calculatable spaces are factory floors, divisions, and in the public sector. Secondly, accounting can take on a mediating role, acting as an instrument to link ideas from different aspirations, areas and actors. Thirdly, accounting can be subjectivising, meaning that accounting creates both regulation but also freedom of choice, shaping the

preference of the actors it provides with information. The fourth and final role, which will be in focus of this study, is the adjudicating role where accounting act as a tool for evaluating legitimacy and performance of actors and organisations.

Starting with the definition of legitimacy, Lindblom (1994) defines it as “*a condition or status which explains when an entity’s value system is congruent with the value system of the larger social system of which the entity is a part*”. Accounting researchers studying the legitimising role of accounting have used different theoretical lenses, resulting in mainly two different streams (Moll et al., 2006). In the first one, institutional theory has been used to understand the legitimising role of accounting in complex institutional environments (Kaufman, Covaleski, 2019; Covaleski, Dirsmith, 1988, 1991; Ansari, Euske, 1987). For instance, Kaufman & Covaleski (2019) looked at how budgets served as a forum for debate and compromise between differing institutional logics, which affected the legitimising role of accounting (see also Ezzamel et al., 2012; Friedland, Alford, 1991). An institutional logic is what characterises actors shared understanding of not only goals, but also how these are to be pursued (Alford, Friedland, 1985). In the second stream, researches have been more interested in observing the legitimising role of accounting from a corporate, social and environmental reporting perspective, looking at how accounting information works as a legitimising tool for organisations in earning their ‘licence to operate’ (Deegan, Blomquist, 2006; Unerman, Bennett, 2004). In the following theory section, the first stream of research will be problematised, as this study aims to contribute to the institutional field of the literature.

### **2.1.2 Accounting as a legitimising tool**

Previous research has used several different empirical settings to understand the legitimising role of accounting, both from intra and inter organisational perspectives. Anessi-Pessina et al. (2016) argue that there are several intersections and overlaps between these two fields, and that they can be used in combination to enrich each other. Settings that have been explored are for example governmental budgetary processes (Covaleski, Dirsmith, 1988), management accounting change (Burns, Scapens 2000; Broadbent et al., 2001; Covaleski et al., 1993), accounting regulation and reporting (Hines et al., 2001; Vesty et al., 2018), the public sector (Brignall, Modell 2000; Carpenter, Feroz, 1992, 2001) and in health-care organisations (Abernethy, Chua, 1996; Covaleski et al., 1993; Broadbent et al., 2001). When considering the legitimising role of budgets in particular, Covaleski and Dirsmith (1983; 1985a, b; 1986; 1988; 1990; 1991; 1995; 2014) have contributed much within this field. The topic is still debated, as

shown in the latest study by Kaufman & Covaleski (2019) who are further developing the legitimising role of accounting literature.

In one of their most influential studies, Covaleski & Dirsmith (1988) observed a budgetary process between a state university and its government, where the aim was to understand the legitimising role of accounting in the budget dialogues and negotiations between the parties. Covaleski & Dirsmith (1988) find that accounting may be more of a social invention complicit in the construction of social reality, rather than a passive mirror of a technical reality. More specifically, they found in their case that the budget was first developed and presented in a discreet, auto-regulatory and rational fashion where it was used as a mere capital allocation tool. However, the budget also took on a more symbolic role as the stakeholders used it to legitimise and justify why resources were distributed in the way they were. Along the process, tensions arose where actions, such as funding cuts and re-distributions of budget posts, took place. The actors hid "*behind a facade of accounting techniques that provided a semblance of rational and reasonable governance*". Covaleski & Dirsmith (1988) hence conclude that accounting and the social reality are co-determinants of one another, and to study only one element of the relationship would deny, even suppress the mutual dependence upon a network of elements. They argue that accounting serves as a tool for demonstrating, to external constituents, commitment to a technical rationality, rather than only an actual technical reflection of reality.

On the theme of technical rationality, Chwastiak (2006) critically argues that when accounting becomes too rationalised, through measurability and instrumental characteristics, and used in situations for which it is ill suited, there might be serious consequences. He analysed the Vietnam War and found that due to the economically rational notion of accounting, it legitimised disciplinary actions. Relying too much on the rationality of accounting was hence concluded to be dangerous.

Several researchers agree with Covaleski & Dirsmith (1988) that accounting and budgets are something social rather than technical. For example, Czarniawska-Joerges & Jacobsson (1989) claim that budgets in particular at a first glance might be seen as instrumental and technical, but in practice become more complicated and rather express symbolic and cultural aspects in a discourse. However, Kilfoyle & Richardson (2011) are critical to this perspective. They argue that this attributes too much power to the external environment, and rather find that the

legitimising role of accounting is two folded. Firstly, one role is to manage the relationship between an organisation and the broader social environment. Secondly, accounting can be used as a tool for translating the broader social values into local behaviours.

Carpenter & Feroz (1992) agree with the legitimising role of accounting developed by Covaleski & Dirsmith (1988). They further argue that the use of accounting might be even more important in a legitimacy crisis. Carpenter & Feroz (1992) showcase an example of 'mimetic isomorphism', which is when an institution mimic others' actions as these are generally accepted, and hence these actions become legitimising. Moll & Hoque (2011) are however critical to this, arguing that legitimacy is more complex than that. They problematise previous literature on mimetic isomorphism and argue that legitimacy instead differ between stakeholders, their needs and interests.

Moreover, Burchell et al. (1980) argue that the role of accounting depends on the uncertainty level of objectives on the one hand, and the cause and effect on the other hand. They argue that when uncertainty of objectives, and cause and effect, is low, accounting plays the role of an answering machine. Accounting systems can then, for example, be used as a tool of providing simple investment appraisals methods, stock control systems and credit control routines. However, when uncertainty for objectives, and cause and effect, is high, accounting instead takes on the role as a rationalisation machine. Here, budgets and plans can act as 'justification devices' of which actors use when they are trying to legitimise their actions, as accounting tools lend the appearance of rationality. In line with these findings, Feldman & March (1981) also argue that the uncertainty level affects the role and usage of accounting. They find that an over-consumption of accounting is more common in situations where decision criteria are unclear, performance measures are vague, and where public information is used. This uncertainty perspective was further developed by both Bell (1984) and Ansari & Euske (1987) who agree on that the reason for over-consumption of accounting is because numeric data increase the confidence of a decision maker, which decrease the anxiety level.

In reviewing previous literature, we see researchers agreeing on a multifaceted legitimising role of accounting. Factors influencing this multifaceted legitimising role have also been studied in previous research. As mentioned, Burchell et al. (1980) argue that the level of uncertainty will impact the role of accounting. Further, in addition Covaleski & Dirsmith's finding in their 1988 study that accounting reflects a social rather than a technical reality, they also conclude that

politics and power have impact on the legitimising role of accounting. Wildavsky (1974) use metaphors like ‘gaming’ and ‘combats’, indicating the social and political aspects of budgeting. Therefore, Covaleski & Dirsmith’s 1991 study was dedicated to study how power and politics affected the legitimising role of accounting. They find that since accounting lends a sense of rationality, it serves as an apolitical tool and is used by actors with political interests trying to legitimise their claims. Powerful groups therefore take advantage of these apolitical and rational characteristics of accounting to legitimise their political agendas, by de-politicising certain arrangements through accounting. Accounting systems may therefore be seen as simultaneously serving as means for providing a technical solution to a technical problem, and as means of political exchange when depoliticising an issue. Lastly, they find the multifaceted role of accounting as a way to infuse and assert power and influence, rather than just a technical outcome.

In contrast to Covaleski & Dirsmith (1991), Kaufman & Covaleski (2019) rather find that instead of power and politics influencing a budgetary process, the underlying institutional logic of an actor might matter more. An institutional logic is what characterises actors shared understanding of not only goals, but also how these are to be pursued (Alford, Friedland, 1985). Kaufman & Covaleski (2019) argue that budget processes serve as tools to facilitate communication, coordination and compromise necessary for institutional change. They find that conflicting logics are not replaced or merged but instead allowed to coexist in tension through time. Amans et al. (2015), similarly to Kaufman & Covaleski (2019), studied how heterogenous budget uses is shaped by multiple institutional logics. They compared two different empirical scenarios and found that the two organisations used the budgets in different ways; one viewed the budget only as information, while the other used it as a negotiating tool, serving symbolic purposes for external stakeholders. They find that the reason for the budget being heterogenous is because the budget can be seen as an organisational response to institutional complexity where multiple logics have to be managed and balanced.

### **2.1.3 Theoretical gap**

The literature review shows that previous researchers agree on that the legitimising role of accounting is multifaceted. In some cases, accounting is used as a technical answering machine, while in other cases it is viewed as something social and symbolic where accounting is used to rationalise, justify and legitimise decisions (Burchell et al. 1980; Covaleski, Dirsmith 1988;

Czarniawska-Joerges, Jacobsson 1989; Amans et al., 2015). However, existing literature displays some inconsistencies and differences, which show that the research on the legitimising role of accounting can be even further developed in the following areas:

Firstly, research concludes that accounting can be used as a rationalisation tool which actors use to justify and legitimise decisions. Critical perspectives have however been raised, for example by Chwastiak (2006) who argues that the rationalisation attribution of accounting can actually be problematic in certain contexts. Relying on that accounting *per se* is something rational and hence is something good can be questioned (Chwastiak, 2006). By analysing the Swedish candidature for hosting the Olympics, this study aims to give further insights on how accounting is or is not used as a rational tool for legitimising decisions.

Secondly, while previous literature agrees on a multifaceted legitimising role of accounting, some disagreement concerning the factors influencing why and when it differs prevails. Researchers such as Burchell et al. (1980), Feldman & March (1981) and Ansari & Euske (1987) argue that the level of uncertainty of conditions, such as objects and outcomes, will have an impact on how accounting is used to legitimise actions. Covaleski & Dirsmith (1991) on the other hand argue that power relations and politics shape how accounting is mobilised to justify actions. Further, Kaufman & Covaleski (2019) and Amans et al. (2015) see the role of accounting and budgets as tools for communication, coordination and compromise between different competing institutional logics. Therefore, we aim to explore the underlying factors influencing the multifaceted legitimising role of accounting.

Lastly, there have been calls for more research concerning the legitimising role of accounting. Anessi-Pessina et al. (2016) reviewed the existing literature on the use of budgets in public settings and noted that stakeholders are now asking for more transparency of information. They therefore argue that future research should study how organisations can keep their stakeholders informed through accounting, while still ensuring trust and legitimacy. Further, Amans et al. (2015) call for more research in institutionally complex environments to understand the multifaceted role of budgets, and how multiple logics influence the use of a budget. Lastly, Kilfoyle & Richardson (2011) call for more research on observing how competing interests are managed in budget processes. We aim to develop on these of calls by looking at a complex budgetary process in which multiple stakeholders with competing interests made claims regarding the accounting information.

## 2.2 The process of legitimacy maintenance and repair

A method theory was chosen in order to present and analyse the empirics. The chosen method theory stems from Boltanski & Thévenot's (1991, 2006) theory of justification in which the concept 'orders of worth' was created. Patriotta et al. (2011) mobilised the findings of Boltanski & Thévenot (1991, 2006) and developed a framework explaining legitimacy maintenance and repair. Their study explores how different stakeholder groups actively engaged in discourses and objected to maintain the legitimacy of the institution(s) that were relevant to their activity. Their framework is a process model explaining how legitimacy maintenance and institutional repair take place when a social order is under disruption. This framework by Patriotta et al. (2011) was chosen as it helps us to understand the budgetary discourse during the Olympic candidature in terms of how stakeholders mobilised accounting arguments to gain legitimacy by either criticising or defending the budget.

Researchers from a range of disciplines have found the work by Boltanski & Thévenot (1991, 2006) to be useful when trying to understand acts of justification and legitimisation. In accounting research, the orders of worth concept have in recent years been applied more often (see for example van Bommel, 2014; Vesty et al., 2018). Moreover, Annisette & Richardson (2011) conducted a study on how the orders of worth concept could be used in accounting research. They argued that it indeed provides a good tool "*for understanding the strategies used to critique accounting and to use accounting in the justification of action*". They also made a call for more accounting related empirical research using the orders of worth.

As shown in the previous theory section, several accounting researchers have used the concept of 'institutional logics' to understand the legitimising role of accounting. There are great similarities with the orders of worth concept and institutional logics (Patriotta et al., 2011). Both theories agree on that actors have a natural starting point in how they define goals and how these should be pursued (Thornton, Ocasio, 2008). However, the change of institutional logics occurs only in processes of institutional change, where agency emerges to transit conformity seeking and realignment from the old to the new logic (*ibid.*). In the orders of worth concept, the social order is instead negotiated on an ongoing basis where legitimacy is achieved through public debate among competent agents. Patriotta et al. (2011) argue that Boltanski and Thévenot's theory is "*particularly well suited to analysing how stakeholder groups engage in public debates so as to handle disagreement and maintain the legitimacy of institutions relevant*

*to their activity*”. The framework of Patriotta et al. (2011) is hence argued to be a good framework when externally looking at the budgetary discourse that occurred during the Swedish candidacy for hosting the winter Olympic games 2026.

In order to explain the chosen method theory, firstly the concept ‘orders of worth’ by Boltanski & Thévenot (1991, 2006) will be presented as it is important to understand their concept first since the framework of Patriotta et al. (2011) is a development of it. Then the ‘Process model of institutional repair’ by Patriotta et al. (2011) will be presented and later used to structure and analyse the empirics.

### **2.2.1 Orders of worth**

Boltanski & Thévenot have their theoretical roots in political philosophy and have studied how individuals mobilise various rationales to build convincing arguments, advocate their positions, or to demonstrate that a situation is fair or unfair. Boltanski & Thévenot (1991, 2006) concluded that agreement and discord in societies rely on seven different orders of worth or ‘common worlds’ which systematically and coherently exist in the same social space (see Table 1 for an overview). The orders of worth can be viewed as principles that structure social spheres. Legitimacy is connected to the orders of worth as they in a general state of agreement are what create harmonious arrangements of actors. These can be mobilised in situations when actors want to “*criticise, challenge institutions, argue with one another, or converge toward agreement*” (Boltanski, Thévenot, 2006). All orders of worth are universal principles of logical coherence and they are symmetrical, meaning they carry equal weight. This can therefore explain why there are sometimes difficulties for organisations to construct and maintain legitimacy as there are conflicting requirements stemming from a plurality of forms of legitimacy that produce tensions.

'Common worlds'	Market	Industrial	Civic	Domestic	Inspired	Fame	Green
<i>Mode of evaluation (worth)</i>	Price, cost	Technical efficiency	Collective welfare	Esteem, reputation	Grace, singularity, creativity	Renown, fame	Environmental friendliness
<i>Test</i>	Market competitiveness	Competence, reliability, planning	Equality and solidarity	Trustworthiness	Passion, enthusiasm	Popularity, audience, recognition	Sustainability, renewability
<i>Form of relevant proof</i>	Monetary	Measurable: criteria, statistics	Formal, Official	Oral, exemplary, personally warranted	Emotional involvement and expression	Semiotic	Ecological ecosystem
<i>Qualified objects</i>	Freely circulating market good or service	Infrastructure, project, technical object, method, plan	Roles and regulations, fundamental rights, welfare politics	Patrimony, locale, heritage	Emotionally invested body or item, the sublime	Sign, media	Pristine wilderness, healthy environment, natural habitat
<i>Qualified human beings</i>	Customer, consumer, merchant seller	Engineer, professional, expert	Equal citizens, solidarity union	Patrimony, locale, heritage	Creative beings, artists	Celebrity	Environmentalists, ecologists
<i>Time formation</i>	Short-term, flexibility	Long-term planned future	Perennial	Customary part	Eschatological, revolutionary, visionary moment	Vogue, trend	Future generations
<i>Space formation</i>	Globalisation	Cartesian space	Detachment	Local, proximal anchoring	Presence	Communication network	Planet ecosystem

*Table 1 - Overview of the seven orders of worth in the consolidated framework of Boltanski and Thévenot (Thévenot et al., 2000)*

As Table 1 shows, the orders of worth are characterised according to criteria that define certain parameters that are used in legitimacy tests. These are: Mode of evaluation, Test, Form of relevant proof, Qualified objects, Qualified human beings, Time formation and Space formation. As these criteria indicate, they show that justifications involve more aspects than just 'words' or 'accounts'. For example, objects such as machines are used in argumentations and justifications sprung from the industrial worth.

In disputes, the same order of worth can be put to a 'test of worth' where the winning argument will be considered the highest order of worth. Stakeholder might however mobilise different orders of worth in a dispute, which makes the test of worth impossible, and instead compromise is necessary to resolve disputes. However, before compromises can be made in controversies, actors that engage in the public debate will try to justify and legitimise their standpoints. This is done by using different evidences that differ across the orders of worth since different actors will believe certain evidences justify their belief as these provide a rationale for justification. These parameters are then what characterise certain orders of worth and will be used in different legitimacy tests. Boltanski and Thévenot (1991, 2006) highlight that actors are 'competent agents' and will in disputes manipulate logics to support their work of justification and are not bound to their natural order of worth. This means that actors can shift from one order of worth

to another, they can combine several orders of worth and they can draw on their power positions in a field to ultimately justify and stay true to their claim of believed justice.

The effectiveness of legitimisation of the orders of worth depends on how justification is constructed within them and publicly put forward. Effectiveness is not bound to rhetorically linking accounts to broader cultural views, but rather how the ‘state of worthiness’ is linked to issues of legitimacy and power within a field. That is, in certain fields some actors will have ‘louder’ voices than others, dependent on their relative legitimacy. Hence, the orders of worth constitute a ‘political grammar’ as actors can mobilise discursive resources in the ready-made categories in their work of justification (Selsky et al., 2003).

### **2.2.2 A process model of the dynamics of institutional repair**

Patriotta et al. (2011) used and developed the concepts of Boltanski and Thévenot (1991, 2006) in their examination of the controversy-based dynamics involved in legitimacy maintenance. By analysing a nuclear accident that occurred in Sweden 2006, they explored how stakeholder groups mobilised orders of worth to make sense of the controversy, justified their positions in the public arena, and sought compromise among conflicting logics.

Legitimacy maintenance is explained by Patriotta et al. (2011) through a process model of institutional repair, where legitimacy maintenance is seen as a controversy-based process progressing through stakeholders’ justifications vis-à-vis a public audience, leading to institutional repair (see Figure 1).

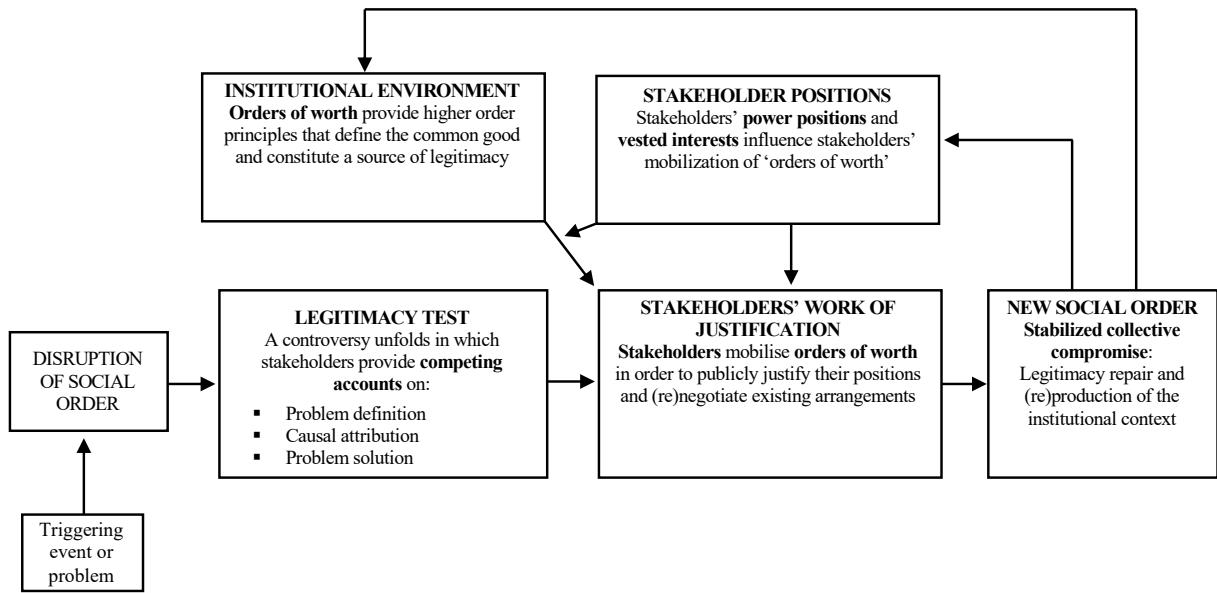


Figure 1 - The dynamics of institutional repair (Patriotta et al., 2011)

This process model starts with a triggering event, which leads to a disruption of social order. The social order is otherwise stable through the harmonious arrangement of things and persons oriented towards the achievement of the common good. The event constitutes a legitimacy test, where tensions take the form of public controversies concerning the problem definition (what happened?), the causal attribution (why did this happen?) and the problem solution (what should we do?). Stakeholders will provide similar or competing answers to these questions, and thus settle or sustain the controversy. To justify their claims, stakeholders will mobilise orders of worth and (re)negotiate existing arrangements. To make their work on justification effective, they must make their positions socially relevant through tests of worth, that is, to generalise pieces of evidence that is congruent with common higher order principles, which is what in the end will define legitimacy. The stakeholders will be affected both by their own and other stakeholders' power positions and vested interests, where they will typically use arguments that are in line with these underlying interests. The institutional environment also affects the justification work as here is where the higher order principle rests, in the form of orders of worth that define the common good, which is a source of legitimacy. Through the stakeholders' work of justification, actors will reach a new social order in which legitimacy is repaired and the institutional context is reproduced.

When applying the framework on the empirical case of Patriotta et al. (2011), the work on justification considered the repair of the broken institution of nuclear power, due to a triggering

event of a nuclear accident. In order to do so, the energy producer started its argumentation from the higher order principle, in this case the industrial world. However, this was not effective since other stakeholders, with roots in for example the civic worth, criticised the company for being too technical in times of humanitarian and civilian danger. The energy producer therefore had to mobilise different orders of worth to increase the legitimacy of their arguments to in the end build a final compromise. This final compromise hence constituted of elements from different orders of worth that enabled a ‘buy in’ from enough critical stakeholder groups, leading to an institutional repair and a new higher order principle. This case hence highlighted that the stakeholders were competent agents as they mobilised several different orders of worth to earn legitimacy.

### **2.3 Theoretical framework**

We integrate the legitimacy framework by Patriotta et al. (2011) with previous accounting literature focusing on the legitimising role of accounting (e.g. Covaleski, Dirsmith, 1988; Burchell et al., 1980; Amans et al., 2015) to develop a theoretical framework. By doing this, this study aims to address the theoretical gap that has been identified from the previous literature by analysing the role of accounting in a legitimating process.

Combining the previous literature on the legitimising role of accounting with the model developed by Patriotta et al. (2011) was deemed to be a good fit for several reasons. Firstly, the aim of this study is to analyse how accounting was mobilised to create legitimacy in a public discourse. Similarly, the purpose of the model is to understand legitimacy maintenance and repair in a discourse. Covaleski & Dirsmith (1988) and Burchell et al. (1980) all wanted to understand *why* accounting may come to be in a particular setting and *how* it is shaped, altered and impacted on by various institutional and societal forces, rather than simply describing *what* is being said. As this is also the purpose of this study, applying the orders of worth on accounting through the framework of Patriotta et al. (2011) is argued to give depth to the empirics. Rather than simply telling what was being said by the different stakeholders in the budgetary discourse, the focus is instead on analysing the shaping and mobilisation of the arguments through the orders of worth, and then to understand why this was done.

Secondly, aspects such as stakeholders’ power positions, stakeholders’ vested interests and institutional environment have been addressed in the Patriotta et al. (2011) framework as factors influencing the legitimacy process. Several accounting researchers (e.g. Covaleski & Dirsmith,

1991; Amans et al. 2015; Kaufman, Covaleski, 2019) also argue that these are important factors to take into consideration when understanding the multifaceted legitimising role of accounting.

Thirdly, a particular strength with the framework developed by Patriotta et al. (2011) that suits the empirical setting in this study is that it is process based. It includes important factors to take into consideration between the start and end that affect the legitimacy process of the discourse, such as the mobilisation of arguments, institutional environment and the vested interests of stakeholders. Previous literature has in part discussed the different steps in the Patriotta et al. (2011) framework. For example, Covaleski & Dirsmith (1988) focus on the negotiation and justification of accounting, and their 1991 study is more interested in the power and politics and its impact on legitimacy. Further, both Covaleski & Dirsmith (1988) and Burchell et al. (1980) touch upon the aspects of how accounting is a technical and/or social institution. However, in previous literature legitimacy seems to be something that just occurs, an outcome, when using accounting, rather than being developed in a process. Moll & Hoque (2011) criticise previous literature for having portrayed legitimacy as an unproblematic outcome of decisions. Therefore, a benefit with this theoretical framework is that the process of legitimising the Olympic games through accounting is conceptualised in specific steps, and clearly take factors into consideration that influence the role of accounting.

The empirical cases used by previous accounting literature and the one used by Patriotta et al. (2011) shows several similarities. Covaleski & Dirsmith (1988) observed a budgetary dialogue between a state university and its state government. Covaleski & Dirsmith (1991) studied the role of accounting in a health care and public administration setting. Both of these settings are macro inter-organisational in which public discourses take place between stakeholders who mobilise accounting in different ways. Patriotta et al. (2011) looked at a case with similar characteristics as they also analysed a public controversy in which stakeholders aimed a lot of critique. Further, the cases of Covaleski & Dirsmith (1988, 1991) included, similarly to Patriotta et al. (2011), multiple stakeholders, with vested interests, that justified and negotiated their positions in a public debate. We therefore see great potential in combining previous legitimising role of accounting literature with the framework by Patriotta et al. (2011) into a theoretical framework for answering our research question.

Figure 2 illustrates the theoretical framework that we have developed. The framework uses the legitimating process developed by Patriotta et al. (2011) to further conceptualise the

legitimising role of accounting. The triggering event in this process is the publishing of budget, resulting in disruption of the social order. In the next step the role of accounting in the legitimacy test will be analysed, followed by an in-depth investigation into the role of accounting in stakeholders' work of justification. The factors influencing the legitimating process will be combined with previous accounting literature covering factors influencing the role of accounting. The empirics will be presented and later analysed according to this process, in order to answer the research question: *How is accounting mobilised to legitimise a project in a public debate?*

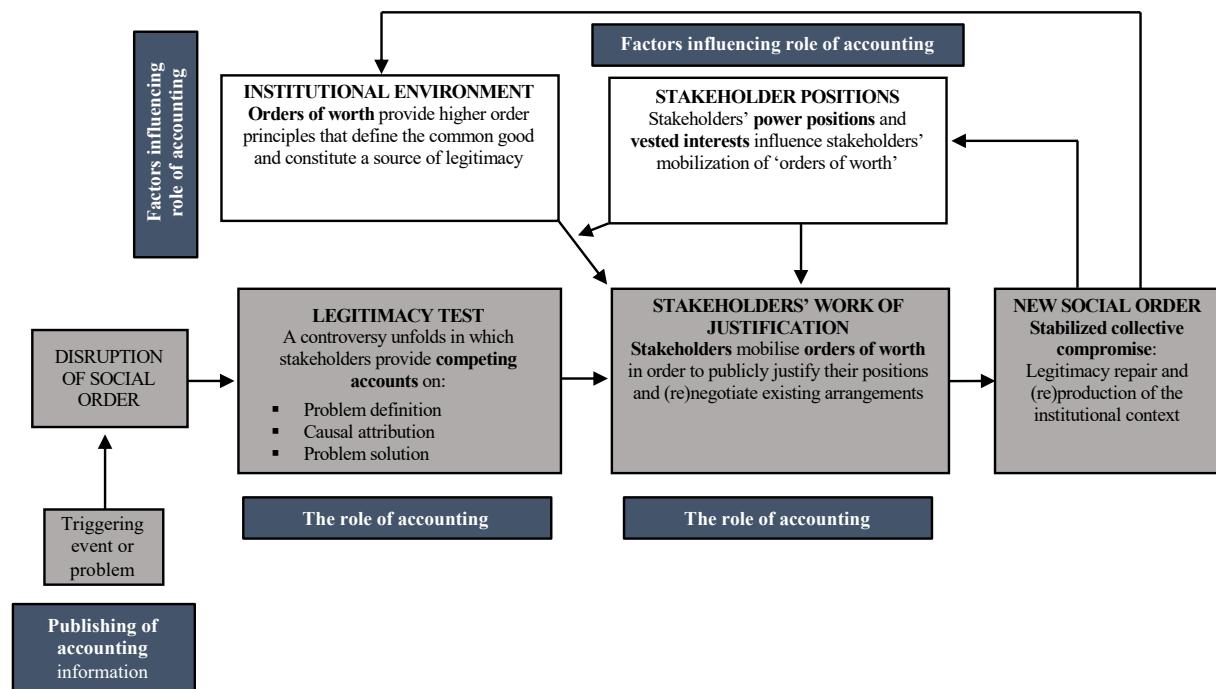


Figure 2 - Theoretical framework

### **3. Method**

In this section, the methodological procedure is described. Section 3.1 covers and motivates the chosen research design. After that, section 3.2 elaborates on the motivation of research setting. Finally, section 3.3 and 3.4 cover the process of data collection and analysis.

#### **3.1 Research design**

To analyse the legitimising role of accounting, a qualitative approach was used by conducting a single case study. Conducting a single case study has been argued to give accounting researchers rich material, which is valuable for describing, analysing and infer meanings of events or phenomena occurring (Hoque et al., 2006; Ahrens, Dent, 1998). Furthermore, the single case study method has been acknowledged as an appropriate method to use by previous accounting researchers studying the legitimising role of accounting (Covaleski, Dirsmith 1988; Carpenter, Feroz, 1992; Chwastiak, 2006).

The research design used to study the budgetary discourse is a document analysis. Bowen (2009) argues that document analyses is particularly well suited for qualitative researchers looking at public events, as documents can produce rich descriptions of single phenomena. The reason for why this approach was used is because the aim was to investigate the budgetary discourse directly. This was possible as the documents and articles from the time period were all accessible and in written text, hence unchangeable. Covaleski & Dirsmith (1988) used a document analysis when examining the budgetary dialogue between the state university and its government. Patriotta et al. (2011) also used a document analysis in their case study. We hence deemed it appropriate to apply the same method, as they similarly studied a discourse in which public scrutiny and debate occurred. The Swedish Olympic candidature offered a context in which the budgetary discourse could be viewed through public documents. This approach was argued to be appropriate as the discourse occurred over a three-year period, and the approach did not have to rely on actors' recollection of how the accounting had been used. Hence, analysing the use of accounting directly in the documents was deemed a suitable approach to answer the research question.

### **3.2 Selection of research setting**

Previous researchers have used several different empirical settings in order to explore the legitimising role of accounting, such as in healthcare and university settings. The Olympic case provided a public debate and an institutionally complex empirical context to examine the role of accounting in legitimising a project. What makes the case interesting is that the controversy of the accounting numbers was public, and that the interaction between the actors could be captured through the documents and media coverage. The budget was in the very centre of the Olympic candidacy discourse, where multiple stakeholders, such as the media and politicians, debated accounting publicly.

The budgetary discourse already started when the City of Stockholm, on behalf of the Swedish Olympic Committee (SOC), released a feasibility report in January 2017 where the first budget for the games was presented. The formal application through the Candidature File was later handed to the International Olympic Committee (IOC) in which a business plan for the delivery and legacy of the Games, including budget and forecasts, was included. The budget is an important part of the application that is thoroughly analysed by the IOC when the decision is to be made, which puts accounting discussions at the very centre of the case.

### **3.3 Data collection**

Both the data collection and data analysis follow the same procedure as Patriotta et al. (2011). As previously mentioned, the method used to analyse the discourse was an extensive document analysis. The documents included were the formal budget submissions, press releases and response papers from the SOC, the City of Stockholm, as well as the IOC. Further, an extensive media analysis was conducted in order to analyse the discourse through the articles written by newspapers about the presented budget during the Swedish candidature. To narrow the scope of the media analysis, the articles in focus were the ones published in Swedish newspapers. Similarly to Patriotta et al. (2011), we relied mainly on the press coverage of the process for two reasons. Firstly, because it was mainly in the public arena where the work of justification took place. Like in the study by Patriotta et al. (2011), our case covers a public discourse produced by the stakeholders, and as they highlight: *“newspapers are forums in which stakeholders provide, directly or indirectly, accounts and rationales for their positions during controversies.”* Secondly, when studying the negotiation of social reality, the written press offers an appropriate source material (*ibid.*). There are some limitations with using media

articles as an empirical source, as the newspapers might have their own agenda. We mitigated these limitations by using a politically diverse set of newspapers, and we also included the media as a stakeholder of their own.

We used the media search tool Retriever to find all Swedish articles that had been published covering the budget in the Swedish Olympic candidacy. The time period analysed was between January 1st, 2017 to June 30th, 2019. The reason for this is that the budget was published for the first time in January 2017, and the final voting occurred in June 2019. By using the search term “budget winter Olympics 2026” (in Swedish: “budget vinter OS 2026”), we found 1229 articles. To get a first sense of the opinions and to map the stakeholders involved in the discourse, all of these articles were processed and labelled according to sentiment of the accounting discussion: either positive, neutral or negative. We found that out of the 1229 articles, 21 percent were positive, 39 percent were neutral, and 40 percent were negative.

In order to limit the scope of the empirical analysis and to more qualitatively analyse the utterances by the stakeholders, we chose to focus on articles from some specific newspapers. These were sampled following the same four criteria used by Patriotta et al. (2011); availability of the newspapers in an electronic format, inclusion of both national and regional newspapers, a balanced representation of political orientations, and a focus on daily newspapers so that we on a day-to-day basis could follow the evolution of the argumentation. Using these criteria led to the following seven newspapers: *Dagens Nyheter*, *Aftonbladet*, *Svenska Dagbladet*, *Göteborgs-Posten*, *SVT Nyheter*, *Expressen*, *Dagens Industri* (see Appendix A for the reach and political orientation of these newspapers). Also, one digital website with a focus on sports and business, *Idrottens Affärer*, was included due to their extensive coverage of the candidature. In total, 136 relevant articles had been published by these newspapers. Many of these discussed both the candidature in general, and the budget in particular. To ensure that the selected scope of the discussion was meet, i.e. only covering discussions of the budget and accounting, only quotes including an accounting conversation were picked out to be analysed.

In addition to the newspaper articles, 7 official candidature documents and reports were analysed. Out of the 136 news articles and 7 documents, 502 quotes were picked out that covered utterances of the budget. Each utterance analysed constituted a ‘unit of meaning’ (Miles, Huberman, 1994, p. 56). A ‘unit of meaning’ is a phrase that express at least one clear idea and is bound by a clear ending. From each article and document, information of the title,

newspaper, author, publish date and stakeholder saying the quote was gathered in order to later analyse the material. The main stakeholders identified were; SOC, IOC, Media, Politicians, Experts, Public and Business.

### 3.4 Data analysis

When all quotes concerning a conversation of the budget had been picked out, the empirical analysis began. One of the authors conducted systematic coding of all the 502 quotes through labelling each quote with the occurring order(s) of worth. Both the classification overview (see section 2.2) and the semantic descriptors presented by Boltanski & Thévenot (2006) (see Appendix B) were used. One quote could include several orders of worth, and it was then labelled with all of these. To give an understanding of the labelling of the quotes, an example is here presented. Looking at the quote "*There is an economic advantage with hosting the games in terms of tourism revenue and branding of Stockholm and Sweden. These are positive outcomes from the project to the society that I want to emphasise.*" - SOC, we labelled it with several orders of worth: the market worth ('tourism revenue'), domestic and fame orders of worth ('branding of Stockholm and Sweden) and civic worth ('society'). In order to strengthen the consistency between the coding and Boltanski and Thévenot's (2006) original definitions, the other co-author checked and revised all labelling. In total, 1040 orders of worth were identified. Each quote was also labelled according to sentiment: positive, neutral or negative.

After all quotes had been labelled according to orders of worth and sentiment, an analysis using Excel was conducted to quantify and see occurring trends. Firstly, we analysed the quotes according to when they were said and got the result shown in Figure 3. We found that the conversation started in the beginning of 2017. Then it was less discussed, until the final decision was approaching. As the intensity of the discourse shifted, we decided to group the discourse into three different phases; the early candidature phase (January 2017 to September 2018), the mid-candidature phase (October 2018 to May 2019), and the final candidature phase (June 2019). These phases were based on both the number of quotes, but also due to certain events occurring (see later in section 4.1 where these are presented).

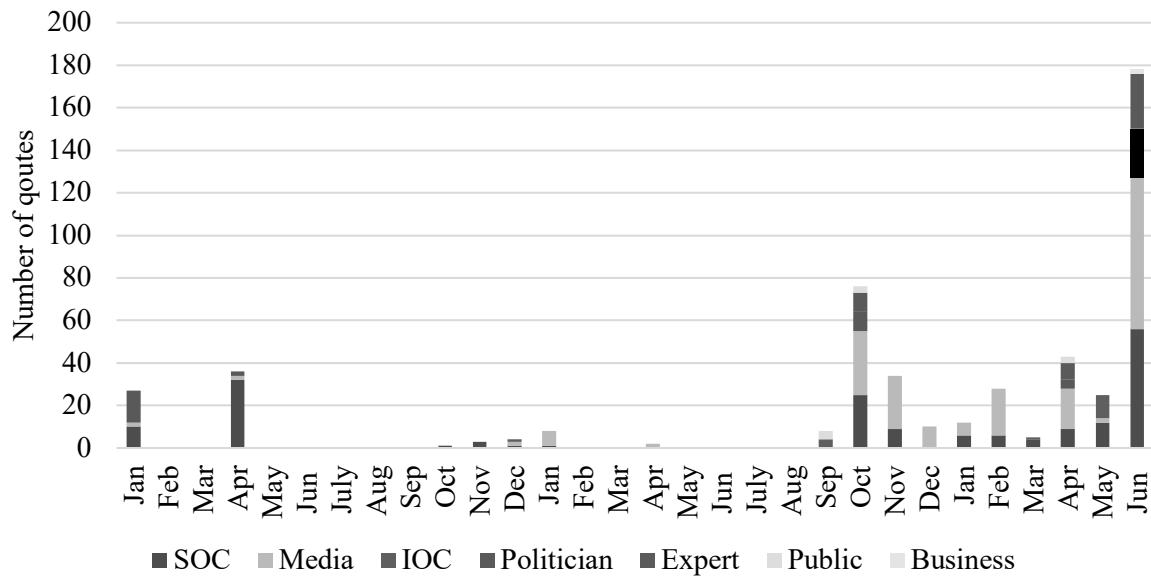


Figure 3 - Distribution of quotes

Further, we analysed the stakeholders by looking at the total number of quotes per stakeholder. We found that the stakeholders occurring the most in the discourse were the SOC, the media, the politicians and the IOC. Following the methodology by Patriotta et al. (2011), we decided to focus on these stakeholders. We analysed these stakeholders' work on justification through the mobilisation of orders of worth. This was done by isolating each stakeholder and identifying which orders of worth that were used in each phase. Then each order of worth was put in relation to the total number of orders of worth used by each separate stakeholder in each phase. This gave us the possibility to see how the mobilisation of accounting through orders of worth differed in the different phases. These analyses are presented in Figures 7-10 in section 4.2 of the empirics.

#### 4. Empirics

This section follows the structure of the theoretical framework presented in section 2.3. In 4.1, the background to the Olympic candidature, the triggering events and the legitimacy test is described. Then 4.2 presents each main stakeholders' work of justification. Lastly, section 4.3 describes the final step of the legitimation process: the new social order.

## 4.1 Triggering events causing a legitimacy test

### 4.1.1 Background to the Olympic candidature and triggering event(s)

The Olympic games is one of the world's greatest sports event where spotlight is put on the host country before, during and after the event. Through sport, athletes, politicians and the public come together to enjoy themselves. But hosting the Olympics comes at a price. Historical Olympic games have been characterised by cost overruns (Flyvbjerg et al. 2016). Between the years 1968-2014, the summer games had on average overruns of 176 percent compared to budget, while the winter games on average have had cost overruns of 142 percent. On this note, Flyvbjerg et al. (2016) who conducted a study on Olympic cost overruns argue that: "*[...] for a city and nation to decide to stage the Olympic Games is to decide to take on one of the most costly and financially most risky type of mega-project that exists.*" As a response to this critique, the International Olympics Committee (IOC), who is the supreme authority and leader of the Olympic movement, launched the 'Olympic Agenda 2020'. Agenda 2020 was for the first time applied in the candidacy process for the winter games 2026, in which Sweden participated. This strategic roadmap emphasises that candidature countries have to present a project that fits their sporting, economic, social and environmental long-term planning needs. This means that candidature countries should aim at using existing infrastructure and avoid costly investments.

For hosting the winter Olympics 2026, three countries were elected by the IOC to run a candidacy: Stockholm-Åre (Sweden), Milano-Cortina (Italy) and Calgary (Canada). Calgary however withdrew their candidacy six months before the final IOC voting, after a majority of the citizens of Calgary voted against hosting the Olympics in a public voting. One of the reasons was that a major part of the budget would be financed by taxpayers. To even have the possibility as a candidate to get to the final voting, an official application needs to be handed in, and an official safety guarantee needs to be provided from the national government saying that they will ensure both internal and external safety. The final voting took place in the end of June 2019 in Lausanne where Italy stood against Sweden. Italy won against Sweden by 47 to 34 votes. The two official reasons for why Sweden lost was firstly due to the lack of official financial guarantees from the national government, which Italy had gotten. Secondly, the public support was low in Sweden. Surveys conducted by the IOC showed that the Swedish public support for an Olympic game was 55 percent, compared to Italy where the corresponding number was 83 percent.

Looking more closely at the Swedish candidature process, it took place during a two-and-a-half-year period. The initial triggering event occurred in January 2017 when the City of Stockholm, on behalf of the SOC, released a feasibility report showing Sweden's readiness of hosting the Winter Olympics. This feasibility report covered aspects such as investigations of the current and needed infrastructure, and surveys measuring the Swedish support for hosting an Olympic game. It was also in this feasibility report that the budget of the games for the first time was presented. The budget covered all estimated revenues, such as contributions from the IOC and ticket sales, and costs, such as operations and staff costs. The feasibility report showed that Sweden's readiness of hosting an Olympic game was high. Therefore, the candidacy became a reality which triggered the discourse. Along the candidacy, some key events occurred which re-triggered the debate over and over again until the final decision was made by the IOC. Figure 4 presents these triggering events, grouped into three phases, in which the budget as well as the concept in general was discussed.

*Figure 4 - The three phases of the budgetary discourse*

1. Early candidature phase Jan 2017 – Sep 2018	2. Mid-candidature phase Oct 2018 – May 2019	3. Late candidature phase June 2019
<p>Jan 2017</p> <ul style="list-style-type: none"> <li>• The City of Stockholm released their feasibility report, showing Stockholm's capabilities of hosting an Olympic game. The report was in general positive</li> </ul> <p>April 2017</p> <ul style="list-style-type: none"> <li>• The City of Stockholm voted against supporting the SOC's candidature</li> </ul> <p>Mar 2018</p> <ul style="list-style-type: none"> <li>• The SOC disregarded the voting from the City of Stockholm Stockholm City and handed in a notice of interest to the IOC</li> </ul> <p>April 2018</p> <ul style="list-style-type: none"> <li>• Stockholm was elected by the IOC to become a candidature for the Olympics</li> </ul>	<p>Jan 2019</p> <ul style="list-style-type: none"> <li>• The SOC handed in their official application to the IOC, even though they still did not have the support from the City of Stockholm</li> </ul> <p>March 2019</p> <ul style="list-style-type: none"> <li>• The IOC visited Sweden for evaluation</li> </ul> <p>April 2019</p> <ul style="list-style-type: none"> <li>• The SOC got the necessary security guarantee from the Swedish government and could hence hand in their final application. A financial guarantee was however not given</li> </ul>	<p>Beginning of June 2019</p> <ul style="list-style-type: none"> <li>• The evaluation from the IOC showed that the SOC had calculated one billion SEK wrong in their budget</li> </ul> <p>End of June 2019</p> <ul style="list-style-type: none"> <li>• The SOC lost in the IOC voting in Lausanne against Italy, 47-34. The official reason for why the SOC lost was due to low public support from the Swedes, and that they lacked financial guarantees</li> </ul>

#### 4.1.2 Legitimacy test

After the triggering event, the next step in the Patriotta et al. (2011) legitimacy process is the legitimacy test, in which stakeholders provide competing accounts on problem definition, causal attribution and problem solution. When the budget became public for the first time through the feasibility report, different stakeholders started to comment and discuss both general and specific details of the budget. Conflicting views on the budget were presented, and hence it was put under a legitimacy test.

In terms of problem definition, stakeholders such as the media and experts mainly argued by using historical games as proofs of how difficult it is to estimate the costs of an Olympic game, and hence the quality of the budget was questioned. They also used previous games to criticise specific calculations in the budget:

*“In Vancouver 2010, of which the feasibility report by the City of Stockholm/SOC used as a benchmark, the cost for national security was 1 billion USD, which today would be 9.1 billion SEK. The SOC has in their budget put in 1.5 bn SEK for “internal safety”, which leads to an estimated cost for “external safety” of 7.6 bn SEK. In Torino, this cost was 11 bn SEK.”*- Christer Wohlin, Columnist, Idrottens Affärer, 2018-11-02.

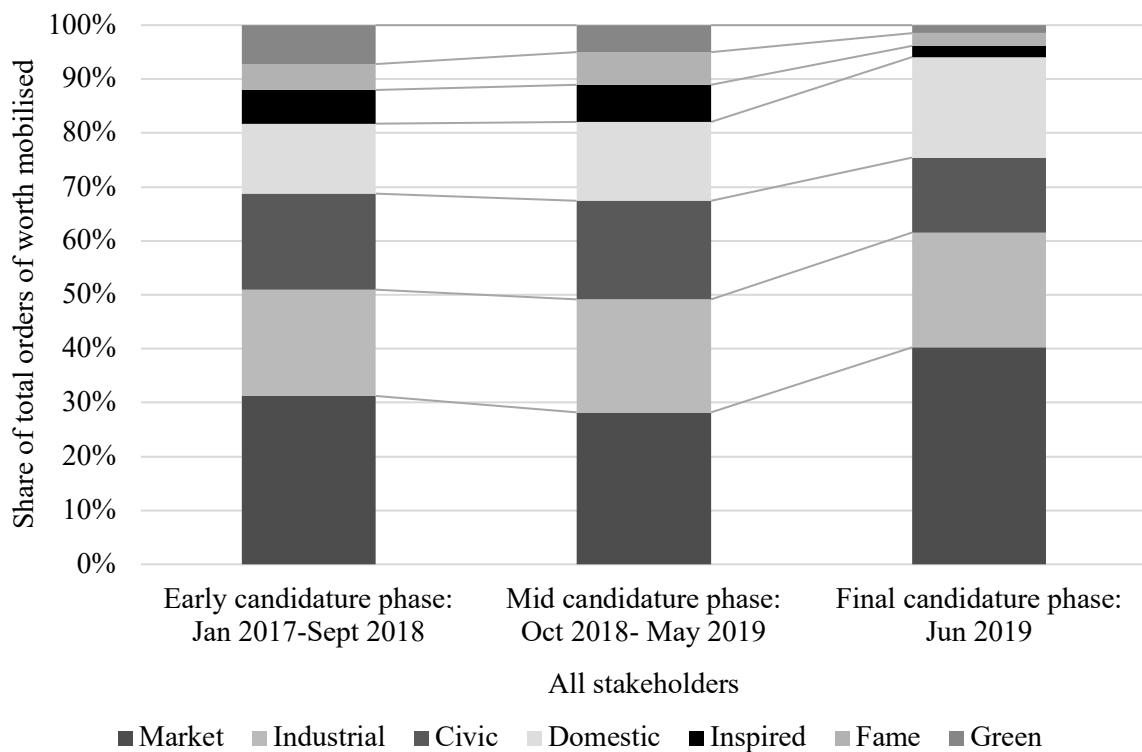
The SOC however tried to convince critics that there was no problem since the budget had been created in a systematic and accurate way. Stakeholders also used competing accounts on the causal attributions. Some gave examples of what the consequences would be if Sweden would host the Olympics and had cost overruns. For example, a negative outcome of the games could harm taxpayers financially, both on a state and municipality level.

During the discourse, stakeholders also provided competing accounts of the problem solutions. For example, the politicians in the City of Stockholm tried to shut down the project as they decided to vote against an Olympic game due to the uncertain nature of the budget. Some journalists argued that the simple solution would be to increase the size of the budget since a fun and memorable Olympic game requires financial resources. The SOC on their behalf kept the argumentation that their calculation was methodologically conservative, and that the financial benefits would even surpass the costs in the end, for example from tourism and commercial spending.

## **4.2 Stakeholders’ work of justification**

If actors mobilise competing accounts in the legitimacy test and do not settle, the discourse will move on to the next step in the Patriotta et al. (2011) framework. In the studied case, the controversy did not settle as multiple stakeholders provided competing accounts on the problem definition, causal attributions and the problem solutions. Therefore, the discourse moved over to the next step where the stakeholders started to mobilise the orders of worth to justify and legitimise their standpoints. To give an overview of the discourse, Figure 5 illustrates the orders

of worth that stakeholders mobilised to justify their claims (see section 3.4 for a description of how figure 5-10 was created).

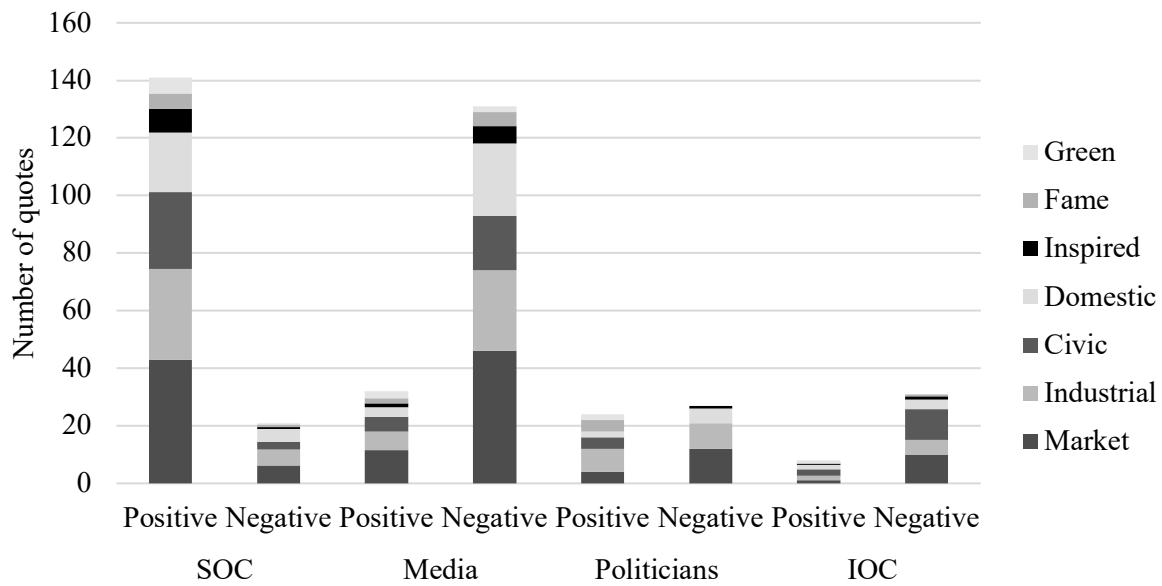


*Figure 5 - Mobilised orders of worth during the candidature process*

This figure shows both that multiple orders of worth were used during the discourse, and also that the market order of worth was the one occurring the most. This is not surprising as a budget in its nature is an accounting tool, which consists of financial calculations of monetary inflows and outflows. What is more surprising is that when discussing the budget, several other orders of worth such as civic, domestic and inspired were mobilised by stakeholders when discussing the budget. What can also be seen is that the usage of orders of worth differed across the phases, especially in the last one. Stakeholders specifically used the market and domestic orders of worth in the end, which can be explained by the big calculation mistake that occurred<sup>1</sup>. For example, the media mobilised domestic arguments, criticising the trustworthiness and authority of the SOC, while the SOC responded by focusing more on market worth arguments. They highlighted that the financial consequences of the mistake would not affect the budget in a negative way, and that the budget would change many more times until 2026.

<sup>1</sup> The SOC both did a discounting error and overestimated the IOC contribution in their budget by 100 MUSD. This led to an error of approximately 1 billion SEK in the 13 billion SEK budget.

Multiple orders of worth were used in combination in the different utterances. According to Patriotta et al. (2011), this might prove that the stakeholders in this controversy were ‘competent agents’ as they were able to use different orders of worth in their work of justification. Of all quotes picked out, 70 percent contained two or more orders of worth.

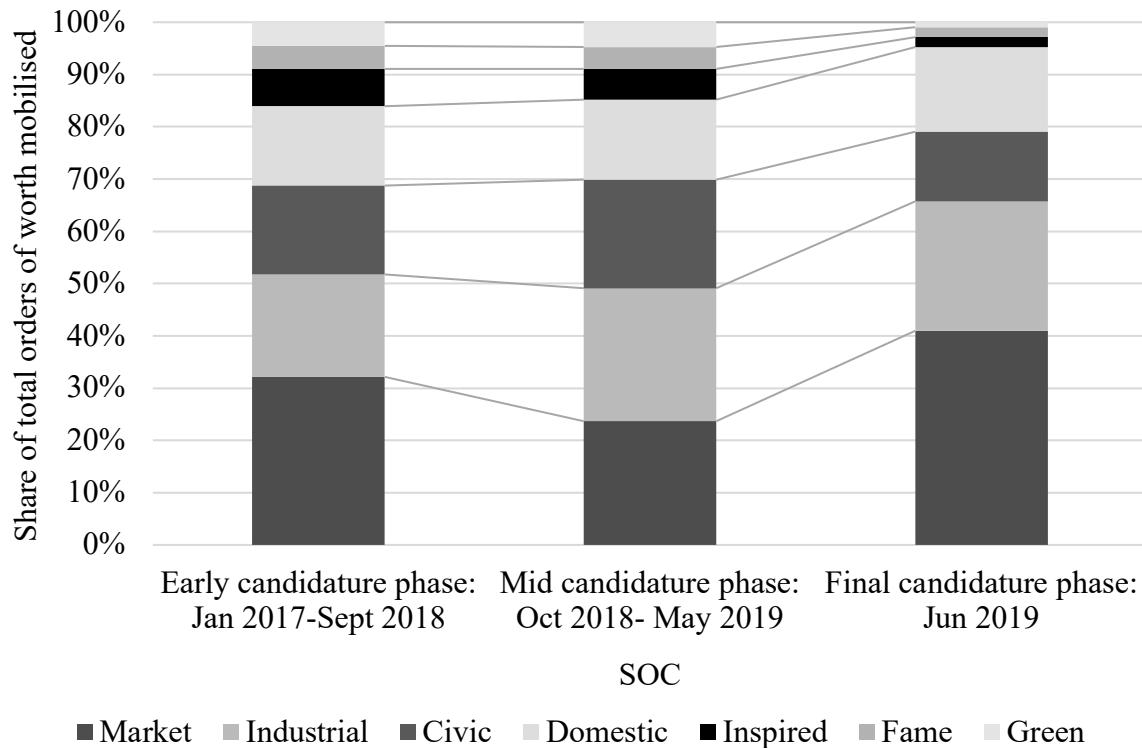


*Figure 6 - Number of positive and negative quotes per stakeholder and the applied Order of Worth*

The budgetary discourse was characterised by mainly four stakeholders. As shown in Figure 6, there were clearly two stakeholders that made the most utterances: the SOC and the media. While the SOC, unsurprisingly, had a positive view on the budget, media showed more criticism towards it. SOC’s negative comments mostly covered that it is always difficult to calculate a completely accurate budget since the games would take place in seven years’ time. Looking at the positive quotes from the media, these quotes mostly came from sport enthusiastic journalists who thought an Olympic game could be financially beneficial due to tourism and commercial income. The politicians had a quite balanced view of the budget in terms of sentiment, however there were a lot of uncertainty concerning whether they would give the financial and safety guarantees or not. The IOC was mainly negative which can be explained by the calculation mistake that occurred close to the decision. In order to understand the role of accounting in the discourse around the budget even further, we will now look at what type of argumentation each stakeholder used and which orders of worth that were mobilised.

#### 4.2.1 The SOC

Figure 7 - Work of justification by the SOC



As Figure 7 illustrates, the SOC mobilised several orders of worth when justifying their budget. In the first period, their main line of argumentation was to try to communicate that the budget was the smallest one ever presented. Methodologically, it had been developed in the same manner as the budget that was created for the Vancouver games 2010, which historically is one of the most accurate Olympic budgets created (a cost overrun of 13 percent, corresponding to 330 MUSD, Flyvbjerg et al., 2016). Also, they tried to communicate that approximately eight billion of the total 13 billion SEK would be covered by the IOC, which was the highest contribution to date. Further, they argued that they had been very conservative when calculating the revenues as they had excluded commercial revenues from tourism, although these had been estimated to reach three billion SEK. The SOC highlighted in their application that experts developing the budget had calculated that the budget was accurate with an error margin of merely eight percent.

These arguments are all examples of mobilisation of the market worth. Also, we see the industrial worth, connected to the expertise, the methodology and the process arguments. Another argument that the SOC used was that hosting an Olympic game would be beneficial in

the long term, as the planned infrastructure investments would anyhow be needed. This would therefore ultimately be beneficial for both the national health and sport enthusiastic Swedes:

*“We are not building a concept and a budget for the sake of the politicians, we are building it to have an arrangement that will be amazing, and that can serve as a lever for different investments which will have great impact afterwards. For example, our judgment is that ski trails in Stockholm is highly demanded, as well as getting a new ice rink for hockey, figure skating and curling. We believe that these investments are reasonable to do, and we will at the same time utilise existing facilities.”* - Peter Reinebo, Operations Manager SOC, Dagens Nyheter, 2017-11-27

This line of argumentation show that the civic, industrial and domestic orders of worth were also mobilised by the SOC. Looking at the last phase of the candidature, there was however a slight change in the worth distribution as the market worth was used more frequently. This can be explained by the many utterances that occurred when media found out about the calculation error, of which the SOC had to defend themselves against. The line of argumentation that they used was quite technical, where they had to convince the other stakeholders that the impact of the error was manageable:

*“In the feedback we have gotten from the IOC regarding our budget, it is not that money has been missing, but rather concerning on which row in the budget that the revenues should be placed”* - Per Palmström, Vice President SOC, Dagens Nyheter, 2019-06-18

Throughout the candidature, the SOC was exposed to several powerful stakeholders of which they had to legitimise the budget to. In the early and mid-candidature phase, they had to convince the politicians both in the City of Stockholm and in the government of Sweden. They managed in the end to get the security guarantee, but not the financial one. Throughout the candidature, the SOC had to also convince to the media, which acted as a mediator to the public, that their budget would not affect the taxpayers. The reason for this was due to the fact that the public's opinion on whether an Olympic game was considered a good thing or a bad thing would legitimise their application towards the IOC. In the final phase, they had to convince the IOC that their budget was credible and correct as they had the decisive power. To conclude, the SOC had a lot of pressure from powerful stakeholders with differing interests, and hence had to mobilise several different orders of worth to justify and legitimise their claim that the budget could be trusted.

#### 4.2.2 The Media

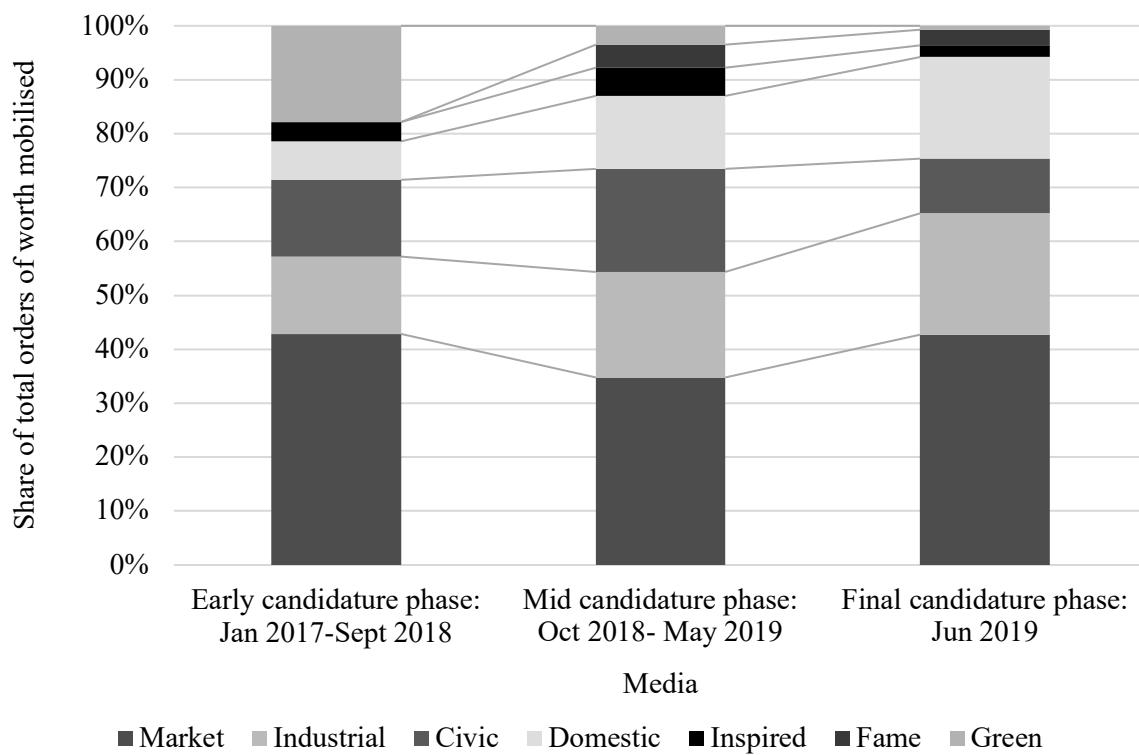


Figure 8 - Work of justification by the media

As pointed out earlier, the media was mainly critical towards the budget throughout the entire candidature. As shown in Figure 8, they mobilised several orders of worth to justify their claims. Similarly to the SOC, the media used the market worth the most where they criticised the budget both in general terms, commenting only on the total size of the budget, and also specific line items. The market worth was mostly mobilised in the first phase, where the following quote is an example of that line of argumentation:

*“Money has been spent and budgets have crashed when the Olympic arenas are to be built, and thereby it is not strange that people doubt that Stockholm Åre’s Olympic will cost 13 billion SEK when Sotjis - if including all roads, railways, airports and 14 arenas that were built - cost above 300 billion SEK.”* - Jens Littorin, Dagens Nyheter, 2019-06-23

However, after initially criticising the budget on a technical level, the media used the accounting more to illustrate other negative effects of the Olympics. They mobilised the civic order of worth where the main concern was if the SOC could ensure that a potential cost overrun would not harm the taxpayers:

*“But even if the IOC guarantees a financial grant of 8.8 billion SEK there are obviously risks. Will the infrastructure be sufficient? And who will - despite all promises that the taxpayers should not be burdened - pay the bill if the costs exceed the budget?”* - Anders Lindblad, Svenska Dagbladet, 2019-04-10

The market order of worth increased again in the last phase, after the IOC published critique of the budget calculations. Even though the media did not have any direct decisive power, they had the power to act as a mediator between the SOC and the readers, usually referred to as taxpayers. They also had high power in terms of setting the tone of the discourse. Since the budget was publicly available to everyone, the media could use this advantage of transparency to mobilise their criticism. This criticism gained high credibility due to the public nature of the budget where everyone could access the budget and judge for themselves. They chose to both educate their readers when explaining the different budgetary items, and also criticised SOC's assumptions, the risks involved and miscalculations of the budget.

#### 4.2.3 The Politicians

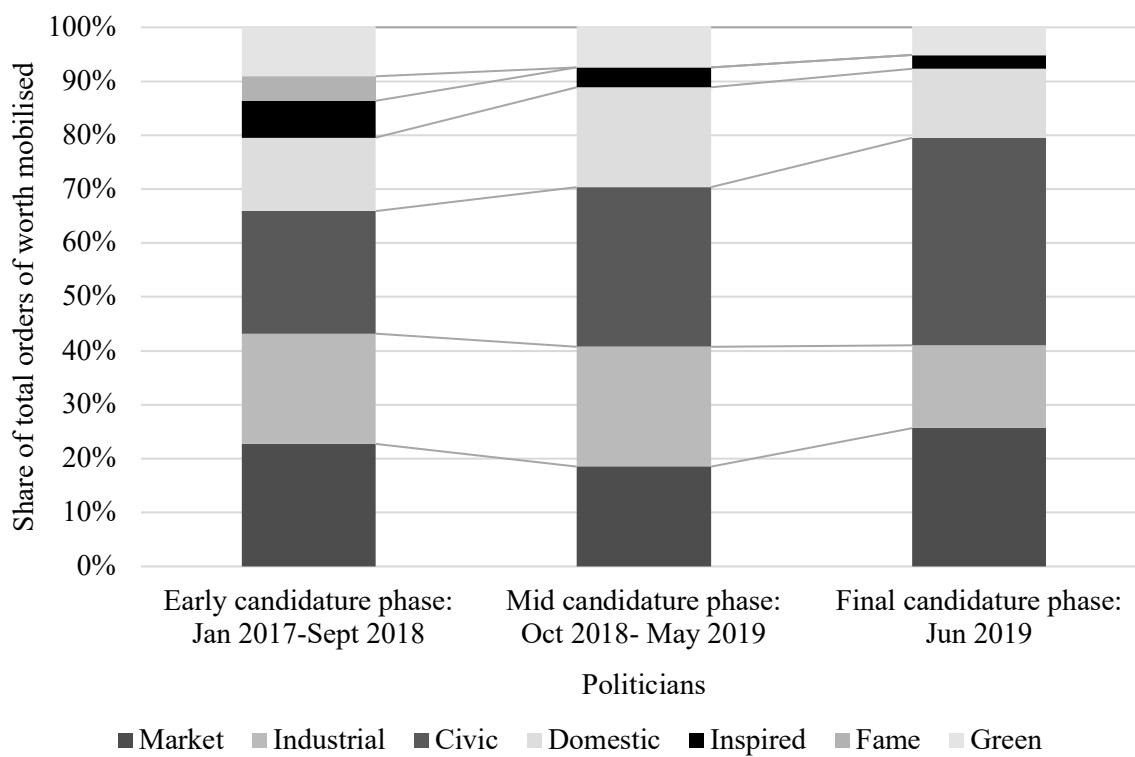


Figure 9 - Work of justification by the politicians

The politicians, just like the SOC and the media, mobilised several orders of worth to justify their claims. The most prominent one was the civic worth, where the line of argumentation mostly concerned the protection of or the benefits for the taxpayers. Also, critical politicians

highlighted the matter of prioritising the government's financial resources on more important issues, such as the Swedish health care system. The Social Democrats was the only party who throughout the process was "carefully positive" towards the idea of arranging an Olympic game:

*"An Olympic Game in Stockholm would be beneficial for both the public and youth athlete movement. It would create a push towards great investments in infrastructure."* - Karin Wanngård (S), Politician (City of Stockholm), Svenska Dagbladet, 2019-06-23

When the Swedish government decided to give the necessary safety guarantee, they made it clear that this was not equal to a financial guarantee:

*"It is the SOC who is in charge for these games and also for the economic commitments. We are not giving any financial guarantees whatsoever in the games."* - Magdalena Andersson, Minister of Finance, Svenska Dagbladet, 2019-04-10

In terms of power, the politicians had high decisive power on multiple levels. Local politicians in the municipalities affected by the candidacy had to decide on whether they would like to be a part of the Olympics or not as potential infrastructure investments would affect their own municipal budget. Further, the City of Stockholm had the power to decide on whether they would run the candidacy together with the SOC or not. They voted no, but later decided on that the SOC at least was allowed to rent the arenas in Stockholm at a market price. On governmental level, a safety guarantee was given, and in the final IOC-voting in Lausanne the Swedish Prime Minister Stefan Löfven joined the SOC to showcase the government's support for covering the safety of the games. To conclude, the lack of political support, shown by the unwillingness to give a financial guarantee and to run a joint candidature together with the SOC, was one of the official reasons from the IOC for why Sweden did not win in the final voting.

#### 4.2.4 The IOC

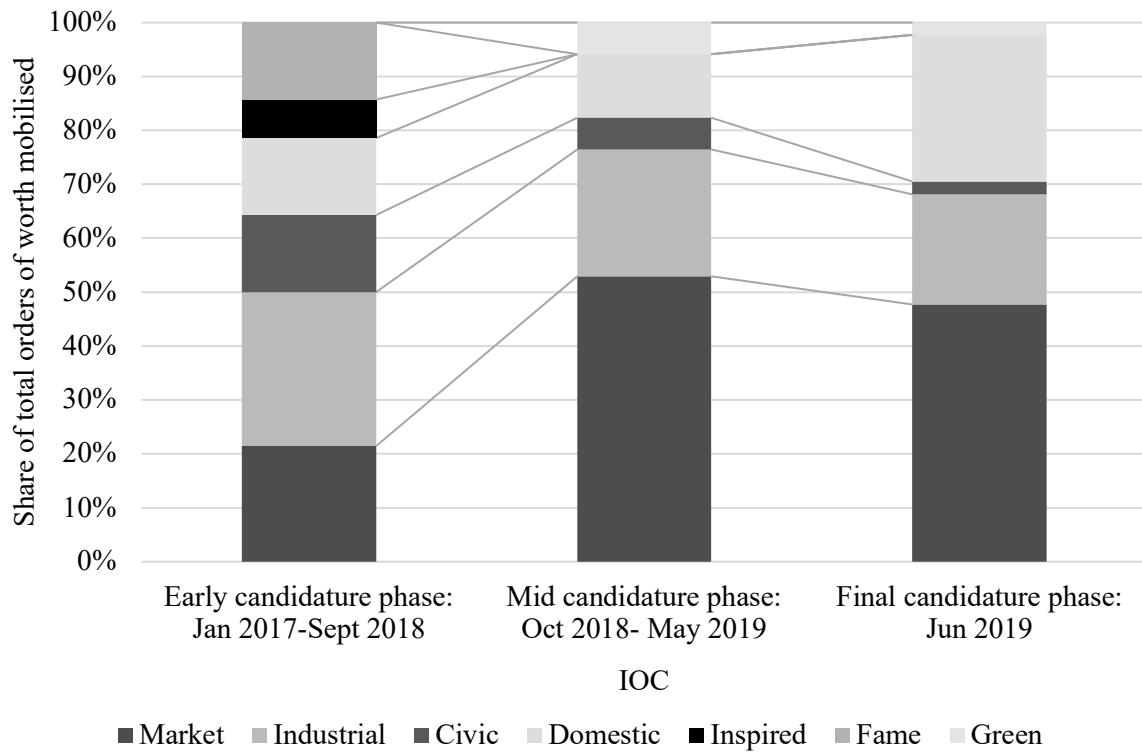


Figure 10 - Work of justification by the IOC

The IOC had a special role during the candidacy as they both had to promote the candidature and the games, and also be a supervisory authority of the Swedish application and the budget. They had great interests of ensuring that the budget was being as accurate as possible since miscalculations and faulty assumptions would lead to bad publicity of the Olympic games. The IOC was maybe the most powerful stakeholder, since they had the final decision power of choosing the host country.

In the first phase, the IOC promoted the candidature and used accounting to mobilise different orders of worth. For example, they mobilised the industrial order of worth, praising the budget for adhering to the new IOC agenda and thereby promoting efficient games. However, the IOC evaluation committee was not impressed by the Swedish budget in later phases, where they to a larger extent mobilised the market order of worth. This was due to the their investigation of the budget in which assumptions of contributions from the IOC were questioned. Further, they also questioned the overall quality of the budget:

*“The development of the proposed budget lack depth and resources from relevant functional areas, resulting in a higher overall level of financial risk.”* - IOC Evaluation Commission report  
Olympic winter games 2026, 2019-06-04

There were negotiation and renegotiation between the IOC and the SOC, where the budget was changed on multiple occasions based on input from the IOC. These negotiations and changes to the budget were made all the way until the final IOC voting in Lausanne.

#### **4.3 New social order**

For a new social order to occur in a controversy, Patriotta et al. (2011) argue that a compromise usually is necessary. In order for the SOC’s budget to become legitimised, one can assume that especially the SOC and the media should have reached a compromise. This was however not the case in reality. The SOC argued until the end that their budget was accurate and could be trusted, even though it was revealed that they had calculated one billion SEK wrong. Media kept their critical tone and argued that due to the mistakes in the budget, hosting an Olympic game would be filled with financial and infrastructure risks that in the end would harm the Swedish taxpayers. Stakeholders believing in the budget legitimised it, while the critics de-legitimised it by especially highlighting historical games as living proofs of the lack of trustworthiness of the budget. Given that critics continuously in the candidate referred to old games, one could argue that the environment in a way was “broken” from the start. It affected the whole legitimacy process, which seem to have had an impact on the fact that a compromise was not reached.

In the last period, the SOC increased their usage of the market order of worth. The reason for this could be that the stakeholder with the highest decisive power, the IOC, increased their usage of market worth, and hence the SOC followed this line of argumentation as the final voting was approaching. The media instead increased their usage of domestic and industrial orders of worth as they criticised the trustworthiness of the SOC due to the calculation mistake. The lack of compromise between the SOC and media could potentially be shown by the fact that different orders of worth were mobilised in the final phase.

## 5. Discussion

Section 5 covers discussions of the findings and contrast them to previous literature. In Section 5.1, the legitimising role of accounting will be discussed. Section 5.2 elaborates on the factors influencing the legitimising role of accounting. In section 5.3, the legitimisation process of accounting is conceptualised, and a broken environment is identified.

### 5.1 The legitimising role of accounting

Previous literature has concluded that the legitimising role of accounting is multifaceted (e.g. Covaleski, Dirsmith, 1988, 1991; Burchell et al., 1980; Czarniawska-Joerges, Jacobsson 1989; Amans et al., 2015). Accounting can be seen as either an answering machine or a rationalisation machine, depending on the level of uncertainty of objectives and outcomes (Burchell et al., 1980). Moreover, it has also been viewed as a tool for demonstrating a commitment to a technical rationality rather than only a technical reflection to external constituents (Covaleski, Dirsmith, 1988).

The budgetary discourse between the SOC, the IOC, the media and the politicians show many similarities with Covaleski & Dirsmith (1988). Similar to their case, the budget was used as a justification device in multiple different ways in the negotiations. All stakeholders mobilised accounting in their arguments catering to multiple orders of worth. The role of accounting did not only change through the setting and influence of different societal and institutional forces, it also changed over time in the process. There was a general shift from arguments including the civic, domestic, inspired, fame, and green orders of worth to market and industrial arguments concerning cost and efficiency closer towards the final decision. This shift was partly due to the miscalculations made by the SOC in the budget. The errors shifted the focus of the discourse back towards looking at the quality of the numbers and then reviewing and critiquing line items in the budget, instead of looking at the societal effects of hosting the winter Olympic games. This usage of multiple of orders of worth at the same time in the mobilisation of arguments show that our findings are in line with Covaleski & Dirsmith (1988) and Amans et al. (2015), as the legitimising role of accounting in the public discourse seemed to be of social nature. Stakeholders involved in the discourse were ‘competent agents’ (Patriotta et al., 2011) as they were able to change and adapt their use of different orders of worth to seem legitimate to the wider audience. However, Covaleski & Dirsmith (1988) argue that accounting is a social reality *rather* than a technical one. Our findings can however not show that budgets are more

social than technical, shown by the high mobilisation of the market order of worth when the technical calculation mistake occurred.

As mentioned, Covaleski & Dirsmith (1988) argue that accounting can be viewed as a tool for demonstrating, to external constituents, commitment to a technical rationality, rather than an actual technical reflection of reality. The budget was used by all stakeholders in order to strengthen their positions, justify their claims and legitimise the accounting in use. Negotiations occurred between the stakeholders, and the budget was changed several times after input from politicians and the IOC. When stakeholders used the civic, domestic, inspired, fame, and green orders of worth, accounting seems to have been viewed as a technical commitment. On the other hand, the budget was often taken at face value where critics pointed out specific line items, claiming that these had been calculated wrongly. The media hence used accounting not only to legitimise but also to de-legitimise the project. They used the same accounting they criticised as not trustworthy, in order for their de-legitimising arguments to seem more rational. The need to show a rational commitment by using accounting outweighed rationality itself. Our findings therefore support the findings by Covaleski & Dirsmith (1988), but we observe that in *parallel* of being a tool for demonstration, accounting was also used by stakeholders as an actual technical reality. This means that accounting can serve both roles in parallel, a technical as well as a more social one, by demonstrating commitment to a technical rationality.

According to Chwastiak (2006) the legitimising role of accounting can go too far, and that the use of accounting in rationalisation can have bad consequences. In the presented case, using accounting was problematic for the SOC. The SOC had to answer to the criticism, change their budget and defend themselves with the argument that the budget should not be taken for granted as the games would occur in seven years' time. However, at the same time the SOC had to argue that the budget indeed was an accurate reflection of what the games would cost. Therefore, we find that even in situations where the quality of a budget and accounting is questioned by several stakeholders, they still used accounting to justify their claims. We hence agree with Chwastiak's (2006) problematisation of the rational attribution of accounting. Even when accounting is under critique, it is still used to legitimise decisions.

In relation to the findings by Burchell et al. (1980), our findings show that accounting was used both as an answering machine and rationalisation machine, both by the critics and the proponents. The arguments by the SOC aimed to downplay the uncertainty level, and that the

presented budget in ways were answers to what the costs of an Olympic game would actually be. The SOC in many cases argued that they felt certain with the budget and that there was a very low risk of cost overruns. Similarly, critics took the budget at face value and mobilised it to criticise how much the Olympics would cost. When accounting was used as an answering machine, mostly arguments from the market order of worth was mobilised. However, the budget was also used as a rationalisation machine. When arguing for why an Olympic game would be beneficial to Sweden, the SOC mobilised civic and industrial arguments, claiming that investments would meet existing demand from active Swedes wanting more sports facilities. Investments was therefore deemed to be necessary, which added on to the perception that hosting the Olympics was a rational decision. The critics on their side mobilised accounting to rationalise their claims of the budget being too uncertain as previous Olympic budgets had not been met. Hence, we find that accounting had a dual role, as it was used both as an answering and rationalisation machine by all stakeholders in the same discourse.

To conclude our findings of the legitimising role of accounting, in line with Covaleski & Dirsmith (1988) and Burchell et al. (1980), we find that the legitimising role of accounting is multifaceted. In the case of the Swedish candidacy for hosting the winter Olympics 2026, the appearance of rationality that accounting portrays was utilised by especially the positive stakeholders, claiming that the budget was created in a thoughtful manner, and hence accounting was used in a legitimising way. Critics however de-legitimised the presented budget by using both purely technical arguments, and arguments concerning the taxpayers that would be harmed if cost overruns would appear. Hence, it seems that accounting can be both a technical and social reality at the same time, as the stakeholders in the studied discourse were competent agents mobilising multiple orders of worth at the same time in order to justify their claims.

## **5.2 Factors influencing the legitimising role of accounting**

While previous research agrees on the multifaceted role of accounting, some differing views have emerged regarding which factors that influence this multifaceted role. Factors such as uncertainty, stakeholder power and institutional logics environment have been argued to be influencing factors affecting the legitimising role of accounting (Burchell et al., 1980; Feldman, March 1981; Covaleski, Dirsmith, 1991; Amans et al., 2015; Kaufman, Covaleski, 2019). This

study therefore aimed to further investigate if and how these factors influenced the way accounting was used.

In the studied case, several of the stakeholders had different types and degrees of power. In the beginning of the process, the City of Stockholm had high decisive power as they decided on whether or not to give their support to the SOC through a joint candidacy. In this phase, the SOC mobilised orders of worth, similar to the ones used by the politicians. They however failed to win the support of the City of Stockholm as the politicians voted against the project. In the second phase, they had to convince the government of Sweden to give the safety guarantee needed to even be able to participate in the final voting by the IOC. In this phase, the SOC mobilised more of the civic worth, which the politicians also did. The safety guarantee was given in the end, which made it possible to transfer to the third and final phase. Here, the dominant stakeholder was the IOC who had the decisive power over the final decision. In this case, the SOC mobilised more market and industrial arguments, which the IOC also did. This can partly be explained by the calculation mistake that happened. When the IOC made their position clear, the SOC changed the budget accordingly and tried to re-justify that their budget could be trusted. However, the SOC lost against Italy in the end which brought the discourse to an end. By overviewing the three phases, media also had high power as they were the mediator between the SOC and the public, in which all stakeholders were a part of. In the empirical analysis, we could conclude that the media was mostly negative and critical towards the Olympics, emphasising the flaws of the budget. As one of the official reasons for why Sweden lost was low public support, one could tentatively argue that media quite efficiently managed to justify their claims towards the public.

Similarly to Covaleski & Dirsmith (1991) and Patriotta et al. (2011), we find that stakeholder power shape the way in which accounting is used to justify and legitimise decisions. In the empirical analysis, we can see that the SOC's work on justifications through the mobilisation of different orders of worth followed similar paths as to the stakeholders of which they tried to legitimate the project towards. Once again, this shows that the SOC were competent agents (Patriotta et al., 2011). Further, Covaleski & Dirsmith (1991) argue that accounting is an apolitical tool, which can be used by politicians to rationalise and legitimise their underlying interests and decisions. However, in this case, we rather see that it was used the other way around. The budget was questioned, by for example the media, for its poor quality as previous games had never met their budgets. This general notion of low trust for the accounting hence

made it problematic for the SOC and politicians in favour of the Olympic games to use the budget to legitimise their political interests. Therefore, our case does not necessarily find Covaleski & Dirsmith (1991) wrong in claiming that accounting is an apolitical tool. Rather, we argue that when accounting numbers are put under public scrutiny, the rationalisation characteristic is diminished. Hence powerful actors could not only legitimise their actions through the use of accounting, as accounting here had a de-legitimising role in the eyes of some stakeholders.

According to Kaufman & Covaleski (2019) and Amans et al. (2015), institutional logics will have an impact on how accounting is used, and ultimately which legitimising role accounting has. As discussed earlier, there are great similarities between the notions of institutional logics and orders of worth (Patriotta et al., 2011). Both theories argue that actors will have a natural starting point of argumentation, which Boltanski & Thévenot's (1991, 2006) call the higher order principle. The main difference is that Boltanski & Thévenot (1991, 2006) argue that actors are competent agents as they can leave their higher order principle and mobilise several orders of worth, while actors in the notion of institutional logics usually stay true to their institutional logic. In the studied case, we found that the number of orders of worth were more than twice the number of quotes. The accounting played a key role in showing commitment to different orders of worth and stakeholders. The SOC adapted the use of accounting in the discourse throughout the different phases of the candidature process in which they mobilised different orders of worth. Furthermore, the media criticised many different cost and revenue items in the budget on a technical level, using the market worth especially in the first phase. They criticised the assumptions of revenues from the IOC contribution, however when the IOC criticised the same thing, the budget was changed by the SOC. Lastly, the politicians mostly used the civic worth in their argumentation. In line with Kaufman & Covaleski (2019), Amans et al. (2015) and Patriotta et al. (2011), we see that the legitimisation and justification process was affected by the institutional environment.

Feldman & March (1981) indicated that the over-consumption of accounting is more common in uncertain situations where decision criteria are unclear, performance measures are vague, and it is public information. In the case, there was uncertainty of whether the budget had been calculated correctly, uncertainty of political decisions and standpoints, and uncertainty of what the IOC would pay the most attention to in the final voting. Further, accounting was used in arguments ranging from the investments aimed to strengthen the sports movement in Sweden

(civic, industrial and domestic order of worth), to more technical discussions (market order of worth) around smaller cost items below 100 million SEK. This depth and width of the use of accounting indicates, similarity to Feldman & March (1981), that uncertainty indeed impacts the usage of accounting.

Concluding from the discussion of the factors influencing the role of accounting, we find that factors such as stakeholders' power and interests and institutional environment all impact the legitimising role of accounting. In line with previous theory (Burchell et al., 1980; Feldman, March, 1981), we note that uncertainty was present in the case and that this affected the usage of accounting. Further, we see that power and politics also influenced the role of accounting, similar to Covaleski & Dirsmith (1991). We however argue that accounting *per se* is not beneficial to use by powerful stakeholders trying to legitimise their decisions, as the accounting might be argued to be of low quality and is hence being used in a de-legitimising way. Lastly, we also see the institutional environment had an impact on the legitimising role of accounting. This was shown by the usage of several orders of worth by the stakeholders, trying to speak to the higher order principles of the stakeholders that in the particular time period had the power. With this study, we hence contribute with a finding that not only one factor influences the legitimising role of accounting. Rather we find that when incorporating and analysing these factors together at the same time, we see that they influence each other. Uncertainty in the environment makes stakeholders mobilise accounting more, and this accounting has to be tailored according to the powerful stakeholders' higher order principle in order to achieve legitimacy.

### **5.3 The legitimating process and a broken environment**

The legitimising role of accounting in previous studies have empirically looked at public budgetary discourses and presented their empirical findings in a chronological order. However, they have not clearly viewed the creation of legitimacy as a process. Moll & Hoque (2011) have criticised previous literature for having portrayed legitimacy as an unproblematic outcome of decisions. The process of legitimisation is hence implicit, and not defined. We can however see that previous researchers have touched upon the steps outlined in the legitimacy process framework by Patriotta et al. (2011).

Burchell et al.'s (1980) findings fit the legitimacy test phase of the process. Burchell et al. (1980) highlight that accounting will be impacted by issues such as uncertainty of the objectives, and cause and effect. This is quite similar to Patriotta et al.'s (2011) legitimacy test definition, especially in terms of problem definition and causal attribution. The problem solution can also be connected to Carpenter & Feroz (1992) and Moll & Hoque (2011) findings about mimetic isomorphism, shown in the case where the SOC mimicked the methodology of Vancouver's budget to be perceived as professional towards the critics. Further, we can see that the budgetary discourse studied by Covaleski & Dirsmith (1988) resembles the stakeholder work on justification step. In the Olympic budgetary discourse, the stakeholders mobilised and negotiated through several different orders of worth, showing both technical rationales and commitments in their justification, which are aspects also discussed by Covaleski & Dirsmith (1988). Similarly, Kilfoyle & Richardson (2011) have discussed that the role of accounting is to manage the relationship between an organisation and its broader social environment, and also that accounting can be used as a tool for translating the broader social values into local behaviours.

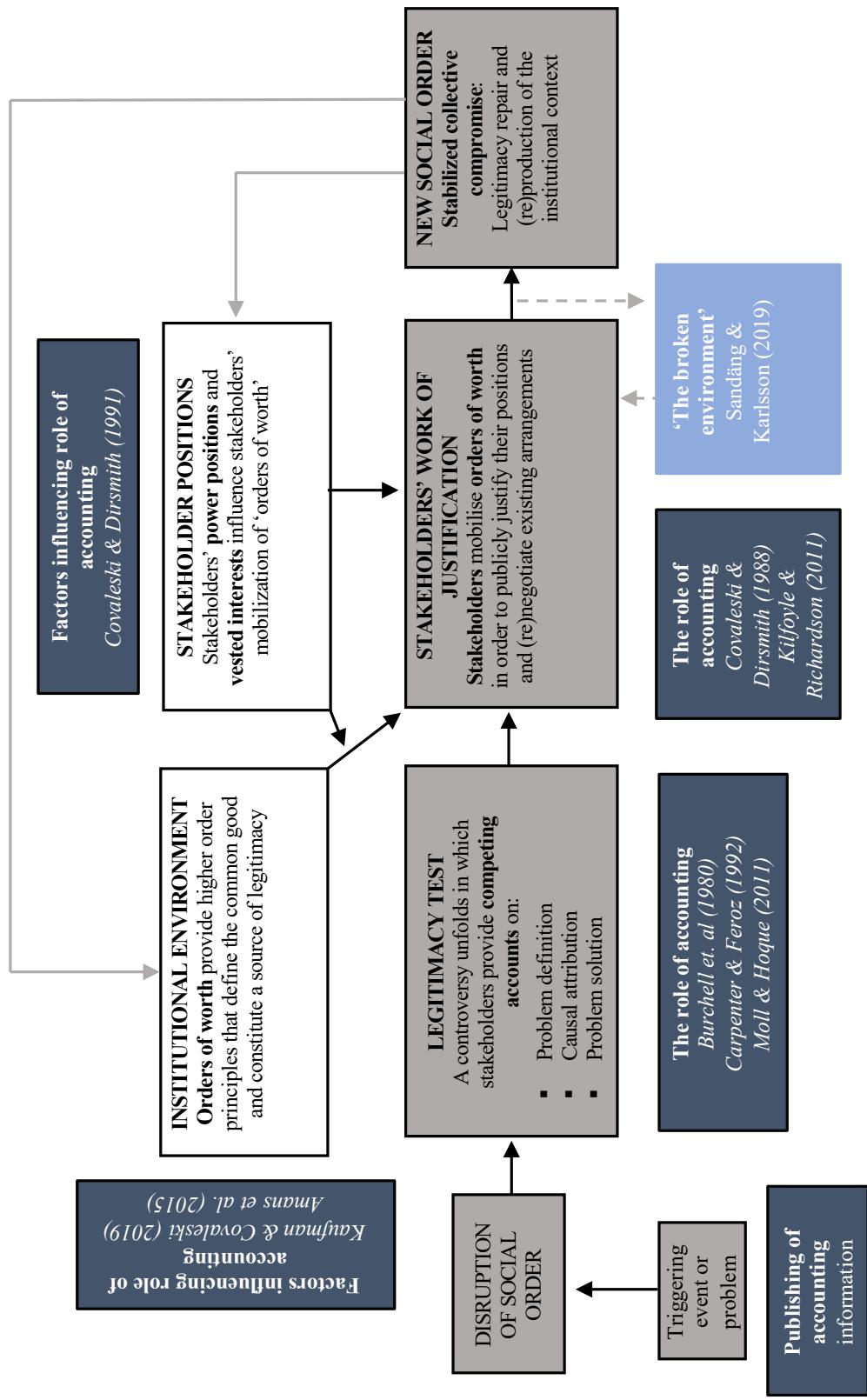
Moving to the factors influencing the multifaceted role on accounting, we see that previous literature also have similarities with certain aspects of the Patriotta et al. (2011) framework. In terms of stakeholders' vested interests and power, we see resemblance with Covaleski & Dirsmith (1991) who claimed that politicians will take advantage of the a-political and rational nature of accounting to ensure that decisions are made in alignment with their interests. Further, Kaufman & Covaleski (2019) and Amans et al. (2015) have discussed the institutional environment by highlighting competing institutional logics as a factor influencing the use of accounting.

While Patriotta et al. (2011) claim that the usage of multiple orders of worth is a sign of compromise, this study rather shows that even though the stakeholders used multiple orders of worth, a compromise and new social order seemed to have been unreached. We find that accounting had both a legitimising and de-legitimising role in the public discourse. The SOC focused on trying to legitimise the project through mobilising orders of worth, while the media in most cases mobilised the orders of worth to de-legitimise the project. The discourse played out in a silo fashion, and hence a new social order was not reached as compromises were lacking.

We find the quality of current and past accounting also play a role in the legitimising process. Much of the critique from the media was not on the current accounting, but rather on previous Olympic budgets. The cost overruns of previous budgets created an environment for the budget that was broken from the start. Our findings show that what happened before the triggering event had major impact on the mobilisation work. This has not been emphasised enough in previous theory. The stakeholders in this case, and especially the SOC and the media, kept arguing. The SOC argued that the budget could be trusted, while the media claimed the opposite. The two sides kept legitimising and de-legitimising the project, leading to a loop of justifications. This was only ended by a cut-off event, which occurred in this case through the IOC-voting. This lack of compromise could tentatively be suggested to be due to the fact that there was a ‘broken environment’ from the start, even before the actual discourse took place. The broken environment thereby made it more difficult for the SOC to legitimise the candidature. Therefore, we problematise that what happened before the actual triggering event may play an important role if a new social order, through stabilisation and compromises, is to occur.

To summarise this discussion, we find that previous literature has touched upon the different steps and factors influencing the legitimacy process. Also, we see that what was particularly important in this case for the legitimacy of accounting was the broken environment since it influenced the whole discourse. We see that due to this broken environment, a new social order was not able to occur. The critics kept their line of argumentation referring to old games, and the stakeholders did not compromise. Figure 11 conceptualise the view of a legitimating process, synthesising previous literature and an empirical finding from this case.

Figure 11 – Conceptualising the role of accounting in the legitimacy process



## 6. Conclusion

This study aimed to further investigate the legitimising role of accounting. This was done by observing the empirical setting of the Swedish candidature for hosting the Winter Olympic games 2026. Therefore, the research question we aimed to study was: *How is accounting mobilised to legitimise a project in a public debate?* Our findings confirm that accounting has a multifaceted role as it was shown in the case that it took on both a technical and social role (Burchell et al., 1980; Covaleski, Dirsmith, 1988; Czarniawska-Joerges, Jacobsson 1989; Amans et al., 2015). Further, we also find that factors, such as power relation (Covaleski, Dirsmith, 1991), uncertainty (Burchell et al., 1980; Feldman, March, 1981) and institutional environment (Kaufman, Covaleski, 2019; Amans et al., 2015) influence this multifaceted role. However, in our comparison with previous literature on the legitimising role of accounting, we made these following main findings:

Firstly, Covaleski & Dirsmith (1988) argue that accounting rather is used as a technical commitment than an actual technical reflection of reality. We find that stakeholders used accounting both as a technical commitment and a technical reality in *parallel* as they mobilised different orders of worth when justifying their claims. Balancing the argument of the budget being an accurate economic reflection of the future games, a technical reality, with arguments portraying accounting in discussions focusing on the benefits of the games, a technical commitment, shows this parallel technical role of accounting. This was further showed as the accounting was criticised on a detailed level, and at the same time played a central role in legitimating arguments made by the same stakeholders criticising it. The need to show a rational commitment in the form of using accounting (Covaleski, Dirsmith, 1988; Burchell et al., 1980), outweighed rationality itself. The media used the same accounting they criticised as not trustworthy, in order for their de-legitimising arguments to seem more trustworthy and rational.

Secondly, we find that factors such as stakeholder power, stakeholder interest and institutional environment influence the way in which accounting is mobilised. In relation to previous theory (Covaleski, Dirsmith, 1991; Kaufman, Covaleski, 2019; Amans et al., 2015) we find that when incorporating and analysing these factors together at the same time, we see that they influence each other. Uncertainty in the environment makes stakeholders mobilise accounting more, and

this accounting has to be tailored according to the powerful stakeholders' higher order principle in order to achieve legitimacy.

Thirdly, by applying the legitimacy framework developed by Patriotta et al. (2011), we could see that the role of accounting differed between the steps of the legitimacy process. In the legitimacy test we saw that accounting was used to define the problem, analyse the causal attributions and find a solution to how the accounting should be fixed. In the stakeholders' justification work, accounting took on the role as being something technical (market and industrial orders of worth) and social (civic and domestic orders of worth). Previous studies that have studied the legitimising role of accounting (Covaleski, Dirsmith, 1988; Burchell et al., 1980; Amans et al., 2015) have touched upon the different parts of the legitimisation process but have not conceptualised it in a process. The creation of legitimisation through accounting has been implicit, but never clearly defined.

Finally, we note that previous literature has not emphasised enough that the historical background may have a great impact on the legitimising role of accounting. Our case shows that the historical environment played a vital role. The budget was put under scrutiny by stakeholders emphasising that previous Olympic budgets all had cost overruns during the last six decades, which made the justification and legitimisation of the current budget by the SOC problematic. We term this historical bias against accounting a 'broken environment', since it clearly affected the SOC's ability to legitimise the candidature using the budget, and thereby affected both the role of accounting and the legitimisation process developed by Patriotta et al. (2011). We hope that this contribution will be valuable for both researchers wanting to develop the legitimising role of accounting further, as well as practitioners wanting to understand how accounting can be used in a public discourse, and what factors influence the legitimacy of it.

Some limitations to these findings should be highlighted. Firstly, the empirical context makes these findings potentially specific and bound to the setting of the budgetary discourse that occurred during the Swedish candidacy. Moreover, we restricted our empirical context to the Swedish budgetary discourse and therefore there might be cultural aspects influencing the findings that might not be found in similar settings, such as the role of the media. Finally, the Olympic candidature process had a pre-set time period, which might make it less comparable to projects lacking a fixed decision deadline.

Our suggestion for further research is to investigate the legitimising role of accounting in other public discourses where accounting has been debated. It would also be interesting to see a comparative study in the Olympic context where two candidature discourses are compared with each other to see if and how the legitimising role of accounting differed between them. We also suggest applying the concept of orders of worth to more settings to better understand the role of accounting as a both a technical and social construct. Furthermore, it would be interesting to analyse a similar discourse with the characteristic of a broken environment where accounting historically had been highly criticised, but a new social order was clearly reached.

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## 8. Appendix

### Appendix A – Overview of the Swedish newspapers

Newspaper	Number of readers (per day)	Politic orientation
Dagens Nyheter	1 102 000	Liberal
Aftonbladet	3 850 000	Social democratic
Idrottens Affärer	1 800	N/A
Göteborgs-Posten	600 000	Liberal
Svenska Dagbladet	852 000	Liberal
SVT Nyheter	N/A	Independent
Expressen	1 915 000	Liberal
Dagens Industri	328 000	Independent

### Appendix B - Semantic markers used for linking ‘units of sense’ to ‘common worlds’ during the coding process. (Boltanski, Thévenot, 2006)

'Common worlds' Semantic markers used for linking 'units of sense' to 'common worlds' during the coding process. (Boltanski, Thévenot, 2006)	
<i>Market</i>	Competition, rivalry, value, saleable, interest, love, desire, selfishness, market, wealth, luxury; opportunism, liberty, opening, attention to others, sympathy, detachment, distance, possess, contract, deal, price, money, benefit, result, competition, management, conversion, costs, calculation, liberalisation, profit, allowance, economy, profit maximization, success, compensation, services, business processes, forfeit, dividends, euro, calculation, finance, payment, wages, oligopoly, monopoly, commerce, price, politics, saving, margin, asset, ownership, demand, supply, economy, production, millionaire, winner, competitors, client, buyer, salesman, independent worker, employee (worker), investor, supplier, buy, get, sell, economically, business, cheap, expensive, economical efficiency
<i>Industrial</i>	Efficiency, performance, future, functional, predictability, reliability, motivation, work energy, professionals, experts, specialists, operator, person in charge, means method, task, space, environment, axis, direction, definition, plan, goal, calendar, standard, cause, series, average, probability, variable, graph, time models, goals, calculation, hypothesis, solution, progress, dynamic control (security, opposite of risk), machinery, cogwheels, interact, need, condition, necessary, integrate, organize, stabilize, order, anticipate, implant, adapt, detect, analyse, determine, light, measure, formalize, standardize, optimize, solve, process, organize, system, trial, setting up, effectiveness, measure, instrumental action, operational
<i>Civic</i>	Collectives, collective will, legal, rule, governed, official, representative, common objectives, unitary concept, participation, rights and obligations, solidarity, moral beings, democratically, legislation, formality, code, statement, organizational goals, membership, mobilization, unification, freeing people from selfish interest, escape from chaos (division) and isolation, aspiration to civil rights, renunciation of the particular, transform interests of each into a collective interest, gathering for collective action, exclude, join, assemble, association, recruiting, extending, active mobilization, liaising, constant contact with organization, the legal text, republic, state, democracy, assembly, movement, election process, consultation, corporatism, rules, law, legal and formal steps, actions, processes, decisions and orders
<i>Domestic</i>	Engenderment, tradition, generation, hierarchy, leader, benevolent, trustworthy, honest, faithful, determination of a position in a hierarchy, inscription of signs of worth (titles, heraldry, clothing, marks), punctuality, loyalty, firmness, honest, trust, superior, informed, cordial behaviour, honest, trusting, good sense, leaders, family, rejection of selfishness, duties (even more than rights), loyal, harmonically, respect, responsibility, authority, subordination, honour, shame, hierarchy, cooperation, celebrations, family ceremonies, responsibility, transparency, duty, task
<i>Inspired</i>	Anxiety of creation, passion, dream, fantasy, vision, idea, spirit, religion, unconscious, emotional, feeling, irrational, reflex, invisible, unmeasurable, magic, myth, ghost, anthroposophy, super-human beings, affective relationships, warmth, creativity, escapism, intuition, fantastic, dreams, memories
<i>Fame</i>	Public opinion, public, audience, public attention, reputation, desire to be recognised, opinion leader, journalist, PR-agent, sender, receiver, brand, message, public image, persuasion, influence, propaganda, promotion, mobilisation, down playing, misleading
<i>Green*</i>	Environment, influence or danger on environment and human beings, ecological, environmental protection, protection of the nature, plants, climate, environmental pollution, atomic waste, climate protection, climate change, radioactive pollution, rescue of the planet, reduction of CO2-emissions, global warming, climate catastrophe, earth, renewable energies, sustainability, biomass, protection of the nature, fauna and health

\*These semantic markers were developed by Patriotta et al. (2011)