

Sven, inter-organisational relationships and control

—
A case study of domestic care of the elderly

Kalle Kraus

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PREFACE

This report is a result of a research project carried out at the Centre for Accounting and Managerial Finance at the Economic Research Institute at the Stockholm School of Economics.

This volume is submitted as a doctor's thesis at the Stockholm School of Economics. As usual at the Economic Research Institute, the author has been entirely free to conduct and present his research in his own ways as an expression of his own ideas.

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I have always thought that the moment of starting to write the acknowledgements would be a magical moment, a moment of happiness, pride and relief. Now I can say that it is all these things, it is indeed a magical moment. In my thesis I illustrate and discuss a basic control problem in domestic elderly care. We have Sven who needs help and yet this cannot cost too much money. For a Ph.D. student there are a number of “basic problems”. To take a few examples: What subject to choose? When is it good enough? What do the supervisors mean? My doctoral studies have been very stimulating and challenging and I am very happy and proud that I have handled the “basic problems” and completed my thesis. Although I alone am responsible for the thesis I would not have completed this book without the help, encouragement and support from a number of people.

First of all I would like to express my gratitude to my three supervisors, Professor Johnny Lind, Professor Lars Östman and Professor Trevor Hopper, who have encouraged and challenged me throughout the process. They have complemented each other perfectly and their comments and continuous support have been invaluable during the research process.

Johnny, my main supervisor, has provided practical guidance and support from day one. His detailed knowledge of the inter-organisational control literature has greatly impressed me and improved my theoretical foundation. His challenging questions have forced me to specify concepts, to cut out unnecessary material and to include new material, all which has improved the various chapters in the thesis. He always told me that I was on the right track, which also gave me energy during the difficult periods of the process.

Lars’ wisdom and knowledge about research in general have deeply impressed me and improved my thesis. Our discussions have developed me both personally and in terms of research. He has taught me the importance of identifying fundamental practical problems and of putting inter-organisational relationships in a broader perspective. He has quickly read drafts and continuously posed intellectual and critical questions, which have given me “aha!” experiences and new issues to pursue in the thesis.

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Stockholm, April 19th 2007

Kalle Kraus

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CHAPTER 1

INTRODUCTION

Care of the elderly continues to attract a great deal of media coverage in Sweden. Swedish television and newspapers often carry reports of fragile pensioners badly affected by poor care.¹ The reports have two main themes – a decline in standards of care and the “shame” of not adequately looking after the pensioners in their final years. Many people seem to be actively concerned by, and have views on, elderly care. In other words, the topic is of public interest. It also provides the background for the present thesis.

This thesis is the result of research in the field of management control. Approaching the subject from that angle, its principal focus is the operation of control in domestic care of the elderly, and the connections between control and the delivery of care to the pensioners. To illustrate a few of the issues involved, this thesis begins by examining some of the empirical data collected from the case study carried out by the writer.

1.1 Sven is dependent on two organisations

First, we start by introducing *Sven*, a 75 years old pensioner living in his own apartment. Recently he has not been feeling well and has difficulties by himself. His daughter tells him to get help from the municipality, responsible for *social care*. He receives an appointment with a *social care service purchaser* from the municipality who discusses with *Sven* his care needs. After some discussion it is decided that *Sven* will get help with washing and cleaning once a week and the social care service purchaser writes it down in a *social care contract*. The *home helper unit* also receives the social care contract. A *home helper*, from the home helper unit, visits *Sven*’s home once a week and helps him with the washing and cleaning.

Sven easily forgets things and he also gets help with taking his medicines several times a week. This is *health care* under the responsibility of the county and is performed by a *health centre* located near *Sven*’s home. An

¹ See for example DN, 2002-11-24; DN, 2003-01-29; SvD, 2004-05-19; Aftonbladet, 2005-10-15; Expressen, 2006-09-30; SvD, 2006-11-27.

assistant nurse from the health centre visits Sven twice a week and helps him with his medication. Getting help with both social care and health care is crucial for Sven to be able to continue living in his own apartment.

Let us now introduce *Petter* and *Karin*. Petter is a home helper and helps Sven and other pensioners the best he can. He describes that there are many things to consider in his daily work. He has the social care contract specifying what should be done in Sven's home. In addition, Sven is sometimes in a good mood and sometimes in a bad mood making sometimes more, sometimes less easy to perform certain tasks. The same goes for Karin, a *nurse* giving Sven and other pensioners help with health care. Karin and Petter think a great deal about the importance of their work, since Sven is dependent on them. They feel that they have to rush more and more during task performance.

We also have *Lisa* and *Nils*. Lisa is the *manager* of the health centre responsible for giving Sven health care. Nils is the manager of the home helper unit responsible for giving Sven social care. The municipality and the county have limited financial resources and both Lisa and Nils have financial restrictions in the form of a requirement to have a balanced budget; i.e. they should not spend more money on caring than they are getting paid from the county and the municipality. Both Lisa and Nils work hard to manage their units and control their personnel. They oversee their personnel in delivering care with good quality, and they try to have a good overview of the financial situation so they will have a balanced budget by the end of each year. Quality, when performing elderly care, is hard to measure and therefore both managers feel that the financial evaluation is important.

Summing up, we see that we have two specialised units, each performing a part of Sven's care. Care of the elderly in Sweden, is organised within two different hierarchies, the municipality and the county.² Domestic elderly care, as well as other public organisations, has been subject to changes, labelled New Public Management (NPM), from the 1980s and onwards (Hood, 1991; 1995). Decentralisation, specialisation, financial targets and performance-based payments have become a part of the everyday life for managers and their personnel in the public sector (Hood, 1991). Comparative studies show that Sweden is a country where NPM-ideas have

² In around half of the Swedish municipalities and counties, domestic elderly care is split into two hierarchical organisations. In the other half, both social care and health care, except for doctors, are the responsibility of the municipalities (Svenska Kommunförbundet, 2004).

had a large impact (Hood, 1995). Laughlin and Pallot (1998) describe Sweden as being at the forefront of those adopting NPM changes. In domestic elderly care in Sweden this has led to smaller units delivering social services, a purchaser/provider model in social care and home helper units and health centres becoming profit centres (Johansson & Borell, 1999). The result has been more specialised units with separate budgets, and the private sector has acted as the role model for the changes (Brunsson & Sahlin-Andersson, 2000). As a consequence, the legal boundaries of the units are articulated and there is focus on each unit's responsibilities.

Thus far we can conclude that we have Sven needing both social and health care. We have two specialised units within different hierarchies with their respective goals and their respective budgets delivering services to Sven. One important part of Sven's care is how each specialised unit performs its specific tasks. But there is more to the picture. Let us continue.

1.2 Sven is dependent on an inter-organisational relationship

Sven receives a wound on his leg that needs to be bandaged three times a week. Before bandaging, Sven needs to be showered. As nurse Karin is bandaging the wound and home helper Petter is showering Sven they need to coordinate their respective schedules and cooperate. Petter is also capable of giving Sven his medicine the day he visits him to clean and wash. Karin writes an *authorisation* and educates Petter, so there is a need for finding a time that fits them both. Petter giving medicine on authorisation means that the assistant nurse from the health centre only has to visit Sven twice a week to give him medicine since Petter gives Sven his medicine the third time.

As time goes by Sven gets worse; he now has rheumatic trouble and does not want to eat. He needs help with many things from the home helper unit and the home helpers now visit Sven several times a day. Sven also walks very unstably and has difficulties swallowing. This is hard for Petter and the other home helpers since they do not have medical knowledge and often worry and call the nurses for advice. Karin visits Sven but sees that it is just a symptom of a person getting older; she communicates this to the home helpers who are not satisfied and get more anxious. As Sven gets even worse Petter gives him candy, and tries to stimulate him to eat with soup and chocolate. He calls Karin but cannot get hold of her. When Karin calls back

Petter has gone on vacation. After some time they finally reach each other and Karin says that it might be symptoms of Sven getting insulin since he was diagnosed with diabetes by the health centre doctor two weeks before. Petter and the other home helpers did not know about Sven's diabetes since they had not reached the nurses.

Summing up, another aspect of Sven's care is seen. It is not just a matter of how the health centre and the home helper unit perform their separate tasks, there are also interdependencies in some activities involving Sven's care. Sven has complex needs spanning both health and social care and the two units need to coordinate tasks and cooperate. The boundaries of the two specialised units thereby become blurred. There is an inter-organisational relationship between the health centre and the home helper unit. For Lisa and Nils this creates additional complexity. Apart from having to manage and control their units, they also have to manage and control the inter-organisational relationship. The same goes for Petter and Karin who now also have to coordinate with each other and cooperate while caring in Sven's home.

Recently in the public sector, there has been increased attention on cooperation as a means to achieve more effective and efficient public sector services in both financial and quality dimensions (Jones, 1999; Deakin, 2002; Klijn, 2002; Lambert & Lapsley, 2006). This trend is also seen in the private sector where strategic alliances, joint ventures and other inter-organisational relationships are common (Håkansson & Lind, 2007). Boyne *et al.* (2001) describe the importance of joining up, both between public units within the same hierarchy and between public units from different hierarchies. Kurunmäki and Miller (2006, p. 88) discuss "intense and innovative cooperative working among public, private and voluntary providers is promoted as a way of replacing the existing fragmented and dispersed service provision." Public Private Partnerships, cooperation between public and private organisations, have increased and they are most common in the areas of education and care (Edwards & Shaoul, 2003). From the late 1990s and onwards collaboration has been high on the agenda in Sweden and there are a number of local collaboration projects in Sweden (Lindberg, 2003). Swedish state authorities stimulate cooperation by initiating action programmes and giving incentives for collaboration (Johansson & Borell, 1999).

1.3. Domestic care for the elderly

Figure 1.1 summarises the discussion about Sven's care. Both social and health care are public sector services but are under the responsibility of two separate hierarchical organisations. The municipality pays for social care and the county pays for health care.

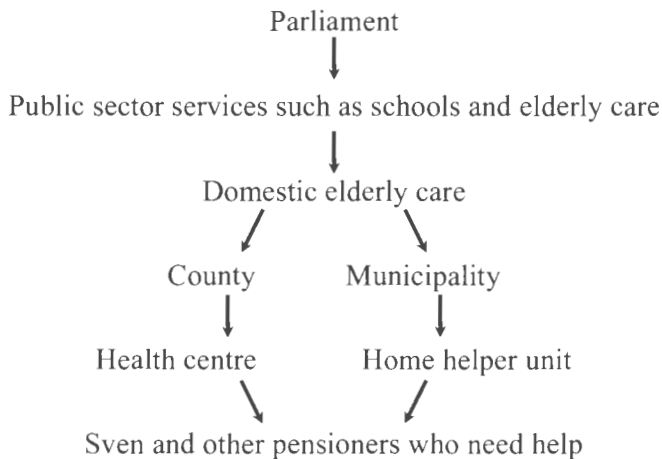


Figure 1.1 The organisation of domestic care of the elderly.

When looking at the story about Sven, a complex picture emerges when discussing Sven's care. It is dependent on:

- how each unit performs the independent operational activities they are responsible for
- how well the two units cooperate with interdependent operational activities

There are two specialised units performing different services being part of Sven's total care, each unit facing financial restrictions. The units are also interdependent when performing some tasks and there is an inter-organisational relationship between the health centre and the home helper unit. Cooperation blurs the boundaries between the two units (Thrane & Hald, 2006). The creation of specialised units with separate budgets on the one hand, and the stress on cooperation on the other hand, are parallel. Here we have possible tension. Kurunmäki and Miller (2006, p. 88) make similar

observations describing two distinct and potentially contradictory pressures in public sector organisations: “The drive to calculate activities of various professionals in terms of a single financial figure and the drive to reform public services by various forms of cooperative working.” The story about Sven has shown that the creation of specialised units with separate budgets has to be done within complex systems of operational interdependencies.

1.4 Control and operational activities

So far, we have seen that domestic elderly care is a setting where different professional groups from two public organisations deliver services in the pensioners’ homes, often in interaction with the pensioners. This thesis will be about *control* and its *connections to operational activities* in this particular setting. With this in mind, the story about Sven can be interpreted from a control point of view.

1.4.1 A basic control problem

The story about Sven can be seen as a story about operational activities and their relation to control and financial limits. A basic control problem – tasks should be performed and financial limits should be taken into consideration – is illustrated in the story. We have a society where we have pensioners needing social and health care. We also have a situation where society has limited financial resources. In addition, society has a number of alternative ways for using the financially limited resources. Sven should get decent care but this cannot cost too much money for the municipality and the county. Administrative controls, such as budgets and social care contracts, are used to get a fair balance between getting things done and the financial resources consumed. Budgets and specialised organisational units are developed because there are scarce resources and many alternative possibilities for society to use these scarce resources. The pensioners’ needs and the actual work processes, such as cleaning and taking blood pressure, have nothing to do with administrative controls and organisational arrangements per se.

With the basic control problem in mind, it is important to discuss control in relation to the home helpers, assistant nurses and nurses providing services in the pensioner’s home. How is care delivered and how are the financial limits taken into consideration? The interplay between controls and the caring activities in the pensioner’s home is important. In saying this, the

present thesis submits to the view, illustrated in figure 1.2, that a discussion of control needs to be rooted in a discussion of actual work practices and how these two dimensions influence each other (see for example Hopwood, 1983; Östman, 1993; Lind, 1996; Östman, 2006). Hopwood (1983) stresses the importance of research that studies the operation, and effects, of controls in the context in which they operate.

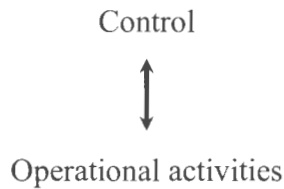


Figure 1.2 Connections between control and operational activities.

Two units are responsible for different functions and they each do certain services for Sven under financial restrictions. The two specialised units also need to have some form of inter-organisational relationship in order to help Sven because there are activity interdependencies. With this perspective, inter-organisational administrative controls, such as authorisation, are one of the proposed solutions to solve the basic control problem. Coordination and cooperation is necessary for Sven and inter-organisational administrative controls can be a way of ensuring this. We have both internal and inter-organisational control systems operating in Sven's home. We also have internal as well as inter-organisational operational activities. Both the roles of each organisation and the interplay between them are important aspects. The home helper unit and the health centre do not exist primarily to cooperate, and there are many issues involving giving Sven a decent care within reasonable financial limits that have nothing to do with cooperation. Therefore figure 1.3 is an extended version of figure 1.2, taking into account the interdependencies between the two units.

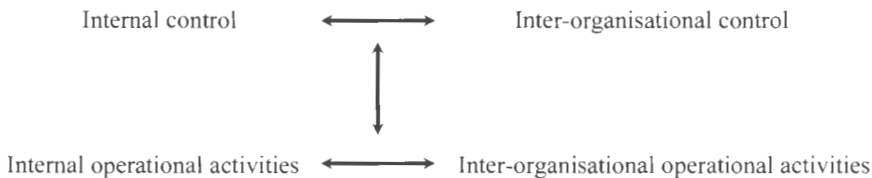


Figure 1.3 Control and operational activities in domestic elderly care.

The connections between control and operational activities are still concentrated on. Sven needs care and this cannot cost too much money, therefore the need for internal as well as inter-organisational controls. These different controls and operational activities will not be analysed in isolation from each other when trying to describe and understand the operation of control, and its connections to actual work practices.

1.4.2 Administrative, social and self controls

This thesis focuses primarily on the control impulses guiding the behaviour of home helpers when caring for the pensioners in their homes. But what is control? How is control looked upon in this thesis? What lies behind the words “internal control” and “inter-organisational control” in figure 1.3?

In order to answer this we go back to discussing the story about Sven. It is a story about assistant nurses, nurses and home helpers delivering services in Sven's home, often on Sven. This setting is quite different from, for example, a regular production process in a factory. Petter is in the private sphere of the pensioners and he is often confronted with unexpected events, for example when Sven is very ill and throws up. Operational activities that are hard to measure exist parallel to measurable costs (Östman, 2006). The special characteristics of domestic elderly care can be expected to have implications for control. If we take Petter for example, there is reason to believe that there are different control impulses affecting his behaviour. He may not only react to administrative controls issued by managers. When Petter is working in Sven's home, much of his work may also be about interaction with his fellow colleagues, Karin and Sven without financial dimensions. Life is not all about someone telling you what to do; there are also individual thoughts and group pressures. In the story about Sven it is, for example, seen that impulses from managers in the form of social care contracts and authorisations are potential influences on Petter's behaviour. Petter also often discusses with his fellow home helpers and with the assistant nurses and nurses, another possible source of influence on his behaviour. He also thinks a lot on his own about what is right for him to do as a home helper in Sven's home, and this is also a potential source of influence on his behaviour.

On a theoretical level, Hopwood's (1974, ch. 2) model of control fits well with this description: a model which is suitable for studying control in human service organisations, such as domestic care of the elderly

(Abernethy & Stoelwinder, 1995). Hopwood (1974, ch. 2) discusses three different types of controls: *administrative controls*, *social controls* and *self controls*. Administrative controls are the manner in which managers attempt to influence the premises which underlie the behaviour of employees (Hopwood, 1974, p. 26). Accounting is often involved with examples such as plans, budgets and policy documents (Abernethy & Chua, 1996). Recruitment policies and training can also be less obtrusive examples of administrative controls (Abernethy & Chua, 1996). Social controls are seen as pressures and influences on the individual exerted by those who one happens to work alongside (Abernethy, 1996). Social controls emerge from the shared norms in the group, and may influence individuals not to deviate from these norms (Hopwood, 1974, p. 30). Self controls have to do with the motives, needs and attitudes of individuals; also important influences on the behaviour (Hopwood, 1974, p. 31). Applying self controls to domestic elderly care, Petter has his personal views of what constitutes good care and appropriate behaviour when caring for the pensioners, a personal gut feeling of what he would like to do in his caring work if he could decide himself.

These different types of possible influences of behaviour may coincide to different degrees, but they may also act as control impulses going in opposite directions (Hopwood, 1974, p. 35). Therefore it is important to recognise that administrative controls coexist with important social and personal pressures and analyse control as a combination of administrative, social and personal pressures which are simultaneously competing for influence (Hopwood, 1974, p. 35; Abernethy & Stoelwinder, 1995). This view of control will be adopted in the present thesis, meaning that “internal control” and “inter-organisational control”, in figure 1.3, consist of administrative controls, social controls and self controls.³

Having said this, there are, at least, two questions to be asked. First, why classify and analyse the empirical material with this model of control and not other control models? And secondly, why not go on further, a great deal must have happened since 1974 when Hopwood introduced the model? Regarding the first question there are many alternative models of control⁴, for example Ouchi’s (1979) behaviour, outcome and clan controls, and Merchant’s (1985) result, action and personnel controls. Ouchi’s (1979)

³ In this thesis we get five types of controls: internal administrative controls, inter-organisational administrative controls, internal social controls, inter-organisational social controls, self controls. These will be elaborated more in detail in the theoretical chapter.

⁴ For a systematic review of different control models, see Merchant and Otley (2007).

model is used in the inter-organisational control literature by Langfield-Smith and Smith (2003) and Dekker (2004), so it would seem logical to use Ouchi's model in this thesis as well?

The frameworks by Ouchi and Merchant have a management focus; they do not give enough attention to social and self controls. Attention is on ways in which managers can influence social and self controls in the direction they find appropriate. Merchant's personnel controls, for example, are concentrated on training and job design with the aim to promote shared norms and values so the employees will behave in a way acceptable to management. This falls under administrative controls with the definition of control used in this thesis. Social controls and self controls are analysed as separate categories in the present thesis, as controls which should be analysed alongside the analysis of administrative controls. Regarding the second question, a great deal has indeed happened since Hopwood presented the model in 1974. There are issues to note about administrative controls, social controls as well as self controls, both in an internal setting and in an inter-organisational setting. In the theory chapter these issues will be considered; Hopwood's model will be extended to an inter-organisational setting and the different types of controls will be connected to boundaries and operational activities.

1.5 Research aim

A setting, where we have Sven and other pensioners needing social and health care within a system of scarce financial resources, has been described. There are assistant nurses, nurses and home helpers, different professional groups from two different organisations who deliver services in the pensioners' homes, often in interaction with the pensioners. It is an inter-dependent and intimate situation where some tasks are performed independently of one another while some tasks require coordination and cooperation between the professional groups and the units.

In this setting, the present thesis foregrounds: How does control operate, and what connections can be seen between controls and the actual work practices? A special interest is on the inter-organisational relationship between the health centre and the home helper unit, the inter-organisational control and the connections between inter-organisational controls and inter-organisational operational activities. But a clear message from the introduction is that it is necessary to have a bigger picture and place the

inter-organisational dimension in its context. The basic control problem is about helping Sven within a system of financial scarcity and it is of importance to describe the operation of control and its connections to operational activities against this background. Here the inter-organisational relationship and inter-organisational controls play one part.

This thesis aims to:

- develop our understanding of the operation of control in domestic care of the elderly
- extend our understanding of the connections between controls and operational activities in domestic care of the elderly

Editors of research journals have called for more research on inter-organisational control (Hopwood, 1996; Scapens & Bromwich, 2001; Hopwood, 2005) and from the mid-1990s there have been a number of studies published on inter-organisational control.⁵ Little progress has been made on studying the simultaneous operation of internal and inter-organisational control systems and their connections to operational activities (Kraus & Lind, forthcoming). A number of researchers argue the need of more studies examining the linkages between internal controls and inter-organisational controls (Van der Meer-Koistra & Vosselman, 2000; Mouritsen *et al.*, 2001; Langfield-Smith & Smith, 2003; Cuganesan, 2006; Cuganesan & Lee, 2006). Kraus and Lind (forthcoming), after reviewing literature on inter-organisational control, conclude that the interconnections between internal and inter-organisational controls are one interesting avenue for future research. A sub-purpose in the present thesis is therefore to:

- develop our understanding of the interdependencies between internal controls and inter-organisational controls in domestic care of the elderly

In order to fulfil these purposes, a theoretical model has been developed and an empirical study of domestic elderly care has been conducted. The theoretical model will serve as a “skeleton” for analysing the operation of control and its connections to actual work practices (Laughlin, 1995).

⁵ Håkansson and Lind (2007) review these studies in terms of empirical and theoretical contributions.

Hopwood's (1974, p. 22) model of control will be extended through integration with the concept of boundaries. This follows Lind and Thrane (2005), and Thrane and Hald (2006), who discuss the need of bringing in boundaries as an analytical tool for studying the interdependencies between internal and inter-organisational controls. In terms of theory, the present thesis makes a counterpoint and a novel perspective to extant studies on inter-organisational control by including administrative, social and self controls, as opposed to previous studies often having a management perspective focusing on administrative controls (see for example Seal *et al.*, 1999; Van der Meer-Koistra & Vosselman, 2000; Langfield-Smith & Smith, 2003; Dekker, 2003; Dekker, 2004). This follows Kraus and Lind's (forthcoming, p. 295) call for research on "how non-managerial interest groups influence inter-organisational relationships and inter-organisational controls."

Another motivation for this thesis is the limited number of empirical public sector studies on inter-organisational control. When making an extensive exposition of the research on inter-organisational control it is seen that the empirical material almost exclusively comes from the private sector (Håkansson & Lind, 2007). The few studies from the public sector are based on public units within the same hierarchy (Seal & Vincent Jones, 1997; Carlström, 2005), are focused on processes of accountability (Lindholm, 2003), or describe the role of sunk costs and asset specificity (Roodhooft & Warlop, 1999). Inter-organisational relationships in the public sector have a number of special characteristics differing from many private sector relationships. The health centre and the home helper unit are required to cooperate, they have not chosen each other as cooperative partners and they cannot quit the relationship. They serve the public interest and have multiple goals because they do not have the ultimate goal to increase shareholder value (Samuelson, 2005, p. 92). The fact that the home helpers deliver services in the pensioner's home, often on the pensioner him or herself – a very intimate and private situation – also differs from many of the private sector companies studied in previous research on inter-organisational control.

There has been particular interest in how special characteristics of public sector organisations have implications for the understanding of management control within the organisations (see for example Hofstede, 1981; Anthony & Young, 1988, ch. 2; Östman, 1993; Samuelson, 2005, ch. 8; Abernethy *et al.*, 2007). There is reason to believe that these special characteristics also

have implications for the understanding of control in domestic elderly care, where the operation of control includes both internal and inter-organisational controls.

The empirical material in this thesis is based on an empirical study of public domestic elderly care in a large city in Sweden. Two city districts are studied and the inter-organisational relationship between the home helper unit and the health centre, inter-organisational control and inter-organisational operational activities as well as internal control and internal operational activities in the home helper unit are concentrated on. In this respect, the thesis provides a novel empirical context, namely public domestic care of the elderly. It has also been argued that domestic care of the elderly is a suitable empirical setting to explore social and self controls, and not only administrative controls.

1.6 Outline of the thesis

In chapter two, the theoretical underpinnings of the study will be presented. This will provide the basis of which the empirical material will be structured and analysed. Administrative controls, social controls and self controls are discussed and other research is related to these controls. This is done both in an internal setting and in an inter-organisational setting. It is also argued that the interdependencies between internal and inter-organisational controls are important to include in the analysis. This is done by extending Hopwood's (1974, p. 22) model with the concept of boundaries. Thereafter the connections between controls and operational activities are discussed through the concept of accountingisation. A theoretical "skeletal" model of the connections between controls, boundaries and operational activities is thereafter presented and put in relation to the purposes of the thesis (Laughlin, 1995).

Chapter three is about methodology and methods. The journey of writing the present thesis will be described and put in relation to literature on methodology and methods. The problem-based approach as well as the philosophical and intellectual underpinnings of this study will be discussed. The motives for choosing domestic elderly care, and case study as the research strategy will also be presented along with a description of how the empirical material in the present thesis has been collected and analysed.

In chapters four, five, six and seven, the empirical material will be presented. In chapter four a general discussion of domestic care of the elderly is held.

The organisation and financing of social and health care will be described, as well as general administrative controls and common operational activities. In chapters five, six and seven, three empirical episodes from two city districts will be presented. The three episodes typify three phases; before, during and after a financial crisis. Chapters five and six are devoted to District one and chapter seven to District two. The empirical chapters will give “flesh” to the theoretical “skeletal” model (Laughlin, 1995).

In chapter eight, the empirical material from chapters four, five, six and seven is further analysed and put in relation to previous research and discussions presented in chapters one, two and three. Here, empirical, theoretical and practical contributions will be described and elaborated. The last chapter in this thesis, chapter nine, presents the conclusions of the thesis and discusses suggestions for future research.

CHAPTER 2

THEORY

A basic control problem – that Sven and the other pensioners should get help and yet this should not cost too much money – has been emphasised in the introductory chapter. There are two dimensions in this. There is the dimension of operational activities, i.e. the home helpers', assistant nurses' and nurses' delivery of care to Sven. There is also the dimension of financial scarcity, i.e. the public sector has a limited amount of money and there is always alternative use of money; to school, psychiatry and other parts of the public sector. In the present thesis, these two dimensions will be described in relation to each other. Therefore attention will be given to the delivery of domestic care to the pensioners and the operation of control in this setting.

2.1 Control model for domestic elderly care

There are a number of control models in the literature that describe, discuss and classify control in many different ways. As Merchant and Otley (2007, p. 788) note: "Given the breadth and complexity of the control field, it is natural that over the years authors have taken many approaches to its study." It is outside the scope of this thesis to do a systematic review of these different control models.⁶ The approach to control in the present thesis is illustrated by comparing Ouchi's (1979) view of control and Merchant's (1985) model of control with Hopwood's (1974) model of control.

2.1.1 Management focus versus a broader view of control

A common denominator is that control is recognized as a major function of management with attention on how managers implement controls to keep their organisations reliably on track (Merchant & Otley, 2007). Ouchi (1979) developed a control model that identifies three forms of control: behaviour control, outcome control and clan control. The use of the different forms of control depends on two contextual factors: knowledge of what behaviours are desirable and the ability to measure outputs. Ouchi (1979) has a management perspective with attention on how managers can use output,

⁶ For such a review of different control models, see Merchant and Otley (2007).

behaviour and clan controls when controlling the organisation. He describes how managers can use two strategies to control people. The managers can go to the expense of searching for and selecting people who fit the organisation. The managers can also take people who do not exactly fit the needs of the organisation and go to the expense of putting in place a managerial system to instruct, monitor and evaluate them. The managerial system can be in terms of skill and value training, and in terms of monitoring behaviour and/or output.

Merchant (1985, p. 4) aims to create a comprehensive, generally accepted control framework and states that: "Control involves managers taking steps to help ensure that human beings do what is best for the organization." The control system is seen as the collection of control mechanisms that are used by managers. He classifies control according to the object of control, i.e. whether the focus of control is on results, actions or personnel. For example, by using personnel controls – such as selection and placement, training, and group-based rewards – managers can influence the culture in the organisation and the individual's motivations for performing appropriate actions.

Ouchi and Merchant use their frameworks for discussing control within organisations. Kraus and Lind (forthcoming) conclude that most literature on inter-organisational control discusses the design and use of a combination of controls construed and implemented by management. Managers can select from a portfolio of controls such as budgets and policies, but also less obtrusive forms of controls such as personnel selection and meetings, which are implemented by management in order to influence behaviour and create desired cultural shifts (Kraus & Lind, forthcoming). Some of the inter-organisational control studies (Langfield-Smith & Smith, 2003; Dekker, 2004) even use the previously mentioned model by Ouchi (1979). Langfield-Smith and Smith (2003) note that clan controls cannot be designed explicitly, but may be influenced by management by requiring for example meetings and codes of conduct. The authors thereafter explore what management does to try to influence clan controls in the direction the managers find appropriate. There seems to be attention on the administrative controls issued by managers when discussing inter-organisational control. Are these models suitable in the present empirical setting? To answer this it is time to go back to the story about Sven.

When we look at the delivery of care to Sven from a control perspective, there is a professional hierarchy in place, i.e. the health centre and the home helper unit and the people working there. The professional hierarchy meets Sven and the other pensioners who stand for something different. It is the needs of everyday life that form the basis for domestic elderly care. Different pensioners have their special routines for eating breakfast and cleaning, but everyday life is also about unexpected events. Sven is old and often ill and it is not so obvious to Sven what he needs from day to day, and it is not always so easy for him to express it. Even if we think away the professional hierarchy, it is not obvious what Sven needs, not even to himself. Sven also often gets non-professional support from relatives. In this non-professional relation things of importance for his needs also happen. The help Sven wants and needs from the home helpers, assistant nurse and nurses is often hard to determine. On top of this, to be in Sven's home is a very private and intimate situation; it has to do with his private life. The tasks are performed in the private sphere of the pensioner, and home helpers, assistant nurses and nurses are a few of the people who can move relatively freely in the pensioner's home. There is always a risk of offending the integrity of the pensioner, and the home helper is, to some extent, dependent on the pensioner as he/she has to accept the help.

Here we move between two poles, the professional apparatus on the one hand, and Sven's private life and needs on the other hand. The operation of control in domestic care of the elderly is further complicated by the multiple objectives assigned to public organisations (Östman, 1993). The home helper unit and the health centre have no overall goal of profit maximization as private sector companies have; instead they have both service quality and a balanced budget as overall goals. It can be expected that there are other important control impulses parallel to the control impulses from managers. Work in elderly people's homes with everyday tasks creates a great deal of uncertainty that is hard for managers to control. The services are difficult to completely predetermine as every human being is unique. It is therefore desirable to have a broad view of control in studies of human service organisations, such as the present study of domestic care of the elderly (Abernethy & Stoelwinder, 1995; Abernethy, 1996). There is a need to recognise and include other types of controls than simply administrative controls in the analysis.

2.1.2 Administrative, social and self controls

Hopwood (1974, ch. 2) discusses three important potential influences on behaviour.⁷ He denotes them administrative, social and self controls. Hopwood's (1974, p. 22) model of control will be used in this thesis. Administrative, social and self controls are all important to take into account when describing and analysing the operation of control (Hopwood, 1974, ch. 2; Abernethy & Stoelwinder, 1995). First we have the managers issuing administrative controls, a potential source of influence on behaviour. Secondly, we have the fellow workers and the pressures from the group norms, the origin of social controls, which also may influence behaviour. Thirdly we have the personal values and motivations of the individual, the origin of self controls, another potential influence on behaviour. Figure 2.1 illustrates the different types of controls.

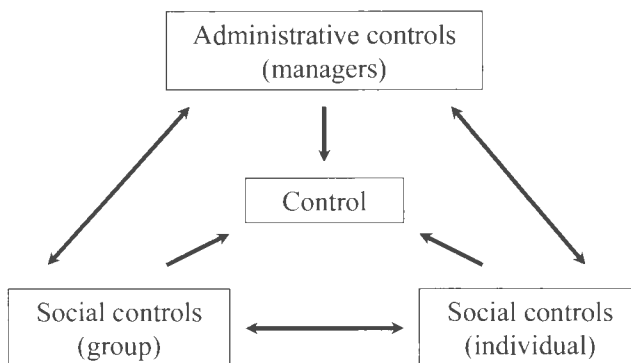


Figure 2.1 Hopwood's (1974, p. 22) model of control.

It is important, when we try to understand overall control, to appreciate the operation of the full variety of forces for influence and control, whether they are administrative, social or personal (Hopwood, 1974, p. 23). Control is seen as a combination of administrative, social and personal pressures which are simultaneously competing for influence (Hopwood, 1974, pp. 22-23; Abernethy & Stoelwinder, 1995).

When discussing their models, Ouchi and Merchant do not deny that there are other controls than administrative controls, such as self controls and social controls. But the authors are concentrated on what managers can do to

⁷ There may of course be many other influences on behaviour as well. But a model used for analytical purposes needs to simplify, make assumptions and focus on some specific factors.

influence these other types of controls, i.e. what administrative controls managers can use to increase the chances that self controls and social controls will produce the appropriate actions from the manager's perspective. Ouchi and Merchant do not include social controls and self controls as separate analytical categories and this is a main difference between their views and the view of control in the present thesis. In this thesis there is attention on social controls and self controls in their own right, as well as on administrative controls. Social controls and self controls are analysed as separate control categories, impulses discussed parallel to administrative controls (Hopwood, 1974, ch. 2; Abernethy & Stoelwinder, 1995). By this is meant that when discussing budgets and other types of administrative controls, we should at the same time take into consideration that there are other forms of control, i.e. self controls and social controls, otherwise we have too narrow an angle of the operation of control.⁸

The present thesis, as well as Hopwood (1974, pp. 35-37), do not deny the possibility that the different types of controls are affecting each other as is

⁸ Roberts and Scapens (1985) discuss the need for recognising the multiple and often conflicting interests and purposes of organisational members. They discuss the "accounting system", i.e. the abstract potential system, and "systems of accountability", i.e. the system as it becomes embodied in practice. This thesis recognises that there is a large research field within management accounting in which processes of accountability are explored (see for example Roberts & Scapens, 1985; Roberts, 1991; Sinclair, 1995; Lindholm, 2003). These researchers also argue for the need to open up the study of accounting to focus on not only managers but also on those who are controlled by managers. Sinclair (1995) discusses that the field of accountability is multifaceted and that a number of different definitions of accountability exist. Roberts and Scapens (1985) describe accounting systems as a body of rules and resources which are drawn upon in the practice of accounting. How and why and in what way they are drawn upon will vary between people, over time and between situations. The focus in their article is to understand the nature of this variety, its origins and consequences. Focus is also on how patterns of accountability are maintained. They analyse how individuals draw upon structures of meaning, morality and power and thereby create specific forms and patterns of accountability. It is not within the scope of this thesis to explore the ways in which people understand, construct and practice their accountability. The present thesis does not focus on exploring how the subordinates view the controls and how accounting and other types of controls are implicated in the processes of constructing different types of accountability. This thesis also do not analyse the operation of control through processes of accountability. Rather, Hopwood's (1974, p. 22) control model is used to categorise different types of control impulses and to analyse how they create different types of boundaries, and explore the connections between controls and operational activities. In this way there is another focus in the present thesis, and other things are seen than if a theoretical framework based on some of the literature on accountability would have been used. The results of this thesis will also mainly be related to studies of internal and inter-organisational control, rather than to studies of processes of accountability.

shown by the arrows in figure 2.1. But at any given point in time they are analysed as separate categories. The different types of controls may or may not coincide with each other and they may or may not have been influenced by each other. Hopwood (1974, ch. 2) only discusses internal control but his model can be extended to include inter-organisational control as well. Then we get five types of controls: internal administrative controls, inter-organisational administrative controls, internal social controls, inter-organisational social controls and self controls. In the following these different types of controls will be described and connected to other literature. It will also be shown how they are defined in the present thesis. Hopwood's model is a conceptual model with broad and general descriptions of the different types of controls. In order to make the model manageable as a skeleton for an empirical investigation it was necessary to delimit and specify the control categories. Thereby some aspects will be foregrounded and some aspects will be missed.

Internal administrative controls

Internal administrative controls are the manner in which managers in one organisation attempt to influence the premises which underlie the behaviour of their employees (Hopwood, 1974, p. 26).⁹ Managers can issue behaviour controls such as formal rules, procedures, policy documents and position descriptions, and then monitor and possibly reward the employee behaviour (Abernethy & Chua, 1996). Managers can also concentrate on the consequences of the behaviour, instead of the behaviour as such, and use administrative controls such as budgets, focus on a positive income flow and other performance measuring (Abernethy & Chua, 1996). Thereafter they measure and possibly reward employees for achieving certain outcomes according to a specific standard (Hopwood, 1974, p. 24). There are also less obtrusive forms of administrative controls, such as personnel selection, training and socialisation processes, meetings and rituals, which are implemented by management to, subtly, influence the behaviour of their employees (Abernethy & Chua, 1996). Table 2.1 provides a summary of internal administrative controls.

Accounting is often the basis for many administrative controls. There has been an increase in the use of accounting-based administrative controls in

⁹ The views of the managers are assumed to be manifested in administrative controls. It is outside the scope of this thesis to explore whether the managers find the administrative controls being in line with their personal preferences or not.

the public sector (Hood, 1991; Olson *et al.*, 1998; Abernethy *et al.*, 2007). Hood (1995) argues that the NPM-reforms have placed more emphasis on financial results and explicit standards of performance. Olson *et al.* (1998, p. 18) agree and describe the considerable changes in management and control of public sector organisations from the 1980s and onwards. They describe that “an increasingly notable element of the NPM movement is the seemingly endless list of accounting-based techniques that are being drawn on in the pursuit of reform.” Guthrie *et al.* (1999, p. 211) note that accounting has become the language through which public sector people have to converse and call accounting-based administrative controls “the technical lifeblood of NPM organisational structures.” The Swedish public sector has also been affected. Olson and Sahlin-Andersson (1998) show that discussions in the Swedish public sector are increasingly being dominated by issues involving accounting-based administrative controls. From the early 1980s and onwards the Swedish public sector had been criticised for being too large and inefficient (Olson & Sahlin-Andersson, 2005). More accounting-based administrative controls were deployed and, for example, profit centres were created (Olson & Sahlin-Andersson, 2005).

Internal administrative controls	Observations
<ul style="list-style-type: none"> • Outcome measuring, monitoring and rewarding. For example budgets, financial results and other performance measures. • Behaviour monitoring and rewarding. For example routines and policy documents. • Other. For example training and socialisation activities, selective recruitment, meetings. 	<ul style="list-style-type: none"> • The use of accounting-based administrative controls has increased dramatically in the public sector from the 1980s and onwards. • Administrative controls are often met with resistance in health and social care organisations because the employees fear a loss of autonomy and are loyal towards their patients.

*Table 2.1 A summary of internal administrative controls
(Hopwood, 1974, ch. 2; Abernethy & Chua, 1996; Jacobs, 1998).*

Previous research has indicated difficulties in using administrative controls in health and social care organisations (Llewellyn, 1998b). These difficulties are argued to result from the difficulties in relating inputs to outputs, and from the skill of the health and social care workers to exploit this uncertainty and promote their interests (Coombs, 1987). The health and social care

workers are described as opposing administrative controls because they fear a loss of autonomy and are loyal towards their patients (Abernethy & Stoelwinder, 1995). Jacobs (1998), however, finds that doctors in New Zealand embraced the introduction of accounting-based administrative controls and suggested that monthly financial reports made them more aware of the financial consequences of their behaviour, and thereby promoted their becoming better doctors.

In this thesis, internal administrative controls are defined as the attempts by which the municipality managers¹⁰ in domestic care of the elderly try to influence the premises which underlie the behaviour of the home helpers.

Inter-organisational administrative controls

In the literature on inter-organisational control, inter-organisational administrative controls are argued to be important for well-functioning cooperation (Langfield-Smith & Smith, 2003). Dekker (2004) shows that inter-organisational administrative controls are important for handling appropriation concerns and coordinating interdependent tasks in inter-organisational relationships. There is a general consensus in the literature that managers should use a mixture of outcome and behaviour controls as well as less obtrusive forms of inter-organisational administrative controls (Kraus & Lind, forthcoming). There are a number of descriptions of combine forms of inter-organisational administrative controls in the literature.¹¹

Dekker (2004) studies a newly established inter-organisational relationship between a supplier of railway safety systems and the organisation responsible for the rail infrastructure in the Netherlands. The managers issued a planning scheme that specified the activities to be performed and quality plans that described the agreements and methods which had to be followed by the members of the two companies. The managers also had shared decision-making and goal-setting through joint task groups aimed to create common values between the employees in the two organisations. There was also an alliance board of two members from each organisation including their general managers. The alliance board set out a relationship strategy and annual goals for expected cost reduction. The board members

¹⁰ The district director, the provider manager and the home helper unit managers.

¹¹ For a comprehensive review, see Håkansson and Lind (2007).

met to review progress of the annual goals and to discuss the relationship performance and future direction.

Langfield-Smith and Smith (2003), studying an inter-organisational relationship between an electricity company and its IT-supplier, stress the importance of managers initiating meetings. There were numerous discussions and meetings between the managers in order to develop performance measures and targets for the services, as well as to review performance and discuss future plans. People on lower levels in the two organisations were also required to meet with each other once a week to develop and discuss guidelines for large projects and routines for keeping costs low. There was a need for clarifying how to behave as well as to have a forum for communication between the two companies, and this was achieved through the meetings.

Accounting-based inter-organisational administrative controls are argued to be important in inter-organisational relationships (Seal *et al.*, 1999; Tomkins, 2001). Dekker (2004) describes how the managers of the two companies had agreed on common budgeting and cost estimations. They also developed a common financial incentive system to ensure that the financial results from the inter-organisational relationship were shared between them. Langfield-Smith and Smith (2003) also illustrate joint financial accounting systems. Mouritsen *et al.* (2001) discuss open book accounting, which implies that one or both of the organisations give the other access to internal information of non-financial and/or financial character. It is argued that this increased sharing of information should help the two organisations jointly develop each other's internal operational activities as well as the inter-organisational operational activities (Mouritsen *et al.*, 2001). Table 2.2 summarises the discussion on inter-organisational administrative controls.

Kraus and Lind (forthcoming) note that the literature on inter-organisational control often is vague and unspecified when describing the distinction between the controls issued jointly by managers from the two organisations, and controls issued by managers in one of the organisations with the purpose of affecting the other organisation. In this thesis, inter-organisational administrative controls are defined as the joint attempts by which municipality and county managers in domestic elderly care try to influence the premises which underlie the behaviour of the home helpers, assistant nurses and nurses.

Inter-organisational administrative controls	Observations
<ul style="list-style-type: none">• Outcome measuring, monitoring and rewarding. For example performance measures such as joint budgets and cost estimations, joint financial reward systems, open book accounting.• Behaviour monitoring and rewarding. For example planning schemes and quality plans.• Other. For example joint task groups, alliance board, meetings.	<ul style="list-style-type: none">• A mixture of different types of outcome, behaviour and less obtrusive forms of inter-organisational administrative controls is advocated in the literature.• Accounting-based inter-organisational controls are often used in inter-organisational relationships.

Table 2.2 A summary of inter-organisational administrative controls (Tomkins, 2001; Langfield-Smith & Smith, 2003; Dekker, 2004).

When focusing on internal administrative controls and inter-organisational administrative controls, the degree to which non-managerial groups and individuals might influence the behaviour of those performing the actual work practices is not included in the analysis. It has been argued in this thesis that we need a broader view of control. The group dimension of control is described below.

Internal social controls

Social controls emerge from shared norms and the mutual commitments of members of a group to one another, and are potentially important influences on behaviour (Hopwood, 1974, p. 30). Social controls have to do with the group pressures on the individual person: those who one happens to work with or alongside, often become those with whom one shares and builds a common understanding (Hopwood, 1974, pp. 27-30). This form of control emerges through face-to-face discussions (Abernethy, 1996). The norms in the group are often an important influence of the behaviour of the employees during task performance (Abernethy & Stoelwinder, 1995). Informal guidelines may be adopted and there is often a generation of a social consensus in the group about what counts as good conduct and acceptable performance (Hopwood, 1974, p. 30).

Managers' efforts to create shared values and a common culture do not fall under social controls in the present thesis. Hopwood (1974, pp. 28-29) discusses the personalities of the managers, their approaches to their job and the subordinate's acceptance of the legitimacy of managerial roles. He also discusses McGregor's theory X and Y and Likert's different management styles. In the present thesis, social controls are not used in this broad sense, the focus is on those performing the operational activities. This means that internal social controls have to do with the norms within the home helper group.

In domestic care of the elderly, it has been stressed that other groups than managers influence operational activities (Nordström, 2000, ch. 5). The home helpers deliver services in the homes of the elderly where the managers do not see it (Nordström, 2000, p. 28). Llewellyn (1998a) describes the differences between managers and front-line social workers involving the priorities of patient welfare vis a vis financial considerations. She shows that the group norm of front-line social services workers is focused on the needs of the individual pensioner rather than on any aggregate societal benefits.¹²

In this thesis internal social controls are specified as involving common norms within the home helper group. Internal social controls are the group norms perceived by the home helpers, i.e. the group norms of how the home helpers should behave when delivering care to the pensioners.

12 It is acknowledged that there is a discussion in the literature on administrative control versus professional control. A number of studies indicate that administrative controls implemented by managers, in the form of output and behaviour controls, often do not work well when production processes become increasingly complex and unpredictable (see for example Orlikowski, 1991; Abernethy & Stoelwinder, 1995). In these situations organisations are suggested to rely on professional control (Orlikowski, 1991). Professional control is argued to occur when organisations hire professionals who are described as having the necessary knowledge and experience to perform these complex tasks, and having been socialised during the education period to act independently without formal administrative controls (Orlikowski, 1991; Abernethy & Stoelwinder, 1995). It is also assumed that professional controls are functional because they should be supplemented by administrative controls in the form of training and socialization strategies implemented by management to instil and reinforce congruence between the goals and values of the individuals and those goals espoused by the organisation (Abernethy & Stoelwinder, 1995). It is not within the scope of this thesis to discuss whether home helpers should be counted as professionals or not. The model of control used in this thesis includes professional controls as well as administrative controls. Professional controls are furthermore specified in social and self controls as separate analytical categories, in order to give more detail to the analysis of the operation of control in domestic elderly care.

Inter-organisational social controls

When caring for the pensioners, different professional groups meet in the pensioner's home. Sometimes the home helpers, assistant nurses and nurses do their respective tasks parallel to each other, sometimes they cooperate with interdependent tasks. Inter-organisational social controls emerge through the informal interaction between home helpers, assistant nurses and nurses during task performance. Informal guidelines about relationships with other groups may be adopted (Hopwood, 1974, p. 30).

It has been stressed that there are differences in status and views between social services personnel and health care workers (Llewellyn, 1998a). Kurunmäki and Miller (2006, p. 88) describe a "Berlin wall between health and social services." Nurses are seen as more powerful than home helpers due to their status and education (Berg, 1994, p. 216). This view is supported by Nordström (2000, p. 119) who, based on a Swedish study of domestic care of the elderly, argues that home helpers find the nurses to be authoritative in the pensioners' homes. The home helpers felt like subordinates to the nurses. This was explained as the home helpers' being more dependent on the nurses than the other way around, because the nurses had knowledge of both health and social care whereas most home helpers only had knowledge of social care. This is supported by Abernethy and Stoelwinder (1995) who argue that social and health care organisations often have a negotiated informal hierarchy between diverse professional groups. These studies point to possible sources of inter-organisational social controls in domestic elderly care.

In previous literature on inter-organisational control there is little discussion of inter-organisational social controls (Kraus & Lind, forthcoming). There is a need of studies that include the influences from other groups than managers, thereby taking inter-organisational social controls into account (Kraus & Lind, forthcoming). Håkansson and Lind (2004) concentrate on different subunits in the relationship between Telia Mobile and Ericsson. They describe the process of implementing a standard software release. An important sub-feature for Telia was not prioritised by the technical unit in Ericsson. Then Telia Mobile and the key account management (KAM) unit within Ericsson developed together a strategy to create the greatest impact on the technical unit within Ericsson. The Ericsson KAM-unit was more dedicated towards the Telia unit than towards other units within Ericsson. Håkansson and Lind (2004) show that different groups below top

management, sometimes a mix of members from the two organisations, developed shared values and norms.

In this thesis, inter-organisational social controls are specified as the norms and informal guidelines on how to interact and relate that are developed between the home helpers, assistant nurses and nurses. When caring in the pensioners' homes, it has been argued that there are probably not only control impulses from managers and control impulses from groups that influence the behaviour of the home helpers. The individual home helper's own integrity, the gut feeling of what is right to do in the specific situation, might also exert a significant influence on behaviour. This is elaborated below.

Self controls

It has been argued that it is important not to neglect the fact that the individuals performing the operational activities have personal goals and values, individual needs and attitudes (Hopwood, 1974, p. 31). Self controls have to do with the individual's own view, his/her integrity and approach to his/her role as a professional (Hopwood, 1974, pp. 31-35). This may also be an important influence on behaviour. It is often argued that personal goals conflict with organisational goals manifested in administrative controls (Hopwood, 1974, p. 31). Jones and Dewing (1997) describe how individuals, working with health care in one of the largest acute hospitals in Britain, had a hard time after hospital reforms. The health care personnel thought of early retirement and expressed concerns about long hours and the threat to people's health. Based on their empirical study, the authors argue that control in human service organisations, such as domestic care of the elderly, has largely to do with personal goals and values (Jones & Dewing, 1997).

Because health and social services are delivered in interaction with the user, the front-line personnel are often personally committed to their pensioners (Llewellyn, 1998b). In the case of domestic elderly care we have a home helper who does his/her professional job in the pensioner's private sphere. The home helper is dependent on establishing intimacy with the pensioner in order to conduct social work practice (Llewellyn, 1998a). Home helpers therefore often listen to their gut feeling for what is right to do in any specific situation, irrespective of what the managers or colleagues say (Nordström, 2000, p. 47). Berg (1994, ch. 8), who studies the behaviour of people working with health and social care in Sweden, argues that when a

front line worker saw a need from the pensioner, he/she helped and tried to solve it. It was done unconventionally, outside the routines of the organisation and the group, and the pensioner was put at the fore (Berg, 1994, ch. 8).

Hopwood (1974, pp. 31-35) has a broad discussion about self controls where he, drawing on the work by Maslow, McGregor and Herzberg, discusses ways to promote personal needs. Hopwood (1974, p. 31) emphasises that the study of the mechanisms for self control is complex and has been pursued by for example philosophers, psychiatrists and psychologists. The present thesis is more specific when discussing self controls, with attention on the individuals' personal values and gut feeling at a given point in time, and do not explore the mechanisms behind these values and feelings. In this thesis, self controls are defined as the personal values of the individual home helpers about what is right to do in the delivery of care to the pensioners. The present thesis concentrates on the personal values expressed during the interviews by the home helpers when discussing what they see as their professional tasks and approaches to their jobs. Self controls have to do with the home helpers' integrity and what they would like to do in the delivery of care to the pensioners.¹³ This does not mean that the personal values are something just developed within any specific person. They may be developed in interaction with fellow workers, managers, during education or in family situations. However, these socialising processes, i.e. the origins of the personal values, are not within the scope of this thesis to explore.

Summing up, the aim of this section was to give the reader a basic understanding of internal administrative controls, inter-organisational

¹³ This is not to say that the home helpers actually behave in accordance with these values in the specific situations. The home helpers are influenced by other control impulses as well, from the managers and from the group. These impulses may or may not coincide with self control impulses and the home helper may act in accordance with these other control impulses. In this thesis, self therefore is not manifested by looking at actions, as in for example Roberts' (1991) study of accountability. In this thesis self control has to do with the personal values, how one *would like to act* if one followed a gut feeling. Actual behaviour might be something different. Of course, in a way, the individual decides him/her self what control impulses to follow, and hence everything actually done can be said to be related to self control. The term self control is not used in that way in the present thesis, self controls are not defined on the basis of the actions performed; the actual behaviour is separated from the self control impulses. The processes and motivations when the home helpers decide what to do in the specific situation is not concentrated on in the present thesis. Rather, the actual behaviour is described and traced to how much the different types of controls seemed to have influenced the behaviour.

administrative controls, internal social controls, inter-organisational social controls and self controls. The different types of controls have been described separately. This has only been for illustrative purposes. When understanding the operation of control in the pensioners' homes, all five control impulses should be taken into account. This will be elaborated in the following.

2.2 The interdependencies between internal controls and inter-organisational controls

When giving care to Sven and other pensioners we have a situation where the health centre and the home helper unit are operationally interdependent; yet they are specialised more and more and belong to different organisational and financial hierarchies. There is a need for home helpers to focus on both internal and inter-organisational operational activities. A basic question is how do we achieve attention on both cooperation and internal issues when the basic structure in the two organisations is limited to internal matters? This is a problem that has long been discussed. Lawrence and Lorsch (1967, ch. 1), for example, argue that the specialisation of sub-units which allows organisations to undertake complicated tasks requires an equally developed system of integration to bind them into an operational whole. Östman (1977, pp. 14-18) explains that control can be seen as having two major tasks: creating efficiency in each unit in the company and bringing about the best possible cooperation between the units. In the present thesis, there are two organisations, and the question of specialisation and integration involves internal as well as inter-organisational dimensions. Hence, when understanding the operation of control in the pensioner's home, there are both internal controls and inter-organisational controls to consider. This requires mapping internal controls and considering the interdependencies with inter-organisational controls.

2.2.1 Previous literature on the interdependencies between internal and inter-organisational administrative controls

In the inter-organisational control literature, there is attention on identifying inter-organisational control pattern antecedents using mainly inter-organisational exchange factors (see for example Van der Meer Koistra & Vosselman, 2000; Langfield-Smith & Smith, 2003). This focus has led to an exclusion of internal factors in most inter-organisational control literature,

and inter-organisational controls have been studied in isolation from the internal controls within the two organisations (Cuganesan & Lee, 2006).

There are some exceptions in the literature. Mouritsen *et al.* (2001) study the effects of the introduction of inter-organisational administrative controls in inter-organisational relationships between a small innovative high-tech firm and its suppliers. They conclude that inter-organisational administrative controls had internal effects because the information obtained changed the high tech firm's perception of technology, organisation and strategy and thus changed the identity and core competence of the firm. Van der Meer-Koistra and Vosselman (2000) find some evidence that a company with a focus on behaviour guidelines for internal control also had inter-organisational administrative controls concentrated on behaviour in its inter-organisational relationship. This is supported by Cuganesan and Lee (2006) who study a network of purchasing companies in Australia trying to automate relations with their suppliers of indirect products and services. They introduced a new internal e-procurement technology which affected inter-organisational controls because it offered novel information possibilities and made it possible to construct a systematic history of all interaction with suppliers. More detailed inter-organisational administrative controls emerged because it was possible to measure more factors, for example the number of correct invoices and the number of quality errors.

While Mouritsen *et al.* (2001), Van der Meer-Koistra and Vosselman (2000) and Cuganesan and Lee (2006) describe uni-directional connections between internal and inter-organisational controls, Cuganesan (2006) shows how internal and inter-organisational controls co-evolve over time. An Australian manufacturer of steel products had a decline in profitability and changed its internal control by increasing focus on internal accounting-based administrative controls, with approval of requisitions over pre-defined monetary limits, before they were released to suppliers. At the same time, inter-organisational administrative controls also increased performance monitoring of the suppliers. Key performance indicators were developed and more detailed contracts with suppliers emerged.

Kraus and Lind (forthcoming) conclude that research on internal and inter-organisational controls has mainly been developed independently and that there is a need to integrate the views of internal and inter-organisational control. Studies on the interconnections between internal and inter-organisational controls show that the two are related and should be studied in

an integrated analysis (Van der Meer-Koistra & Vosselman, 2000; Mouritsen *et al.*, 2001; Cuganesan, 2006; Cuganesan & Lee, 2006). In domestic elderly care there are two organisations involved, with control problems which span over the legal boundaries of the organisations, in addition to internal control problems. Boundaries between the two organisations are blurred (Thrane & Hald, 2006). Lamont and Molnar (2002) highlight the value added that comes when connecting the concept of boundaries to specific substantive topics, such as control. The concept of boundaries, and the relation between controls and boundaries, have been neglected in the literature on inter-organisational control (Lind & Thrane, 2005). When studying the interdependencies between internal and inter-organisational controls, boundaries are of central concern (Lind & Thrane, 2005; Thrane & Hald, 2006). The author of the present thesis submits to this view and therefore controls are related to boundaries in the present thesis.

2.2.2 The concept of boundaries

Heracleous (2004) discusses the inter-disciplinary, multi-faceted and diffuse nature of the boundary concept. In a similar vein, Lamont and Molnar (2002, p. 168) describe the “multifarious recent developments around the concept of boundaries.” Paulsen and Hernes (2003, p. 10) emphasise that boundaries are not “a few neat lines that can be found”, there is rather a multitude of boundaries surrounding people in organisations. Boundaries may have many different forms and a variety of factors determine their location (Thrane & Hald, 2006). Llewellyn (1994) explains that boundaries can be defined from a number of different starting points. Boundaries of organisations can be seen in physical terms as the organisation’s buildings (Llewellyn, 1994). In psychological terms the boundaries of organisations are defined as all elements such as culture, symbol and ritual, which demarcate the distinctive nature of organisational life (Llewellyn, 1994). Balogun *et al.* (2005) discuss a number of different types of boundaries; functional, divisional, national and cultural. Brusoni *et al.* (2001) describe knowledge and production boundaries of organisations and emphasise that boundaries of organisations are defined differently depending on the starting point. Hernes (2004) discusses mental boundaries, such as core ideas and concepts that are central and particular to the group or organisation; social boundaries, such as identity and social bonding tying the group or organisation together; and physical boundaries, such as formal rules and physical structures regulating human action and interaction in the group or organisation. The diverse use of

boundaries in the literature makes it important to be clear about how boundaries are conceptualised in the present thesis.

Despite the ambiguous and permeable nature of the concept, boundaries have been discussed as quite unproblematic in the previous literature on internal and inter-organisational controls. Focus has been on how management, by issuing administrative controls, creates boundaries (Kraus & Lind, forthcoming). In the present thesis the primary emphasis is on how the different types of controls – administrative, social and self controls – create different boundaries. This means that boundaries are composite; i.e. organisations operate within multiple sets of co-existing boundaries (Hernes, 2004). Boundaries are subject to interpretation and they may differ depending on the management, group or individual level. In the present thesis, boundaries are hence seen as complex and socially constructed entities (Heracleous, 2004). Managers create boundaries through administrative controls. Groups create boundaries through social controls, and the individual creates boundaries through self controls. There are also dominant boundaries, which are an amalgamation of the different boundaries created by the three types of controls. Dominant boundaries emerge and are reproduced through actual work practices (Hernes, 2004). This implies that dominant boundaries are set through the actions of home helpers, assistant nurses and nurses, and are in that way social structures that are produced by, and manifested through, ongoing operational care activities.

Hence, a conceptual distinction is made in this thesis of four types of boundaries: boundaries created by administrative controls, boundaries created by social controls, boundaries created by self controls, and dominant boundaries manifested through actual work practices. In this way, the multifaceted nature of boundaries is taken into account, an approach advocated by Hernes (2004). The present thesis will investigate how managers, groups and individuals construct boundaries through controls, and whether dominant perceptions shift over time and the consequences of this.

The interdependencies between internal and inter-organisational controls are modelled theoretically by relating the different types of controls to boundaries. In the literature on inter-organisational control, there have been few studies of the formation, properties and consequences of boundaries as complex, shifting and socially constructed entities (for exceptions, see Lind & Thrane, 2005; Thrane & Hald, 2006). The concept of boundaries is often treated as socially and organisationally unproblematic. Previous research has

concentrated on how administrative controls create boundaries (Kraus & Lind, forthcoming). It is argued in the present thesis that this is too narrow a view of control and boundaries. Holmström and Roberts (1998) underscore that the complexity of today's organisations and the problems they have to deal with necessitate a broad view of how boundaries are drawn. This thesis propose a broader view than what is found in extant literature by also including the boundaries created by social and self controls in the analysis. These boundaries may sometimes overlap and sometimes conflict with the boundaries created by administrative controls. It is important to analyse how the different types of controls create different boundaries which may give rise to different dynamics and tensions, and which may give new dimensions to the analysis of the interdependencies between internal and inter-organisational controls.

2.2.3 Administrative controls and boundaries

The starting point, in previous literature, when discussing administrative controls and boundaries, is the two organisations/units and their legal boundaries (Thrane & Hald, 2006). There is a presumed separation of an internal and an inter-organisational domain. There is a presumption that internal administrative controls, such as the various financial accounting measures related to the survival of the organisation, create important boundaries around the individual legal organisations (Llewellyn, 1994). But because the two organisations have an inter-organisational relationship and perform inter-organisational operational activities it becomes important for managers to also establish administrative controls aimed to create boundaries around the inter-organisational relationship (Langfield-Smith & Smith, 2003; Dekker 2004). These boundaries, complementing the boundaries created around the individual organisations, aim to influence the employees towards a double focus in internal issues and cooperation issues during task performance.¹⁴ Different possible actions for the managers have been described in the literature; the importance of developing accounting-based

¹⁴ The capacity of (often accounting-based) administrative controls to create boundaries around the internal legal organisations and around the inter-organisational relationship has been described in research that draws on a number of theoretical perspectives (for example Håkansson and Lind (2004), markets-as-networks approach, Thrane and Hald (2006), actor-network-theory). The present thesis does not explore these different theoretical assumptions, rather it uses the finding that (accounting-based) administrative controls often create important boundaries within and between organisations, and analyses if and how these boundaries differ from the boundaries created by social controls and self controls.

inter-organisational administrative controls, the importance of developing other (than accounting-based) inter-organisational administrative controls, and the importance of developing internal administrative controls for cooperation. These are described in turn.

Developing accounting-based inter-organisational administrative controls

Internal accounting-based administrative controls are often used by organisations and are presumed to give focus to the legal boundary of the organisation and its internal operational activities (Llewellyn, 1994). Therefore, it is argued that managers need to issue inter-organisational accounting-based administrative controls aimed to create a boundary around the inter-organisational relationship (Langfield-Smith & Smith, 2003; Dekker, 2004). In this way it is hoped that there will be attention on inter-organisational operational activities and not just on internal operational activities. Dekker (2004) shows how accounting-based inter-organisational administrative controls, in the form of a joint financial reward system, motivated both companies to perform well and develop common interests. He describes how the two companies developed an alliance fund, a financial incentive system, to induce mutual collaborative behaviour. A boundary was created around the inter-organisational relationship, complementing the boundaries around the individual firms, with the aim of making the employees focus on inter-organisational operational activities and not only on internal operational activities. Langfield-Smith and Smith (2003) show similar findings; the information from the development of a shared risk and reward system in their relationship helped the two companies agree on the fairness of the distributions of the returns from the relationship.

Developing other (than accounting-based) inter-organisational administrative controls

Research has also emphasised the need for developing other (than accounting-based) inter-organisational administrative controls in order to create boundaries around the inter-organisational relationship. Lind and Thrane (2005) study inter-organisational relationships between thirteen small and medium sized electrical installation companies. These companies together financed a relationship manager who was responsible for administration and educational activities and was a strategic sparring partner for the companies. This organisational arrangement was made in order to get

the employees to give attention to inter-organisational operational activities and not just internal operational activities. There were often conflicts between what was best for the cooperation and what was best for the individual firms. In this situation it was necessary to have a relationship manager who ensured that the individual companies worked for the good of the cooperation and not only for prioritised internal activities.

Dekker (2004) describes how the managers in the inter-organisational relationship decided to form an alliance board with members from both organisations. The alliance board signalled that the managers in the two companies thought that cooperation issues were important, and was aimed to create a boundary around the inter-organisational relationship. Another way for managers to signal the importance of cooperation is shown by Thrane and Hald (2006), who study the relationship between Eurofirm, a manufacturer of hearing and communication equipment, and one of its suppliers. Here a manager in the supplier firm wore a hat with the symbols of Eurofirm and saw to that the supplier worked for the good of Eurofirm, and in this way a boundary around the inter-organisational relationship was created.

The importance of having meetings between people in the two organisations has also been emphasised. Lindberg (2003) studies a project aimed to improve coordination and cooperation in the health care sector in Sweden. She argues that the mutual interdependence between different units in the care chain is often not clear to the health care workers. Therefore they need to meet and have contact with each other. She describes how managers decided to have a project group with people from different organisations who frequently had meetings. During the meetings the patient was foregrounded in discussions and the participants told each other stories and everyone who attended the meetings developed greater understanding of the interdependencies between the organisations giving care to the pensioner. A *we-feeling* was created and everyone felt that both internal and inter-organisational activities were important for the patient and needed to be prioritised. In this way the meetings were aimed to create a boundary around the inter-organisational relationship.

Developing internal accounting-based administrative controls

The above examples have demonstrated the need to jointly agree on inter-organisational administrative controls. Håkansson and Lind (2004), on the other hand, show how Ericsson used internal accounting-based administrative controls to create a boundary around the inter-organisational relationship in order to get their employees to focus on inter-organisational operational activities and not only on internal operational activities. Within Ericsson's market unit there were key account management (KAM) units that were responsible for one customer each. The KAM-units had more contact with their customers than with other units within Ericsson. Within Ericsson, the bonus for some of the employees in the KAM units was partially based on actions taken by their customer. For example, people in Ericsson's KAM unit for Telia had reward systems which included measures for Telia Mobile. The manager in the operation support unit within Ericsson's key account Telia unit was evaluated on how successful he had been in persuading Telia Mobile to use the new remote loading feature in their operations. In this way Ericsson used internal accounting-based administrative controls to create "new" organisational units which crossed the organisations' legal boundaries.

2.2.4 Social controls and boundaries

The basis for discussing social controls and their creation of boundaries is the group norms. In the present thesis, internal social controls are linked to the norms within the home helper group, and inter-organisational social controls are connected to norms between home helpers, assistant nurses and nurses who are working together in the pensioner's home. Social controls may create boundaries different from the boundaries created by administrative controls. Those working in social services often see administrative controls as an outside force against which the professional group must unite to prevent invasion (Llewellyn, 1998a).

Internal social controls and boundaries

The shared norms within home helper groups are argued to relate to delivering decent care to the pensioners by concentrating on their needs (Nordström, 2000, p. 47). The pensioners are in focus and it can be assumed that social controls create boundaries that foreground the pensioner rather than the organisation (Nordström, 2000, p. 15). This is supported by

Abernethy (1996) who argues that professionals in human service organisations, such as domestic elderly care, have their primary loyalty towards the patient and not their employing organisation. If cooperation is good for the pensioner, then these issues can be expected to fall within the boundary created by internal social controls.

Inter-organisational social controls and boundaries

Håkansson and Lind (2004) and Thrane and Hald (2006) show that shared norms and ideals emerge between groups that cross organisational legal boundaries. Some of the employees in Ericsson felt more strongly for the customer company than for the own company and worked for their customer against internal units within Ericsson (Håkansson & Lind, 2004). This shows that inter-organisational social controls may create boundaries around the inter-organisational relationship due to frequent interaction in the daily work. These boundaries do not have to be expected or even wanted by managers. Thrane and Hald (2006) show that the purchasing department in Eurofirm and its supplier had frequent interactions and developed common objectives and shared understanding. Inter-organisational social controls created a boundary around an inter-organisational relationship, which fragmented Eurofirm internally, something which was not expected by management.

In the pensioner's home, assistant nurses, nurses and home helpers deliver care often at the same time, meaning that different professional groups are mixed in time and space. Here there are possibilities for inter-organisational social controls to emerge and create boundaries of importance for the care giving. In domestic care of the elderly, it has been stressed that there are differences in status between home helpers and nurses (Nordström, 2000, p. 119). Llewellyn (1998a) describes that the power and status of people working with social care is weak. Claims for an expert knowledge base are not fully substantiated and public deference towards social workers is low (Llewellyn, 1998a). Nurses are described as stronger as a group than home helpers, due to their status and education (Berg, 1994, p. 224). Nordström (2000, p. 119) describes how the home helpers thought that nurses were authoritative in the pensioners' homes and that the home helpers felt like subordinates to the nurses. These studies imply that the boundaries created by inter-organisational social controls may encompass an informal hierarchy between the home helpers and the nurses.

2.2.5 Self controls and boundaries

The starting point, when discussing self controls and boundaries, is the individual home helpers and their views of their professional task to care for the pensioners. Previous research emphasises the special circumstances in working with pensioners in their homes (Berg, 1994, ch. 8; Nordström, 2000, pp. 46-47). The home helpers are doing their professional job in the pensioners' private spheres and they are often personally committed to the pensioners (Nordström, 2000, p. 15). Based on previous research it may therefore be expected that self controls create boundaries that foreground the pensioner. Berg (1994, ch. 8) describes how the individual home helpers aided the pensioner according to needs in any given situation. They did it unconventionally, outside the routines of the organisation and the home helper group, and tried to put the pensioner first.

Summing up, administrative, social and self controls have been integrated with boundaries in order to describe and analyse the interdependencies between internal and inter-organisational controls. Previous literature has concentrated on how administrative controls, often accounting-based, create boundaries. In the present thesis, a broader view of controls and boundaries is applied and previous research is extended in an explicit discussion on how administrative controls, social controls and self controls create different types of boundaries. Below is a summary of the discussion on controls and boundaries.

Administrative controls and boundaries

- The starting point when describing and analysing the boundaries created by administrative controls seems to be the legal organisations and the managers in these organisations.
- Previous research indicates that this focus implies a pre-supposed separation between an internal and an inter-organisational domain. There are assumed solid boundaries around the legal organisations and an important task for management is therefore to issue internal and inter-organisational administrative controls aimed to create a boundary around the inter-organisational relationship. Thereby it is hoped that those performing the actual work processes will have a double focus on internal and inter-organisational operational activities.

Social controls and boundaries

- The starting point when describing and analysing the boundaries created by social controls is the group norms.
- Previous research indicates that this starting point does not necessarily imply a pre-supposed separation between an internal and an inter-organisational domain. Here the pensioners rather than the organisations may be foregrounded when the boundaries are created. The boundaries may cross the organisations' legal boundaries and may encompass an informal hierarchy between different groups.

Self controls and boundaries

- The starting point when describing and analysing the boundaries created by self controls is the individual's motives, attitudes and values.
- Previous research indicates that this starting point, like the starting point of social controls, does not necessarily imply a pre-supposed separation between an internal and an inter-organisational domain. The pensioners rather than the organisations may be in focus when the boundaries are created.

It can be concluded that the three different types of controls are assumed to create boundaries that differ in their characteristics and assumptions, and we will subsequently get different pictures of internal and inter-organisational relations. It also becomes important to analyse if and how these different types of boundaries inter-relate. To what extent do the different types of boundaries coincide? Is there tension between them? What implications can be seen for internal and inter-organisational relations and operational activities? The discussion of controls and their creation of boundaries will serve as a theoretical point of departure in the present thesis, as a way of describing and analysing the interdependencies between internal and inter-organisational controls.

2.3 Controls and their connections to operational activities

It has been argued that different types of controls create different boundaries which may or may not coincide. The connections between controls and operational activities have only been touched upon so far in the theoretical discussion in this thesis. The increased use of administrative controls, often accounting-based, and their effects on actual work practice in the public sector, have been widely debated in the literature (Llewellyn, 1998a; Kurunmäki *et al.*, 2003). The discussions concern whether financial considerations are, and should be, important even on the ground floor, i.e. for the home helpers, assistant nurses and nurses delivering the actual services to the pensioners. In other words, do front-line workers in health and social care take finances into consideration when performing operational activities and what are the implications of this? In this thesis *operational activities* are defined as those activities performed by home helpers, assistant nurses and nurses in the delivery of care to the pensioners.¹⁵

2.3.1 Accountingisation

As a basis for discussing the connections between controls and care work, the concept of accountingisation described by Power and Laughlin (1992) and later used in studies by Lapsley (1998) and Kurumäki *et al.* (2003) will be used in the present thesis. Accountingisation in this thesis is related to what is actually happening in the delivery of care to the pensioners, and refers to the influence of accounting-based administrative controls and the manner in which this impinges on the operational activities.¹⁶ Does

¹⁵ This means that the activities performed by the managers are not discussed as operational activities in this thesis. Management activities are discussed in the sections on administrative controls.

¹⁶ Power and Laughlin (1992, p 132) have a critical perspective when they discuss accountingisation in the public sector, and state for example that "accounting is a potentially colonising force which threatens to delinguistify the public realm." They discuss how accounting has assumed a new and negative significance through the displacement of core values within the public sector. The present thesis does not at the outset have this critical attitude towards accountingisation and does not explore the core values within the public sector. The concept of accountingisation is rather used to illustrate the importance of investigating whether accounting-based administrative controls affect actual work practice in domestic elderly care and, if yes, how this is manifested. Hood (1995, p 93) also discusses the concept of accountingisation but with another meaning than the one used in this thesis. He argues accountingisation means the introduction of even-more explicit cost categorization into

accounting information permeate the practices of social and health care? Do the home helpers take finances into consideration when performing their operational activities, and if so, how is this manifested? How does the individual home helper handle the fact that there are limited resources manifested in the use of budgets? How does he/she act in the specific care giving situations? Will there be a possibility to act without taking costs into consideration or will the financial limits affect what is happening on the ground floor level? These are questions related to the basic control problem sketched out in the introduction.¹⁷ It is possible to discuss how scarce resources are connected to individual behaviour in the actual work practices. It is also possible to discuss the consequences of accountingisation in light of the empirical observations. In the following, empirical evidence from accountingisation and its consequences will be discussed.

2.3.2 A low degree of accountingisation and its effects

There is research, often based on public sector empirical material, which argues accounting-based administrative controls often do not affect operational activities, i.e. a low degree of accountingisation. One example is Berry *et al.* (1985) who study a public organisation, the British National

areas where costs were previously aggregated, pooled or undefined. The present thesis goes one step further and discusses degrees of accountingisation and its effects on operational activities.

¹⁷ It is acknowledged that the discussion of accountingisation in the present thesis bears some similarities with discussions by researchers who draw on institutional theory and use the term decoupling. Administrative controls may be decoupled from action (operational activities). It is argued that it can be rational for public organisations to have decoupling because they have inconsistent demands regarding both financial and quality goals (Mouritsen, 1994). Accounting is kept at arm's length, used as a form of window-dressing in order for public organisations to gain legitimacy, but decoupled from the organisation's core production or service activities (Mouritsen, 1994). The concepts of institution, institutionalisation and institutional environment have been defined in various ways, and there is not one but several strands of institutional theory (Abernethy & Chua, 1996; Ribeiro & Scapens, 2006). DiMaggio and Powell (1983) argue that a central tenet of institutional theory is that organisations are pressured to become isomorphic with, i.e. conform to, a set of institutionalised beliefs. Accounting is then understood as translations of wider control rationalities in society. The interplay between the design and practice of accounting, and the rationalities throughout history is discussed. It is not the aim of this thesis to track and describe the norms and control ideals behind accounting. And it is not the aim of this thesis to describe and analyse the intentions of public sector reforms, or the norms and ideas implicit in these reforms. This thesis rather focuses on the internal consequences of accountingisation in a particular setting. This is not to deny the possibility that the wider rationalities in society are important, but it is not the focus of the present thesis.

Coal Board. They find that accounting-based administrative controls did not appear to be a dominant mode of organisational control, and that the production units were effectively insulated from financial considerations. Financial issues were handled by the finance department and they did not have much contact with the production units. Financial information did not filter through to disrupt production activities.

Similar views are put forward by Nyland and Pettersen (2004), who investigate the link between budgets, accounting information and the decision-making processes at both strategic and operational levels in a large Norwegian hospital. They describe a low degree of accountingisation: the people working in the hospital felt little obligation to the budgets and did not take finances into consideration in their work. The patients and their needs were always put first when the nurses and doctors cared for their patients. Kurunmäki *et al.* (2003) also find a low degree of accountingisation in UK intensive care units. The nurses and doctors treated all people who came through the doors of the hospital. They did not think of costs when they decided how to treat the patients, and accounting information did not affect their decisions when they performed the clinical activities.

2.3.3 A high degree of accountingisation and its effects

There is also research that shows a high degree of accountingisation in the public sector and thereby gives empirical evidence of how accounting-based administrative controls affect operational activities. Llewellyn (1998a) shows that after a period of the extensive use of accounting-based administrative controls, there were profound effects on actual work processes.¹⁸ Care managers, contract managers and finance staff in Scottish social services stopped shielding front-line workers from the effects of financial constraints by underwriting budget deficits. Instead they started to educate the front-line personnel on the importance of a solid financial situation. Front-line social workers often let economic considerations guide their actions, instead of always having the patient's needs as their top priority (Llewellyn, 1998a). This is supported by Blomgren (2003) who shows that accounting-based administrative controls, through the introduction of profit centres, had profound effects on operational activities. The

¹⁸ She uses the words costing and caring, where costing has negotiated the limits of public sector accounting, and caring has distinguished what is or is not appropriate to social work practice. She finds that costing has more and more been incorporated in caring.

nurses thought about costs when choosing material and they wanted to shorten the patients' time in hospital as much as possible, even if this sometimes was not in the best interest of the patients.

Kurunmäki *et al.* (2003) discuss effects of a high degree of accountingisation in two Finnish intensive care units. The care teams used calculative practices, such as costing, pricing and budgeting, in their daily work. Cost reports and budgets were discussed frequently and the doctors and nurses analysed cost deviations in detail: for example why antibiotics use had doubled and what actions could be made to reduce this usage. The personnel also reduced their use of expensive ice plasma by only using it for special operations, and thought of selecting the most cost-effective drug and saving on the use of disposables. They also reduced the number of elective and non-urgent operations, and introduced temporary lay-offs if they did not hold their budget. The personnel explained that operational decisions, for example to cancel elective operations, were primarily informed by financial resource availability.

2.3.4 A high degree of accountingisation if having a long time span

There is research that claims the conflicting empirical evidence on low or high degrees of accountingisation in the public sector has to do with the limited period of time during which the empirical investigations have taken place (Llewellyn, 1994; Östman, 2006). A main point from these studies is that a low degree of accountingisation is only a temporary state in public organisations (Östman, 2006). There will come a time when financial reality will make accounting-based administrative controls important and have effects on operational activities (Östman, 2006).

Llewellyn (1994) emphasises that public organisations face increasing external pressure from society. It is therefore not possible, in the long run, for those working on the ground floor level in public organisations to act without taking finances into consideration. She illustrates her argument with the Berry *et al.* (1985) study. After a period of NCB workers acting without taking finances into consideration, and after financial results declined, the owners demanded changes and demonstration of good financial performance. The same argument is illustrated in her study of Scottish social services (Llewellyn, 1998a). She describes changes demanded by society after a period of low degree of accountingisation. The care manager position

was put into place, there was a transfer of the budget for residential care from social security to social work departments and a turnover of social work personnel, as new more financially-oriented people came to occupy key positions (Llewellyn, 1998a). Llewellyn (1994) argues that there will come a time when society puts enough pressure on organisations so they have to adjust operational activities in order to meet accounting-based administrative controls' demands.

Llewellyn (1994) equates a period of low accountingisation to a decline in financial results. This does not necessary have to be the case, and if it is not, society might not react or demand changes. Östman (2006), who studies the financial and operational development in the Swedish Royal Theatre during the 20th century, extends Llewellyn's arguments by identifying a structural process that, in the long run, will lead to a high degree of accountingisation in many public organisations. He explains that the costs for a given operational activity increased continually for the theatre during the years. The salary levels for the theatre were influenced by other areas in society where the possibilities for increasing productivity were higher, and where the organisations could choose products and services on the basis of profitability and growth opportunities. Since the Royal Theatre had low productivity development ability, and low selection ability, it faced an increase in costs for any given operational task. Due to this structural mechanism, many public organisations will sooner or later experience a financial crisis, there will be a high degree of accountingisation, and the actual work processes will be directly affected by financial concerns (Östman, 2006).¹⁹ Accounting-based administrative controls had profound effects on operational activities in the theatre. For example, shows were cancelled, the time for rehearsals for a show was shortened over the years, and fewer and fewer shows per year were put on.

Östman's connection between a financial crisis and a resulting high degree of accountingisation is also seen in Lindholm's (2003) study of a Swedish public drug treatment unit. She finds that during a period of little financial pressure, there was a low degree of accountingisation and the social care workers acted directly on the needs of the patients. But when the unit felt itself in an economic crisis, there occurred a high degree of

¹⁹ Kurunmäki *et al.* (2003) argue that country-specific factors, such as strength of the management accounting profession and the manner of implementation of public sector reforms, are important for the degree of accountingisation and its consequences. Such professional and institutional factors are not explored in the present thesis.

accountingisation and the front-line workers took costs into consideration, even if this conflicted with the best interests of their patients. The social workers mixed, for example, different types of drug addicts because the care unit needed more “customers”, even if they thought this was not optimal from a medical point of view.

2.4 Theoretical framework

The present thesis aims to develop our understanding of the operation of control in domestic elderly care, where home helpers, assistant nurses and nurses deliver care services to the pensioners. It also aims to extend our understanding of how control is connected to operational activities. The first part of the theory chapter was devoted to developing and explaining the view of control held in the thesis. A control model based on Hopwood (1974, ch. 2) with three different types of controls – administrative controls, social controls and self controls – was discussed and the choice of the model was justified vis-à-vis other control models. Hopwood’s model was extended to include both internal and inter-organisational controls. Internal administrative controls, inter-organisational administrative controls, internal social controls, inter-organisational social controls and self controls were discussed based on Hopwood’s model and later studies on internal as well as inter-organisational controls. Thereafter, the interdependencies between internal and inter-organisational controls were discussed and the different types of controls were integrated with boundaries. It was argued that previous research had too narrow a focus mainly discussing how administrative controls created boundaries. In the present thesis it was described and analysed how administrative as well as social and self controls create boundaries which may or may not coincide. Finally the connections between controls and operational activities were underscored and the concept of accountingisation was discussed. This raised the question of whether home helpers, assistant nurses and nurses take finances into consideration when they perform operational activities and if yes, what consequences can be seen?

2.4.1 A theoretical skeletal framework of controls, boundaries and operational activities

Internal administrative controls, inter-organisational administrative controls, internal social controls, inter-organisational social controls, self controls, boundaries created by the different types of controls, dominant boundaries, accountingisation and operational activities are key concepts in the present thesis. They have been defined, discussed and specified in this chapter and form the theoretical “skeletal” framework in this thesis as depicted in figure 2.2.

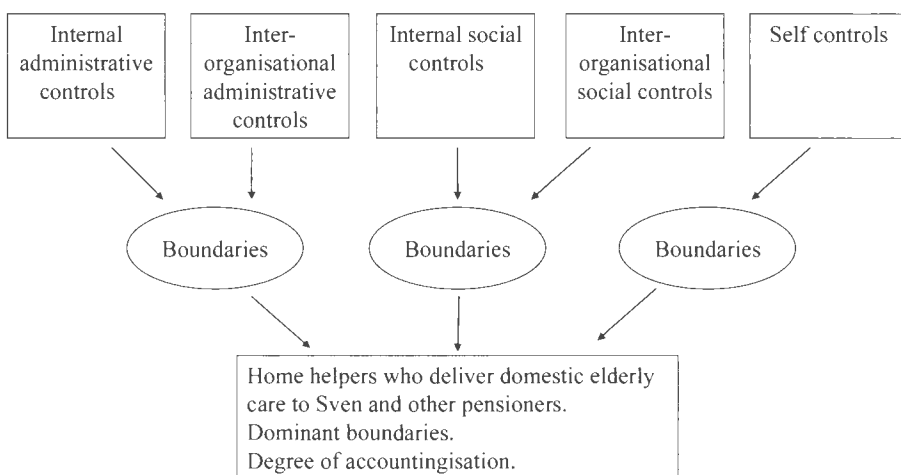


Figure 2.2 The theoretical skeletal framework of this thesis.

We have Sven and other pensioners that need care and we have a society with scarce financial resources and many different alternatives for the use of these resources. The home helpers as well as assistant nurses and nurses are caring for the pensioners. The different controls create different boundaries that may or may not coincide. We also have dominant boundaries manifested in actual work practices, i.e. when the home helpers deliver domestic elderly care to the pensioners. Accountingisation is used to describe if, and how, accounting information permeate the actual work practices of social and health care. The theoretical framework highlights the importance of an empirical investigation to shed light on how the different types of controls and the drawing of boundaries affect the delivery of care to the pensioners.

The skeletal framework is static in the sense that we can conceptually freeze-frame the operation of control and the operational activities performed at particular points in time (Coad & Cullen, 2006). The different controls, as well as the boundaries created by the controls, are analysed as separate analytical categories. Take the concrete situation when home helper Petter is to perform services in Sven's home. Do the different controls create boundaries that coincide? What influences Petter? How can the different control impulses be described and is there tension between them? What consequences can be seen for the operational activities? Will financial considerations be important for Petter? And if so, what concrete actions may be noted as a result of a high degree of accountingisation?

By using the theoretical skeletal framework, new dimensions in the interdependencies between internal and inter-organisational controls beyond what is found in extant literature may be explored. Whereas previous research has discussed how administrative controls create boundaries, with implications to internal and inter-organisational relations, the present thesis acknowledges that social and self controls also create boundaries. There may be tension between the different types of controls and boundaries, which then may have implications for internal and inter-organisational relations. There may be different views between the managers, the groups and the individuals on how to organise and deliver care to the pensioners.

The theoretical framework focuses on the behaviour as such (i.e. actual work practices), and what might influence behaviour, (i.e. the different types of controls and the boundaries they create). The different types of controls and boundaries are treated as analytically separable variables at a given point in time. The actual behaviour, on the other hand, may be a mixture of impulses from the different controls. Managers try to influence behaviour via administrative controls; groups other than managers may influence behaviour via social controls; and personal values might also influence behaviour via self controls. These different control impulses may or may not work in the same direction and they may or may not create similar boundaries in the organising and delivery of care to the pensioners.

2.4.2 Consequences of accounting change – before, during and after a financial crisis

Even though the framework is static in the sense that controls and their connections to operational activities are conceptually freeze-framed at particular points in time, the importance of change over time should also be recognised. Do the different types of controls change over time? Do they affect each other? Do the boundaries created by the different types of controls change over time? Do operational activities change over time? What internal/inter-organisational dynamics can be seen? These are all questions related to dynamics. Here the present thesis follows Lind (1996, p. 62) and Cuganesan (2006) and makes inferences about dynamics and change over time by comparing different freeze-frames, or snapshots. How the different types of controls and the different types of boundaries seem to interact and affect each other, and the consequences of the interaction for the operational activities, will be discussed. Andon *et al.* (forthcoming) divide an ongoing research agenda of accounting change studies into studies that explore preconditions, processes and organisational consequences of accounting change. The present study belongs to the category that studies organisational consequences of accounting change, i.e. that sees management accounting change as an outcome and studies the implications that management accounting change can have on the character of organisational functioning. Why and how management control becomes what it is, or is not over time, i.e. management accounting change as a process, is not explored in this thesis (see Burns & Scapens, 2000). The mobilisation of resistance in change processes, and a discussion of the concepts of accounting change and organisational change themselves, are not concentrated on in the present thesis (see Scapens & Roberts, 1993; Quattrone & Hopper, 2001).

When choosing the different empirical episodes, i.e. the different freeze-frames, this thesis follows Abernethy and Chua (1996), Lindholm (2003) and Östman (2006) and divides the episodes on the basis of a feeling of economic crisis within the organisation or unit brought about through budget deficit or cash shortage. This is a common approach in public sector studies, as large budget deficits can be expected to lead to a sense of crisis and often a transition towards more focus on financial aspects (Ahrens & Chapman, 2002). What happens with the different types of controls? What happens with the boundaries created by the different types of controls? What happens with actual work processes? This will be discussed in the thesis by describing and analysing three empirical episodes which represent different states with regard to an experienced financial crisis within the home helper

units. The first episode, freeze-frame one, is about a period before an economic crisis. The second episode, freeze-frame two, is about a period when a financial crisis is experienced in the home helper units and people fear for their jobs and the survival of the units. There is an increased use of internal administrative controls and the boundaries created by internal administrative controls become more prominent. The third episode, freeze-frame three, is about a period when the home helper units have made it through an economic crisis and the situation now is said to be stable without a threat of not surviving as units. These three episodes will be compared in order to make inferences about changes in controls, boundaries and operational activities over time. The empirical material in this thesis is hoped to give new insights to internal/inter-organisational dynamics by including episodes before, during and after a financial crisis.

In the empirical part of this thesis, a case study of domestic care of the elderly in a large city in Sweden will be presented and interpreted in the light of the skeletal framework. This empirical material gives “flesh” to the “skeletal” framework and provides insights related to the basic control problem with on the one hand, the pensioners needing care and on the other hand, financial scarcity and alternative use of financial resources in society. The empirical episodes will be presented just after the methodology and methods chapter which now follows.

CHAPTER 3

METHODOLOGY AND RESEARCH METHODS

When I read a number of methodology and research methods chapters in dissertations, I found that the research process was often described in a linear and neat way. I had another experience of the research process when writing my thesis. I will illustrate this with the story about my writing of the thesis, a non-linear journey where I have learnt a lot and have had many “Aha!” experiences. Irvine and Gaffikin (2006) emphasise the need for being honest as a researcher, and explicitly state the dynamics and the blurry procedure of research.

3.1 The short version of my research process

3.1.1 “Aha!” experience number one. “Yes! I know what to focus on!”

When I started as a Ph.D. student, a number of doctoral courses gave me a general knowledge of theories and approaches in business administration and economics. My main supervisor, Professor Johnny Lind, was interested in the field of inter-organisational control which I also found interesting. Since it was a new field of research it was relatively easy to get an overview of the published literature on inter-organisational control. There seemed to be little empirical research on inter-organisational control in the public sector. Here I can make a contribution, I thought to myself.

I wanted to do an empirical case study based on interviews and interact with practitioners and talk to them about their experiences. But what public sector service should I choose? I had read in the newspapers about the cooperation problems in elderly care and it was a subject that many people seemed to be interested in. Elderly care was also one part of a research project headed by Professor Johnny Lind, and he had access to elderly care via some of his contacts. I called the numbers he gave me and I was granted access. It was just a matter of getting started. I wanted to get a feel for care of the elderly so I did a pre-study.

3.1.2 “Aha!” experience number two. “Kalle, don’t be so technocratic, think about what kind of research you want to do!”

After completing the pre-study I started to work on my thesis plan. I wrote about the need for studies on inter-organisational control in the public sector, drawing on the published literature on inter-organisational control. I also included some observations from the pre-study and some of my thoughts about analysis. Professor Lars Östman, one of my supervisors, read it and we sat down to talk. He told me not to be so technocratic and think about what kind of research I wanted to do. We discussed the importance of thinking about basic control problems in my setting and thereby I got some perspective on the inter-organisational relationship and inter-organisational control. What do I want to achieve with research, what is the meaning of what I do? I had been too focused on reading literature and on finding an area only slightly explored where I could make a contribution. I had forgotten to ask myself the important questions of the purpose of my research.

I wanted to do research of interest to both the research community and to actual practice. Humphrey and Lee (2004) stress the need for doing research that is of personal interest and intriguing; that the problems being studied and the motivations underpinning the work are the most significant dimensions of research. The first methodological question to ask should be: who am I? Some of the justifications for choices in this thesis will also be of a personal kind.

I realised that I was too preoccupied with inter-organisational control and the literature connected to that. Now I tried to understand what care for the elderly was all about, and how I could discuss it from the angle of management control. I started to think about the pensioners; in the end it all boils down to their needing social and health care and this care cannot cost too much money. It has to do with control and operational activities. By bringing Sven into the thesis, I tried to think of a basic control problem of interest to both practice and research. I realised that inter-organisational control was one part, but that it also was connected to internal control. I did not see the importance of this link in the literature on inter-organisational control. The link was often not even mentioned in the literature; inter-organisational control was typically described and analysed isolated from internal control. By reflecting in this way I found another research question: the interdependencies between internal and inter-organisational controls.

I started to reflect on my personal view of the role of theory. It became clear that theory was a way of understanding the empirical data. I did not want to start with a theoretical problem and illustrate an abstract social theory with my empirical material. I wanted to start with a basic practical problem, a problem-based approach, and use theory to help me structure and understand empirical data.

3.1.3 “Aha” experience number three, “Go to your empirical data”

By the time I had finished the pilot study and started the main study I wanted to finalise the main parts of my theoretical framework so I could organise and analyse the empirical data in a systematic manner. Until now I had used Ouchi's (1979) control framework, complemented with various other literature on inter-organisational control and internal control in the public sector. I used Ouchi's model because some of the previous studies on inter-organisational control had used it. But I felt that something was missing, I did not get a good understanding of my empirical material. “Go to your empirical data”, Professor Trevor Hopper, one of my supervisors, said. He told me to go through my empirical material over and over again so I knew it well. So I did, and after some time I realised that the missing parts were the home helpers, assistant nurses and nurses. Everything I wrote on control was seen from the managers' points of view. But the managers are not in Sven's home; they control at a distance. There must be other important controls in Sven's home as well. I needed a new model of control.

After careful reading of control literature, I came across Hopwood's (1974) model of control, discussing administrative controls, social controls and self controls, and underscoring the need to concentrate on more than just the managers when discussing control. I thoroughly read Hopwood's (1974) book and felt that this was a control model that suited me. I talked to Professor Johnny Lind about it and we agreed on me using Hopwood's model of control in the thesis. I realised the importance of what Professor Trevor Hopper said; only by knowing my empirical data well could I realise what was missing. I finalised my empirical data collection and modified the theory chapter. And after a number of draft versions, the thesis was finished.

What about the research process? It has not been linear; rather it has been a process of my gathering data, reading literature, analysing data, reflecting, talking to supervisors and colleagues, getting “Aha!” experiences, revising

drafts, all this in a non-linear way. My theoretical framework has developed and changed as I was confronted by the empirical data, reflected upon it and talked with supervisors. This was the short version of my research process. For those especially interested in methodology and research methods, a number of questions arise. These are: Why a problem-based approach? What are the intellectual and philosophical underpinnings of the study? Why domestic elderly care? Why use case study as the research strategy? How was the empirical data collection made? How was the empirical data analysed? These questions will be discussed in the following sections.

3.2 Why a problem-based approach?

The present thesis aims to do research that is of interest to practice as well as to the research community. This follows Humphrey and Scapens (1996) who argue that it is important to make theoretical contributions, but not at the expense of focusing on too narrow of angles or issues of low relevance to practice. Chapter one started with the delivery of care to Sven in order to get a feeling for the practical problems involved in domestic care of the elderly. The introduction of the thesis was based on empirical findings from the interviews and it concentrated on issues and questions raised from the empirical case. On the basis of the empirical introduction, a basic control problem was discussed; Sven should get social care and health care and this cannot cost too much. The importance of having a basic control problem from the empirical setting as the reference point against which to analyse and discuss the findings was stressed. The purposes in the thesis should not be delimited so the basic dilemma with care needs on the one hand, and limited financial resources on the other hand, cannot be discussed effectively. This is one important dimension to a problem-based approach.

Another important dimension is the role of theory. Hoque and Hopper (1994) advocate an approach by beginning with a practical problem and then choosing a theory, or several theories, that seems to fit this problem. One might start with a puzzling event from the case, or discuss basic control problems in novel empirical contexts. Hoque and Hopper (1994) argue for doing a pilot study in order to become familiar with the empirical material and then choose a theory or theories. In this way we try to identify important basic empirical problems and then try to understand them with the help of theory. This is in line with Humphrey and Scapens (1996) who underscore that theory may both be informed and developed by empirical observations. It is important to establish the empirical case itself as the focal point of the

research process rather than to focus on a particular social theory. In this way "accounting research becomes driven by problems and issues relating to accounting practice, rather than by the concerns of social theorists" (Humphrey & Scapens, 1996, p. 100).

With theory acting in this role in the present thesis, it becomes important to be open to continuously questioning the theoretical framework and changing and modifying it as a result of the empirical investigation. First, a narrow perspective was held, looking at inter-organisational control in isolation. But with attention on a basic empirical control problem it was soon realised that this was not meaningful from a problem-based point of view since much of the operational activities for the home helpers had to do with internal issues and not the cooperation. The inter-organisational relationship needed to be put in its context.

Summing up, this thesis has an approach in the introduction and a theoretical framework focused on basic issues raised from the empirical setting rather than starts by issues and questions raised by using a particular social theory. This is a personal value of the author that has guided the research. The focus in the thesis is aimed to be intriguing and interesting both to researchers and practice. We have a very private and intimate situation when the home helpers care for the pensioner in the pensioner's home. We also have professional organisational hierarchies with demands on balanced budgets.

3.3 What are the intellectual and philosophical underpinnings of the study?

Hopper and Powell (1985) argue that fundamental intellectual and philosophical assumptions underlie all research and these assumptions should be recognised to ensure that they are consistent with the personal beliefs of the researcher. When discussing the intellectual and philosophical underpinnings of this thesis, a useful starting point is the framework of Burrell and Morgan (1979, p. 22). Their framework has been discussed frequently in the literature on accounting (Hopper & Powell, 1985; Chua, 1986; Laughlin, 1995; 2004; Scapens, 2004) and points at important issues for the researcher to discuss. Burrell and Morgan (1979, ch. 3) propose that social theory can be conceived in terms of four key paradigms – functionalist, interpretive, radical humanist, radical structuralist – based

upon different sets of assumptions about the nature of social science and the nature of society.

In each paradigm there is a position on being, on the role of the investigator, on perceptions of society, on perceptions of understanding and ways to investigate the world (Laughlin 1995). Burrell and Morgan (1979, ch. 3) emphasise that the epistemological and ontological assumptions embodied in each paradigm are mutually exclusive. Each paradigm stands in its own right and generates its own distinctive analysis of social life. This insistence of mutual exclusivity is often criticised as it holds out the unwelcome promise of a social science that is forever internally divided (Laughlin, 1995).²⁰ Dialogue between paradigms is precluded. For example Burrell and Morgan's (1979, p. 3) notion of a dichotomy between the subjective and objective view of the world has been criticised because, although the social world may be subjective, individual social actors generally perceive it as objective (Scapens, 2004). Burrell and Morgan's framework has therefore been extended in different ways, in the literature on accounting by Laughlin (1995; 2004) and Scapens (2004).

These authors cluster Burrell and Morgan's five positions under three broad bands labelled "theory", "methodology" and "change" choices (Laughlin, 1995; 2004; Scapens, 2004).²¹ Theory choices involve deciding on a view about the nature of the world and what constitutes knowledge either past or present and how it relates to the current focus on investigation (Laughlin, 1995). They also include the extent to which prior theory is used to inform the research (Scapens, 2004). Methodology choices involve the role of the researcher and the level of theorisation applied to the research methods (Laughlin, 1995). Change choices are about the level of emphasis the researcher gives to the critique of the status quo in society and the need for change (Laughlin, 1995). It is stressed that all three dimensions need to be considered and discussed by the researcher (Laughlin, 1995; 2004; Scapens, 2004).

²⁰ See Willmott (1993) for a critique of Burrell and Morgan's framework.

²¹ For a critique, see Lowe (2004).

3.3.1 Theory choices

Ontology

Assumptions of ontological nature involve the very essence of the phenomena under investigation (Burrell & Morgan, 1979, p. 1). How is reality perceived? On the one hand, we have the viewpoint where reality to be investigated is external to the individual and independent of the observer (Tomkins & Groves, 1983). On the other hand, we have the viewpoint where reality is the product of individual consciousnesses where each and every one of us has our own reality (Tomkins & Groves, 1983).

The viewpoint in this thesis is neither of these two extremes.²² Reality is more than a projection of our minds, a material reality distinct from our interpretations is recognised while at the same time the inevitable perceptive bias in models of understanding is not dismissed (Laughlin, 1995). There are conceptual patterns which can be described by skeletal theories, but they are only partial and incomplete (Laughlin, 2004). Concepts such as control and accounting are not objective phenomena in an ontological sense, constituting truth as if they had an independent existence detached from those involved. The individuals experience control and they are not free from subjective values. A lot about control is happening within people; different people have different views and pictures about what is going on. These pictures are connected to each person's experience and views at the moment they happen. So in this way it is not only an epistemological question for the researcher, it has also to do with the ontological nature of the operation of control as such. It is therefore important to bear in mind that the descriptions from the interviewees are their experiences.

Epistemology

Epistemology is about how we gain knowledge of the phenomenon we are researching and the grounds for making knowledge claims (Burrell & Morgan, 1979, p. 1). Epistemology is linked to the assumptions of ontology. If one views the world as objective, then a good way to gain knowledge about this reality is to carefully choose samples, operationalise concepts, test hypotheses and search for regularities and casual relationships between its constituent elements (Morgan & Smircich, 1980). Truth and prediction are central, and growth of knowledge is cumulative where new insights are

²² See also Laughlin (1995; 2004) who advocates this middle range position.

added to the existing stock of knowledge and false hypothesis eliminated (Morgan & Smircich, 1980).

If, on the other hand, reality is seen as a projection of one's imagination, it can only be understood as the point of view of the individuals who are directly involved in the activities which are studied (Morgan & Smircich, 1980). One can only understand by occupying the frame of reference of the participant in action and one has to understand from the inside rather than the outside (Morgan & Smircich, 1980). The principal concern here is with an understanding of the ways in which the individuals create, modify and interpret the world (Burrell & Morgan, 1979, p. 3).

The viewpoint in this thesis is once again not as extreme as the two polar alternatives. Understanding, rather than prediction, is relevant for the present study. Control is not some context-free phenomenon, it is a social practice conducted by diverse social actors (Laughlin, 1995). This thesis does not intend to uncover an objectively defined and hypothesised form of control. There are structures that underlie social situations, i.e. assumed general empirical patterns, but they do not fully capture the diversity and detail of the empirical situation (Laughlin, 2004). Hence, the empirical situation cannot be fully captured in and through theoretical terms and concepts. The empirical detail is therefore of vital importance in the research. It complements, completes, enriches, and hopefully extends the theoretical skeleton (Laughlin, 2004). Empirical detail is needed to make the skeleton complete in particular contexts, and empirical detail is as important as the skeletal theory. To give flesh to the skeleton is a key purpose for empirical engagement. The present thesis does not focus on how people arrive at their subjective values, i.e. the processes of constructing what they say. This thesis rather acknowledges that people who receive questions about control and operational activities describe it in this way. It is not about writing one story of what has happened and the only problem as a researcher is to find out this clear-cut story (Irvine & Gaffikin, 2006).

These ontological and epistemological assumptions have implications for the methods used in the present thesis. The aim is not to study the operation of control and its connections to operational activities through objective categories and to verify them by detailed statistical analysis. Rather, this thesis aims to develop our understanding of control and operational activities through an in-depth case study, using interviews. By conducting interviews, access is gained to case participants' views and interpretations of actions and

events and thereby this thesis tries to identify how control and operational activities were experienced in practice.²³

The role of theory

One important consideration when conducting case studies is how to incorporate theory (Llewellyn, 2003). The role of theory in the present study links to the ontological and epistemological assumptions discussed above. High levels of prior theorising indicate an assumed material world, which despite empirical variety, has high levels of generality and order and has been well researched through previous studies (Laughlin, 1995). One starts with theory and develops a hypothesis to be tested with empirical data. The investigation then becomes an additional incremental study. As such, the detail and the diversity of the empirical focus are not as important in comparison to the question as to whether the observations continue to conform to the well-developed theory used in the research (Laughlin, 1995). This role of theory is not applicable to this thesis and it does not link with the ontological and epistemological views held.

The other extreme is that the world is not material – it is a projection of our minds – and since such projections differ, generalities are impossible (Laughlin, 1995). Learning and relying on previous theoretical insights is potentially corrupting of the diversity and detail of the present study. Empirical detail is important in its own right. This detail becomes the theory for this particular phenomenon but cannot be transferred to another study. One starts in the empirical material, and then generalises and formulates a theory to explain the observed phenomena (Laughlin, 1995). This role of theory is also not applicable in the present study.

This study is more in the middle of these two extremes. There is available theory relating to the specific area of research, but the intention is to develop it further. Theory is used as a skeletal framework, to focus research on specific issues of interest (Laughlin, 1995; Scapens, 2004). There are so many aspects to observe within domestic elderly care. What should one concentrate on? Here theory can sensitise the research to particular issues and provide a way of illuminating the relevant aspects of the case (Scapens, 2004). For example, Hopwood's (1974, p. 22) model of control is used to sensitise the research to three types of control impulses. But it is not a grand

²³ For a more extensive discussion of research methods, see sections 3.4 and 3.5.

theory; it can be developed and the casualties are hard to form in advance. Therefore, unduly pre-determined categories and causal chains are avoided (Atkinson & Shaffir, 1998).

This thesis also shares the view expressed in Humphrey and Scapens (1996) that there is no epistemological demand for a researcher to subscribe to the entire methodology of a social theorist when using a metaphor or concept from that theory. The metaphor or concept can be valid if it helps to provide a good perspective on the problems and questions raised by the empirical case. This implies that theory could comprise social theories, or simply metaphors and concepts which help us to focus on particular aspects of the case (Scapens & Roberts, 1993). Explanations come from the case, not from some theory which is imposed on the case. One example in the present thesis is the use of accountingisation, borrowed from Power and Laughlin (1992). Accountingisation was found to be a useful concept for illustrating the question whether home helpers take finances into consideration when they deliver care to the pensioners, and the consequences and issues raised by this. This thesis did not, however, use Power and Laughlin's (1992) critical discussions of the development in the public sector due to the increased use of accounting-based administrative controls. Another example is the use of Hopwood's (1974, ch. 2) three categories of controls. To be able to use them for analysing the empirical data in a manageable way, the author of this thesis concentrated on certain aspects of social and self controls instead of using Hopwood's broad definitions.

Llewellyn (2003) argues that there is a need for a stronger relationship between the development of theory and the data observed in the empirical material. Humphrey and Scapens (1996) state that a theoretical framework is a good starting point for any case study, but it is important to be open to challenge this theory and refine it during the research process. As Humphrey and Scapens (1996, p. 91) put it:

Any apparent coherence achieved by using a predetermined theory as a lens through which to interpret a case could well be gained at the expense of ignoring organizational dynamics and tensions which do not readily fit the chosen theory. The researcher may need to refocus, regrind or reshape the chosen lens and even combine it with other lenses in order to secure a coherent theoretical framework for the specific case study.

The process in this thesis has not been linear; it has more been back and forth between empirical data and theory and analysis. Therefore the literature study and the empirical study have been carried out in parallel, empirical results have influenced the choice of the literature and literature has influenced focus of the interviews. Theory both informs empirical observation and is developed by it. The initial theories have been revised and reformulated in the light of empirical observations. For example, the use of Hopwood's (1974, p. 22) model instead of Ouchi's (1979) model was motivated by the interpretations of the empirical material.

Theory is also an output of research. The patterns observed in the empirical case can themselves produce theory. An underlying assumption in the thesis is that there are no comprehensive approaches to understanding the empirical world. When taking about generalisation it is therefore important to state that statistical generalisation to some broader population is not the primary objective in a case study (Scapens, 1990). The intention is rather to interpret and make sense of the case and thereby go to the bottom with a specific problem and to increase knowledge of the research questions (Scapens, 1990). This thesis does not generalise in a statistical sense. But there is the possibility of theoretical generalisation in two somewhat different ways (Scapens, 2004). First, the explanations which are constructed about the case represent a type of theorisation, one which could be useful for other cases. Subsequent case studies could then extend the explanations to other cases, possibly in different contexts, or with different characteristics within the case (Scapens, 2004). If the theory from the case provides explanations of the new cases, it could be said to be generalised; as it not only explains a specific case, but also other and possibly more diverse cases (Scapens, 2004). Secondly, explanations derived from this particular case study could be extended to other cases because they have similar theoretical characteristics (Scapens, 2004). In this way theoretical arguments are used to apply the explanations of this case to a broader set of phenomena.

3.3.2 Methodology choices

Methodology choices have to do with the role of the researcher in the discovery process and the level of theoretical formality in defining the nature of the discovery methods (Scapens, 2004). In this thesis, there has been some theorisation of the methods as prior theory has been used to identify suitable cases for the research and the empirical data has been coded in the analysis (Darke *et al.*, 1998). There is researcher involvement in the present thesis,

the study has not been conducted at a distance, rather in interaction with the interviewees during the interview situation. There is always a possibility that the researcher may affect the phenomena under research. This does not invalidate the research, but it is important to acknowledge that the researcher is not independent of the case (Scapens, 2004). Two types of biases may be recognised. First there are the effects of the researcher on events and the behaviour of participants at the case study site. Second, we have the researcher's own beliefs, values and prior assumptions which may prevent adequate investigation and consideration of possible contradictory data and unduly influence the analysis of case evidence (Darke *et al.*, 1998).

Biases arising from the researcher effects at the site are in one sense unavoidable: the researcher is influencing what is happening just by the sharing of concepts and interpretations with personnel at the site (Scapens, 2004). It is acknowledged in the present thesis that the researcher is implicated in the phenomena being studied. The researcher needs to be conscious about potential influences and seek to manage the relationships with the interviewees (Scapens, 2004). Direct or participant observation was not used in this thesis, and it was explained to the interviewees that focus was on understanding their points of view. The interaction with the interviewees was also found to be a major strength. The personal engagement with the respondents made it possible to develop a relationship of trust which was needed to get sensitive information from the interviewees. This information was useful for understanding the operation of control and the connections between control and operational activities in domestic elderly care.

Biases in the researcher's collection and analysis of data can be counteracted by a number of means, for example by using multiple sources of evidence and by feeding back case descriptions to the interviewees (Scapens, 1990). However, the empirical results presented in this thesis and the analysis and conclusions are to be understood as one of many possible interpretations of the material. No case study researcher can claim to provide an objective assessment of events (Scapens, 2004). The present thesis relies to a considerable extent on the descriptions of events provided by organisational participants. These descriptions are themselves based on the individual participants' own interpretations of their social reality. Case studies comprise "interpretations of interpretations" (Scapens & Roberts, 1993, p. 3) and they do not represent unproblematic facts about some absolute reality. It is the interpretation of the particular circumstances of the case which

provides the explanations. Another researcher will most likely interpret the empirical material in another way. The author of this thesis is the active participant in the construction of the case study; it is the author's interpretation and not a privileged truth claim. It is claimed however that the author's interpretation is plausible, worth reading and believing in. A number of things have been done, described in the following, in order to increase the reader's confidence in what is written.

The interviews were prepared for by reading background material on the interviewees and the organisation. All but sixteen interviews were tape-recorded and transcribed into written form, something advocated by Darke *et al.* (1998). Sixteen interviewees did not want to be taped; during these interviews notes parallel to interviewing were taken. It has been specified how data has been collected, analysed and interpreted in order to demonstrate the trail of evidence which the analysis has followed so that the derivation of the case study conclusions from the case data is made explicit (Darke *et al.*, 1998). When writing the empirical episodes, as many sources as possible to support the empirical claims were used, thereby triangulating empirical data (Scapens, 1990). It was compared what different people said about similar events and further comparisons were made of interview data and documents. The aim was to generate a rich source of field data with internal checks on its validity. The interpretations of the case were also discussed with a number of the interviewees to reduce researcher bias (Scapens, 1990).

When interviewees talk about the past it can impose the problem of their not really remembering or remembering wrong. In interviews there is also a question whether the interviewees have been honest in their answers. There is a danger that when people refer back to earlier events, there is a roman-tisation of previous actions. The author tried to overcome these potential problems by asking many people to give their versions, not all of them could possibly forget. Different descriptions of the same issue were compared and they were complemented with documents if possible. A sign of the interviewees being honest in this study is that some of the information given was not complimentary to themselves or their colleagues.

In order to make it easier for the reader to follow, tables and figures have been used to summarise important findings. As Darke *et al.* (1998, p. 287) put it: "Presentation of data in tabular form is often a useful means of summarizing and compressing data, and is effective when making

comparisons either between cases or between features or aspects of a single case.” Furthermore, the different empirical episodes were structured in the same way to enable a clear comparison between the episodes. Many quotations have been used in order to make the thesis more concrete and alive, an approach advocated by Baxter and Chua (1998). The interviewees were encouraged to give concrete examples instead of just talking on a general level. A number of things were also done in order to create a good interview climate. This is especially important in this study since questions were sensitive, about patients, ethics and mistakes. The interview started with some general questions and it was communicated to the interviewees that many interviews had been conducted and thereby the interviewer already had sensitive data and was able to judge the credibility of what they said. The interviews were also conducted at their working place so they could easily get documents of interest. Furthermore the questions asked have been broad and the interviews have developed differently depending on how the interviewee has answered and the knowledge he/she had.

3.3.3 Change choices

Research approaches can concentrate on explaining the nature of social order, or be more concerned with problems of change and conflict (Laughlin, 1995). The sociology of regulation refers to writings of theorists who are primarily concerned with providing explanations of society (Burrell & Morgan, 1979, ch. 2). The sociology of radical change involves finding explanations for radical change, modes of domination, deep seated structural conflict which the believers see as characterising modern society (Burrell & Morgan, 1979, ch 2). The researcher wants to develop alternatives rather than accepting the status quo.

The aim with this thesis is not to bring about radical change in the way society is regulated or in the current situation that is investigated. The author does, however, think that researchers have an important role in discussing and debating the use and effects of accounting and other administrative controls in the public sector. A good way to inform such a debate is to conduct a large empirical investigation, and based on the empirical findings, discuss practical implications. A number of questions are raised in the discussion in chapter eight, some of them a bit provocative. General solutions to problems faced by practioners will not be provided, rather the thesis aims to provide practioners with a deeper and richer understanding of the social context in which they work and make them aware of problems and

the possibilities for solutions (Scapens, 1990). The thesis provides some basis for reconsideration of social practices and some means of identifying opportunities for change. But changes are not demanded, it is up to the people working with domestic care of the elderly to think about the findings and discussions and thereafter decide how they will continue. The author will feed back the research findings to practitioners who thereafter may or may not refine their views and practices. It is hoped that the findings will initiate discussions about control of domestic elderly care and public sector more generally, as well as discussions of the effects on the operational activities. Hopefully these discussions will be held on many different levels in the organisational hierarchies.

3.4 Why domestic elderly care?

When the literature review showed that inter-organisational control in the public sector was only lightly explored the author had to decide what public sector service to focus on. Care of the elderly was chosen. Newspapers wrote about old people “falling in the cracks” because the different units could not cooperate. Here the author was guided by a wish to study something that was spoken about, something of public interest. The thing that finalised the choice was that the author was granted access to elderly care in a large city in Sweden.

The choices of domestic care of the elderly and the inter-organisational relationship between the home helper unit and the health centre were made after the pre-study. It was seen that cooperation between the home helper unit and the health centre was important in care for the elderly, as home helpers, assistant nurses and nurses are frequently involved in care. Compared to for example elderly homes, cooperation issues seemed more complex in domestic elderly care as the different professional groups come from two different hierarchical organisations and are mixed in the pensioner’s own home.

3.4.1 The choice of city districts

No attempt was made to obtain a random or statistical sample of practice. Instead two city districts were selected for their potential to illustrate the operation of control, and the connections between controls and operational activities, in a good way. The two criteria were the financial situation in the

home helper units and the perceived functioning of the inter-organisational relationship between the home helper unit and the health centre. District one was chosen because the home helper units experienced an economic crisis and the cooperation between the health centres and the home helper units was perceived to be poorly-functioning. District two was chosen because it was known for having a well-functioning cooperation between the health centres and the home helper units. The home helper units in District two had survived a financial crisis and now had had a positive income flow for some time. The two districts are similar in other important aspects, such as number of pensioners, location and budget size. The author hopes to get interesting findings from each empirical episode separately as well as additional insights when comparing them.

When adopting a case study approach there is always a trade-off between width and depth (Darke *et al.*, 1998). However, case study research cannot depend on numbers for epistemological justifications (Scapens, 2004). It was judged as necessary to do many interviews in the two districts and it was soon realised that two districts were enough. This had to do with the limited time frame for the thesis. Humphrey and Lee (2004) note that a limited time frame is a factor which must be allowed to justify choices in a dissertation. Scapens (1990, p. 276) describes the difficulty of drawing boundaries around the subject matter of the case. As he puts it: "The holistic ideal of studying all aspects of a social system is clearly unattainable and we must be satisfied with approximations. Case study researchers must place some limits on the subject matter." The empirical data collection has been delimited to only cover internal control in the home helper units, meaning that the internal control in the health centres is not studied. This delimitation is partly made to acquire a manageable empirical material and partly because the health centres did not want to discuss their internal control in any detail. It is recognised that a potentially important source of additional dynamics to the interdependencies between internal and inter-organisational controls thereby is missed. It also gives the author more of a municipality perspective than county perspective. The description of the inter-organisational relationship and inter-organisational control is, however, based on empirical material from both the health centres and the home helper units.

3.4.2 The choice of interviewees

The interviewees in the pre-study and pilot study were found in a snowballing effect. One person was interviewed who then recommended other people. For the main study the author was pickier. Many people had been interviewed and the author knew how to search for possible interviewees. In the main study the interviewees in District one were chosen on the criteria that they had worked for such a long time in the district so they had experiences from both the period before a financial crisis (Episode one) and the period during a financial crisis (Episode two). No one rejected an interview.

This thesis is concentrated on the operation of control and the actual work processes in domestic elderly care. When it comes to control, these issues can be covered by interviewing managers, home helpers, nurses and assistant nurses and by studying documents. When it comes to operational activities, one might ask why the author has not spoken to the pensioners and thereby has only relied on those delivering care. However, with regards to the purposes of this thesis it was not found necessary to talk to the pensioners. It is reasonable to expect that the demands and views that the pensioners have on their lives and care needs will be heterogeneous. The object of this thesis is not to try to map out how these demands vary and to identify these patterns. The point of departure, when describing and discussing control and operational activities in this setting, is from the fact that they vary; the professional system should fulfil needs that vary between the pensioners.

3.5 Why use case study as the research strategy?

As was described in the introduction, there is little empirical research on inter-organisational control in the public sector and this was a starting point when deciding to do an empirical study on care of the elderly. There are different strategies for empirical studies; case studies, laboratory experiments, survey studies and archival analysis (Birnberg *et al.*, 1990; Yin, 1989, ch. 1). Case study as the research strategy was chosen. Yin (1989, p. 23) defines a case study as an empirical inquiry that investigates a contemporary phenomenon within its real-life context, when the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used. Important things to consider when deciding the appropriate research strategy should be the research question, how much knowledge there exists and the possibility of being able to

conduct the strategy (Scapens, 1990). The author of this thesis would like to add one important issue: the researcher's own personal preference. Easton (1995, pp. 414-415) discusses axiology, i.e. the personal values and goals of the researcher, as an important influencing factor of choices implicit in how a piece of research has been carried out. The author of the present thesis wanted to do a case study with interviews and go out in the field and talk to people in order to try to understand how they perceive their situations. Except for the personal beliefs of the author, there are also a number of other justifications for case study as a suitable method in this thesis.

It is argued that case study is a suitable method when exploring areas where theory is not so well developed and where the aim of the researcher therefore is to generate new knowledge (Yin, 1989, ch. 1). This fits with this study as the literature review shows that inter-organisational control in the public sector, as well as the interdependencies between internal and inter-organisational control in general, are little explored in previous research. Given that it was difficult to form tight predictions of what may occur from the extant literature, the detailed data from the case study, the capacity for rich explanations and its flexible research design were seen as particularly advantageous in the pursuit of the objectives in the thesis.

Moreover case study is argued to be a proper method when wanting to explain a complex phenomenon in its real context (Yin, 1989, p. 23). The aim is to understand the operation of control and the connections between controls and operational activities in domestic elderly care. Previous research on inter-organisational control argues that the area is complex and multifaceted which justifies the choice of case study method (Atkinson & Shaffir, 1998). The case study gives the possibility to capture important factors that give a deep understanding of a complex phenomenon. Similar arguments are used by Otley and Berry (1994), who suggest that it is not realistic to believe that statistical methods will increase the knowledge of complex patterns of interaction. In recent years, a dramatic increase in case studies in the literature on accounting has been seen, and it has been argued that more are needed in order to capture the dynamic and contextual complexity of organisations (Irvine & Gaffikin, 2006). An important necessity when applying a case study method is that the researcher has good access to the organisations (Scapens, 1990). Here it can be mentioned that all those who were involved in the study have been very helpful and access to interviewees has been almost unlimited. The author has also gotten access to internal documents.

When comparing the different methods for empirical studies it can be concluded that by doing a case study the author was able to make observations of complex phenomena on a detailed level in an area little explored in previous research. With a survey study it would have been difficult to capture the depth of detail required for describing and discussing control in the pensioner's home, and the connections between controls and operational activities. Interviews allowed the author to hear the people quite freely offer their interpretation of their situation, and the author had freedom to move in any direction that appeared interesting and rich in data (Darke *et al.*, 1998). And since there is limited prior research, it would have been difficult to know what questions to put in a survey.

In experimental research the use of a laboratory divorces the phenomena under study from its context (Atkinson & Shaffir, 1998). If experimental subjects were to be exposed to varying contexts not under the control of the experimenter, multiple unwanted sources of variation in scores on the dependent variable are introduced (Atkinson & Shaffir, 1998). The operation of control and the connections between controls and operational activities in domestic elderly care seem an unsuitable area for experiments. With a case study method it is possible to capture the ambiguities, tensions and contradictions in domestic elderly care. The case study method offers first-hand knowledge of social life that is unfiltered through concepts, operational definitions and rating scales (Atkinson & Shaffir, 1998). By using a case study method one avoids the laboratory's potential problems of inappropriately modelling the environment of the behaviour under study and the explanatory problem encountered when archival or experimental analysis try to explain the rich behaviour of individuals using averages or crude measures of behaviour (Atkinson & Shaffir, 1998).

To sum up, it has been shown that the case study method seems to be useful for studying control and operational activities in domestic elderly care. The choice has depended on the personal preferences of the author, the nature of the problem to be investigated and a commitment to give intricate details of phenomena that are difficult to convey with quantitative methods.

3.6 How was the empirical data collection made?

Scapens (1990) describes four common data collection methods in case studies: interviews, documents, direct observation and participant observation. The empirical data in this thesis is based on interviews and written documents in the form of annual reports, budget and reporting statements, management reports, written guidelines and manuals, internal protocols, agendas and minutes of meetings. Interviews have been the main source of information and the author of this thesis conducted them all personally. A total number of 94 (10 of them via telephone) interviews have been carried out with 77 different persons.²⁴ The interviews have lasted between 30 minutes and two hours with an average duration of about one hour. Interviews are essential sources of information for case study research and through interviews the researcher can access case participants' views and interpretations of actions and events (Darke *et al.*, 1998).

A precondition for doing the interviews was that anonymity was promised. This is why the two city districts are simply named one and two and the districts will not be described in any detail or exact numbers of, for example, pensioners. The financial figures of the districts have been multiplied with a number and rounded up so that the identity of the districts will not be shown. The trends and relative scale have not been changed. The anonymity will limit an appreciation of the context of the study, but it was essential for being allowed to conduct the study and to obtain confidential information (Scapens, 1990). Direct observation and participant observation have not been possible as patient's name are confidential and it was not found appropriate that the author joined the home helpers when they performed care in the elderly homes. Therefore, the behaviour of the home helpers has not been studied directly; it is instead different persons' descriptions of their behaviour. This is a common approach in case studies (Östman, 1977, p. 27). During the interviews, the author tried to get as many detailed examples of practical situations and the home helpers' behaviour as possible in order to compensate for not being able to observe the behaviour directly. The lack of direct and/or participant observation may induce the possibility that the interviewees try to make their behaviour look "better" than it actually was (Darke *et al.*, 1998). The author is aware of this possibility and in previous sections the strategies used to get the interviewees to give accurate descriptions of their behaviour have been described.

²⁴ See Appendix 1 for a description of the interviewees.

3.6.1 Pre-study Nov 2003 – Jan 2004.

During the period Nov-2003 – Jan-2004 six interviews and two phone interviews were carried out in a pre-study. Six people were interviewed, two of them twice. The purpose of the pre-study was to improve the author's basic understanding of elderly care to be able to make a good impression when doing the pilot study and the main study. The pre-study was also hoped to give information about what area of care of the elderly to concentrate on. Based on the pre-study, the relationship between the health centre and the home helper unit was chosen and it was also decided to include discussions with social care service purchasers. The interviewees in this study had extensive experience in elderly care through different types of jobs. The interviews were informal without specific questions prepared except for the fact that questions were asked about control, inter-organisational relationships, operational activities and conditions in the districts. The interviews sensitised the author to issues for exploration in subsequent interviews in the pilot study and the main study. Parallel to this study, literature on inter-organisational control and control in the public sector was read in order to be well prepared for the pilot study to come. A number of insights were obtained from the pre-study; for example the economic crisis within District one and the different design of inter-organisational administrative controls between District one and two. After the pre-study, it was decided to include two different districts; District one and two.

3.6.2 Pilot study Feb 2004 – Mar 2004

In this study 18 interviews and four phone interviews were carried out. 19 people were interviewed, three of them twice, and all came from the municipality. The major part of the interviews was done with people from District one. The purpose of the pilot study was to get a good picture of issues relating to control and operational activities in domestic care of the elderly. A case study can have more or less standardised data collection (Darke *et al.*, 1998). The interviews had a low degree of standardisation. People in many different positions were interviewed and they were encouraged to talk freely about their experience of their professional situation. It was found important to have open-ended questions in order to not miss interesting empirical aspects and to adapt the interview to the expertise of each interviewee without losing the overall direction (Irvine & Gaffikin, 2006). The themes for them to discuss related to how they

experienced their professional situation, their colleagues, internal control, inter-organisational control, internal work practices and inter-organisational work practices. With this approach it was hoped to get more detailed and “living” data than with more standardised collection methods. The interviews were seen as conversations with a purpose, a common method used in the literature on accounting for collecting qualitative data (Lee & Humphrey, 2006).

In the pilot study the author got a feel for the structure of District one and the perspective of the managers and the social care service purchasers as well as for interesting issues, viewpoints and episodes regarding control and operational activities, which made the author well prepared for the main study. Access was given to internal documents about the financial structure and situation of the home helper units, the calculation of the revenues for the home helper units and general guidelines for the relationship between the health centre and the home helper unit.

3.6.3 The main study – second half of 2004

The main study was mostly carried out during the second half of 2004. Both the views from people in the home helper units and people in the health centres were investigated. Interviews were made in both districts. Control and operational activities in the relationship between the health centre and the home helper unit, as well as within the home helper unit, were covered. Sixty interviews and four phone interviews were carried out with managers, nurses and assistant nurses on health centres and social care service purchasers, home helpers and home helper unit managers from the municipality. As the study proceeded it gradually focused on perceived inadequacies in the empirical material. The interviews were still seen as conversations with a purpose and the interviewees were allowed to talk quite freely. Questions were asked in an open-ended fashion to avoid predefinition of issues (Darke *et al.*, 1998). The themes were the same as in the pilot study; i.e. how they experienced their professional situation, their colleagues, internal control, inter-organisational control, internal work practices and inter-organisational work practices. When it was felt that additional interviews did not give much new information the interviewing stopped. During 2005 and 2006 some additional documents on the financial situation of the home helper units were collected. The author also had some informal conversations with controllers, home helper unit managers, home helpers, health centre managers and nurses from the two districts.

3.7 How was the empirical data analysed?

The construction of a convincing research text from a large amount of empirical data is a huge task (Baxter & Chua, 1998). Data analysis began as soon as the empirical data collection started. Data analysis, data collection and theory development have been conducted simultaneously and have helped the author to understand and shape the study. The empirical material was continuously read and reflected upon. After a while things became clearer and patterns began to emerge. A standardised procedure for data analysis was not used, but rather a fluid process of making sense of the data (Irvine & Gaffikin, 2006). After conducting many interviews, looking at documents, developing the theoretical structure, writing drafts of the empirical material and the thesis, reflecting on what was observed, discussing with supervisors and colleagues, the present author became more and more confident in his interpretation of events and behaviours. As Abernethy and Chua (1996, p. 577) put it: research is essentially a “satisfying process wherein the researcher knows that the evidence is never bias-free but attempts to interpret it consistently, to test conclusions against other sources of evidence, to identify patterns and deviations from patterns.”

Still if describing the data analysis in a more structured way, there have been two important phases of the data analysis. The first phase is when the empirical chapters in the thesis were written, i.e. chapters 4-7. When writing up the empirical chapters, choices were made of what to include and exclude from the large amount of empirical material. This is a form of analysis of the data. The second phase is when the discussion chapter of the thesis was written (chapter 8), i.e. when the empirical chapters were further analysed and discussed.

3.7.1 Writing up the empirical chapters

A formal coding program has not been used when writing up the empirical chapters. Instead the empirical material from the interviews and documents has been read many times, notes on the side have been made and on the basis of a number of categories the empirical material has been organised and analysed. The analysis of empirical data by forming categories is called coding and is an approach advocated by Strauss and Corbin (1990). A full grounded theory study has not been conducted. Rather grounded theory methods have been applied to analyse data (Efferin & Hopper, 2007).

The forming of the categories included several steps. As a first step general coding was done and the following categories were used: internal control in the home helper units, the inter-organisational relationship between the health centre and the home helper unit, inter-organisational control, internal operational activities, inter-organisational operational activities, general information about social care, general information about health care and general information about elderly care cooperation between the municipality and the county. Data categories were derived from the theoretical issues of the study and the categories were chosen because they were broad enough to capture the empirical material and because they had connection to the purposes of the study and the theoretical framework. The empirical material from the interviews and the material from internal documents were marked with the category that was found suitable. Everything was categorised and some material was marked with several categories. The material from the three empirical episodes was held separated for all categories but the three categories with general information.

In the second step selective coding was used where findings not established as related to the research purposes were stripped out (Efferin & Hopper, 2007). Now a general picture of the phenomenon under study was derived. Subcategories were formed under each main category. Many of the subcategories were theoretically derived. For example, internal control in the home helper unit was subcategorised into internal administrative controls, internal social controls and self controls. All categories, except general information about social care, general information about health care and general information about elderly care cooperation between the municipality and the county, were held separate for the three empirical episodes. It was sometimes difficult to decide on a proper category and what material to strip out. Here the author could only rely on his judgement and feeling what was important in relation to the purposes of the study.

In the third step the empirical chapters were written. Here it was decided that a chapter with a general description (chapter 4) was needed in order to give the reader a basic understanding of domestic elderly care in Sweden. On the basis of the theoretical framework it was decided to structure the empirical episodes according to administrative controls, social controls, self controls and operational activities. The theoretical framework was also the basis for the choice to include analytical sub-sections on administrative controls and

boundaries, social controls and boundaries, self controls and boundaries and summary and discussion.²⁵

Some empirical material was seen as less important and therefore not included in the empirical chapters. This was decided on the basis of the purposes of the thesis. When many people said similar things in different ways, one quotation was chosen as representing this. Another way of showing that many people said similar things was to write “many home helpers said”, “all home helper unit managers argue” and then paraphrase what they said. Many verbatim quotes from the interviewees were included for the thesis to resonate with the many voices from the field so that the reader would not just hear the authorial voice (Baxter & Chua, 1998).

When writing the empirical chapters, the author was struck by the similar descriptions given by each professional group. There were different opinions between the different groups, as will be seen in the empirical chapters. Managers did not always describe issues and themes in the same way as, for example, the home helpers. But it was astonishing how similarly the many home helpers experienced their situation and how uniformly the home helper unit managers described their issues. The same was seen among the nurses, assistant nurses, social care service purchasers and health centre managers. So if the reader, when going through the empirical chapters, finds few conflicting views within the groups, it is in line with the author’s experience of the empirical material.

3.7.2 Writing the discussion chapter

The theoretical model presented in chapter two and the purposes of the thesis have guided the analysis of the empirical chapters to a large extent. Causal interpretations were not looked for. In the analysis the author rather looked for patterns and linkages from the many-sided case materials, with the aim to build a coherent story, which would make sense of domestic care of the elderly. Theoretical sampling was used (Efferin & Hopper, 2007). Theoretical concepts were constantly compared against field data and this revealed variations among concepts, made categories denser and confirmed links between the categories/concepts being developed. What is going on here? What does this mean? What patterns are emerging? The sampling continued until categories were saturated and no new or relevant data

²⁵ Sections 5.1.3, 5.2.3, 5.3.1, 5.5, 6.1.3, 6.2.3, 6.3.1, 6.5, 7.1.3, 7.2.3, 7.3.1, 7.5.

emerged and the dimensions in the analysis were well demonstrated. The documents provided some important information but analysis of interviews was more important for formulating findings. In a way, it is a process of developing concepts or schemas in the field and testing them in an iterative process until they explain observed patterns of behaviour (Atkinson & Shaffir, 1998).

When deciding what to include in the discussion chapter, the author also thought of the basic control problem that was identified in the introduction. Some parts of the analysis may therefore not be understood as directly linked to the theoretical concepts in chapter two. The aim with the thesis is to give a good theoretical interpretation of the case, but also to carve out and analyse important empirical observations related to the basic control problem and having practical implications. This can sometimes be done without theoretical concepts and this approach has been used in some parts of the discussion chapter. It was therefore decided to include a section on the financial context, and sections on practical implications where the empirical observations and theoretical contributions were translated into more practical discussions. These sections on practical implications are especially relevant for those working with domestic care of the elderly, for Sven and other pensioners and for policy makers in the public sector.

To sum up, this chapter has described the story of my writing the thesis. The problem-based approach has been discussed as well as the intellectual and philosophical underpinnings of the study. The motives for choosing case study as the research strategy have been provided and the empirical data collection and the analysis of data have been described. Now it is time to jump into empirical detail. The next chapter will give a general introduction to domestic elderly care in Sweden, and thereafter three empirical episodes from Districts one and two will be presented.

CHAPTER 4

DOMESTIC CARE OF THE ELDERLY

The purpose of this empirical chapter is to give the reader a basic understanding of domestic care of the elderly in Sweden. Each city district can decide on many things concerning domestic elderly care, therefore the detailed examples of the units involved will be described in later empirical chapters.

About 15 % of the inhabitants in the city are over the age of 65. Most of the city's elderly people live in their own homes and more or less look after themselves. In order to enable elderly people to continue living independently for as long as possible, a range of services are provided by the public sector. Both domestic social care, performed by home helpers from the home helper unit, and domestic health care, performed by assistant nurses and nurses from the health centre, are the responsibility of the public sector and are mostly financed by taxes. The pensioners pay only a small fee themselves. Many Swedish public sector services are decentralised to local government sectors, called counties and municipalities, which carry out the services for the citizens (Olson & Sahlin-Andersson, 2005).²⁶

In 2007, Sweden has 20 counties and 290 municipalities responsible for more than 60 % of total governmental expenditures.²⁷ Local governments in Sweden have considerable freedom from the central government and can, for example, decide the rates of local taxes (Olson & Sahlin-Andersson, 2005). Domestic care of the elderly involves both the municipality and the county. Municipalities are responsible for a wide range of services, for example schools and social services. The main part of the counties' budgets is spent on health and medical care and a smaller part on public transport (Olson & Sahlin-Andersson, 2005). In this thesis, internal control of the home helper units will be covered whereas internal control of the health centres will not be covered. Therefore section 4.1 on domestic social care contains more detail than section 4.2 on domestic health care.

²⁶ For a more thorough discussion of the structure and characteristics of the Swedish public sector, see Olson and Sahlin-Andersson (2005).

²⁷ For more detailed information, see www.skil.se home page of the Swedish Association of Local Authorities and Regions.

4.1 Domestic social care

The municipality is responsible for providing domestic social care to the elderly people who still live in their own homes. The pensioners might, for example, need help with personal hygiene, shopping for groceries, laundry and cleaning. This is the responsibility of a number of city districts, each having a geographical area. The districts are required to report to City Hall. Figure 4.1 shows the organisational structure of domestic social care for the elderly.



Figure 4.1 The municipality's organisation of domestic elderly care.

4.1.1 General internal administrative controls

Usually, each district decides on internal administrative controls. There are however some general internal administrative controls for domestic elderly care in the city. These are a purchaser/provider split which results in productification of social care through social care contracts, the budget setting process and income statements from the home helper units.

Purchaser/provider split and productification of social care

Domestic social care of the elderly is organised with a purchaser/provider model, where the purchaser unit and the provider units, i.e. home helper units, have separate budgets and income statements. Figure 4.2 illustrates the financial and organisational structure of domestic social care of the elderly. Each district has its own purchaser unit and its own home helper units. The

people responsible for deciding on the appropriate help for the pensioners, i.e. the social care service purchasers, are organised as a central unit called the purchaser unit. Financially, the purchaser unit manager is responsible for the purchaser budget, which basically is all money the district can spend on elderly care.

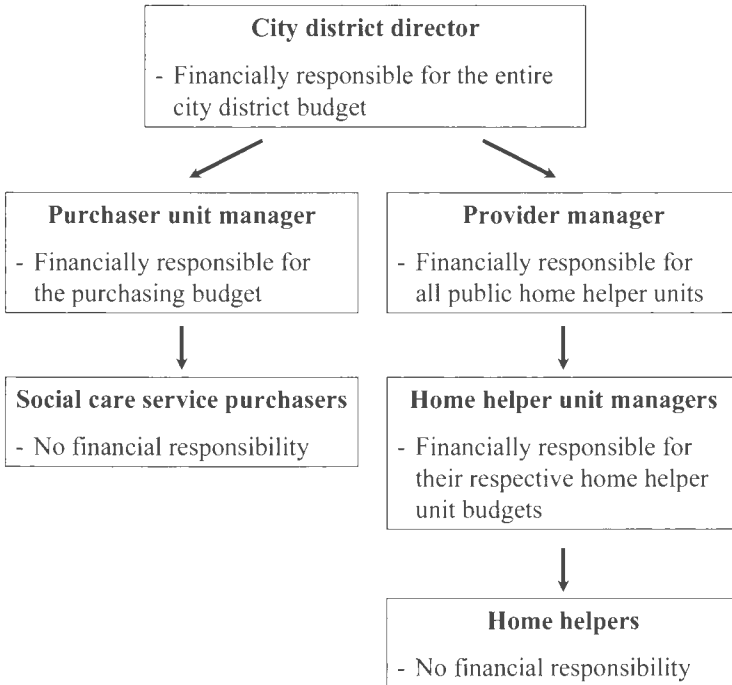


Figure 4.2 A model of domestic social care for the elderly in the districts.

The social care service purchaser discusses with the pensioner about his/her social care needs and thereafter writes a social care contract. Based on the social care contract, the social care service purchaser orders services from the home helper unit. The home helper unit gets a social care contract from the social care service purchaser specifying what help the pensioner is entitled to have and the total time-duration for this. There is an intended productification of the delivery of social care; the social care contract should guide the actual work practices rather than the pensioner's wishes and needs in specific situations.

Within each district, the providers of social care are organised into a number of separate home helper units, where each home helper unit manager is responsible for his/her own budget and personnel. There is also a provider manager, directly under the district director, with the overall responsibility for the home helper units. The provider manager controls the different home helper unit managers on commission from the district director. The district director is formally responsible for care of the elderly as well as the other services within the district's responsibility. The responsibility for domestic elderly care is delegated to a provider manager and a purchaser manager.

The budget setting process

The Municipal Council decides the budget for domestic elderly care, schools, fire defence and all other areas within the municipality's responsibility. The Municipal Council discusses what areas to prioritise and allots the available financial resources. Based on these discussions, elderly care gets a "bag of money", the budget. City Hall thereafter distributes the money to the city districts. The basis for the allocation of funds to each district is a special distribution key used by City Hall. Four variables are included; age, annual income, gender and single/partner status. For example, age is divided into seven subcategories with five-year spans in each category. There are a total of 140 cells in the Excel sheet and in October every year, City Hall measures all pensioners with domestic elderly care and places them in one of the cells. Each cell has a certain cost assigned for each pensioner. Based on the number of pensioners in the cells each district gets a share of the total budget for elderly care.

Figure 4.3 illustrates the budget setting process for domestic care of the elderly. Each district gets its "bag of money" in May. For example in May 2004 the district knows how much money it can spend on elderly care for the budget year 2005 and this forms the basis for the purchaser unit budget.²⁸ The purchaser unit manager, controllers and the provider manager thereafter estimate how much the purchaser unit will buy from each home helper unit. This is based on previous year's purchase, probable development for the year to come, and the money received from City Hall.

²⁸ Some money is deducted to administration. The pensioners also pay a small amount themselves for social care, but this is very small compared to the costs of social services.

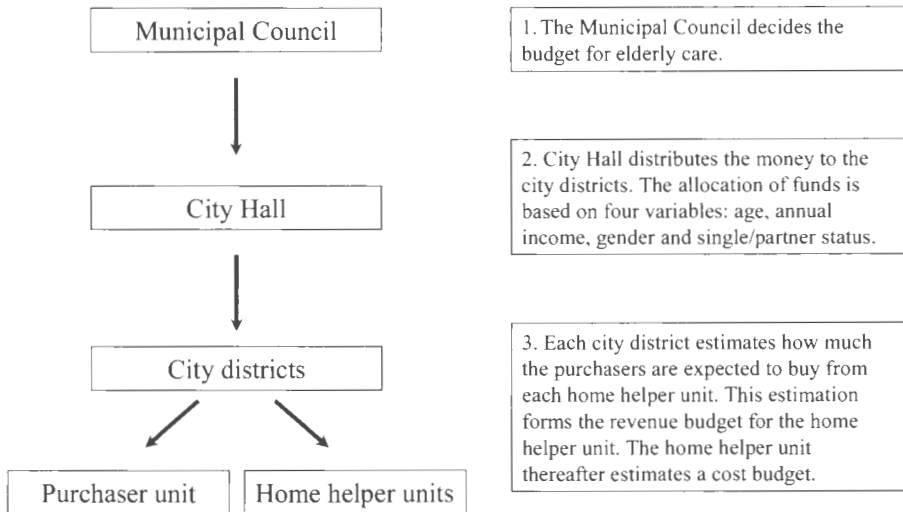


Figure 4.3 A model of the budget setting process in domestic elderly care.

On the basis of these estimations each home helper unit gets an annual revenue budget. The home helper units normally receive the estimated revenue budget in the middle of June. Based on the revenue budget, each home helper unit is required to come in with an annual cost budget, broken down in different types of costs, by the end of August. The costs should equal the revenues, i.e. the budget should be balanced. Based on these budgets, the purchaser unit managers, controllers and the provider manager finalise the budget for each home helper unit.

Income statements for the home helper units

During the year, actual revenues and costs will be seen in the accounting statements for each home helper unit, and by the end of the year it is seen if the net income is zero or above as it is supposed to be. The payments to the home helper units from the social care service purchasers are calculated based on estimated time duration for each operational activity in the social care contract. The time duration for each pensioner should be assessed individually but there are template times as guidelines. For example walking with the pensioner can be estimated to take 30 minutes and cleaning 65 minutes. By adding all the tasks together the social care service purchaser comes up with total time duration per month for each social care contract. There are eighteen different levels, each with a time span, with different pay

accordingly. Each social care contract gets total time duration and thereby a corresponding time level and resulting payment. This payment is the revenue for the home helper unit every month. In table 4.1 examples of time levels and resulting payments to the home helper units are shown.

Level	Number of hours per month	Payment in Swedish kronor (per month)
2	1.5 - 2.4	485
11	52.9 - 68.0	14 600
16	136.3 - 166.5	34 200

Table 4.1 An illustration of payments to the home helper units.

The general rule is that the payment amounts for each time level should increase annually by 0-3 % depending on the prognosis in the purchaser budget and the money allocated from City Hall. This annual increase, or no increase at all if 0 %, can vary some between the districts depending on how the managers interpret the financial situation. The financial goal of the home helper units and the purchaser unit is to equal their revenues with their costs. The home helper units cannot affect the price of the services. They have to accept the payment amount for each time level. Based on the tasks ordered by the social care service purchasers, the home helper unit gets the revenue in the end of each month. The costs for the home helper units are mostly personnel costs, normally 85-90 % of total costs. Other costs are rent, heating and water, education, mobile phones, office equipment and phones. Figure 4.2 gives an example of an income statement for a home helper unit.

The home helper units have their own income statements and are viewed as profit centres. Olson *et al.* (2001) describe that this way of accounting for public units has become more and more common after the NPM-reforms. Revenues are calculated in an indirect fashion, through the time levels and resulting payments, meaning that the home helper units are not pure profit centres acting in a competitive market. Instead their revenues derive from monopolistic markets and are influenced by political decisions, implying that the home helper units are “quasi-profit” centres rather than “pure” profit centres (Olson *et al.*, 2001).

Income statement for the home helper units	
Revenues	100
Sum of revenues	100
Personnel costs	85
Rent for the premises	5
Other costs	10
Sum of costs	100
Net income	+ - 0

Table 4.2 A simplified income statement for the home helper units.

4.1.2 Internal operational activities

The home helpers deliver a variety of social services for the pensioners as illustrated in table 4.3.

	Care	Meals	Service tasks
Technical activities	Making the bed	Breakfast	Shopping without the pensioner
		Food box	Cleaning
		Lunch	Laundry
		Dinner	
		Doing the dishes	
Personal activities	Morning hygiene	Breakfast and companionship	Shopping with the pensioner
	Evening hygiene	Food box and companionship	Walking with the pensioner
	Dressing of the pensioners	Cooking of food and companionship	
	Undressing of the pensioners	Lunch and companionship	
	Showering	Dinner and companionship	
	Toilet visit		

Table 4.3 Common operational activities in social care contracts.

The social care service purchasers divide the operational activities of the social care contracts into three categories; care, meals and service tasks. In table 4.3, common social services ordered by the social care service purchasers are shown. For the purpose of this thesis, an additional categorisation of operational activities is also made. There are the more “technical” elements that do not involve direct interaction with the pensioner, for example washing and cleaning. Then we have the more “personal” elements involving direct interaction with the pensioner, for example morning hygiene and a walk. The division of “technical” and “personal” social services will be used and elaborated further in the empirical episodes as well as in the discussion chapter.

Summing up, this section has described the basic organisational and financial structure as well as common operational activities in domestic social care of the elderly. In the following section, the organisational and financial structure as well as common social services for domestic health care for the elderly are introduced.

4.2 Domestic health care

Many elderly people living in their own homes need help with health care, for example collecting and taking their medicine, taking eye-drops and wound care. Domestic health care for the elderly is the responsibility of the county and it is carried out by different health centres. Depending on the pensioners’ conditions they have different help requirements. Some elderly need help with health care but not social care, then they only have contact with the health centre and not with the home helper unit. Other pensioners can go to the health centre by themselves and hence the nurses need not to come to the pensioners’ homes. If the pensioner needs help with domestic health care for more than two weeks, he/she will be registered as a domestic health care patient by the health centre. This entitles the pensioner to domestic health care from the health centre.

4.2.1 General internal administrative controls

The Health Care Order Office, a function within the county, is responsible for purchasing domestic health care for the pensioners. The Health Care Order Office has formal agreements with the health centres.

The agreements

Each health centre has several agreements with the Health Care Order Office and almost all revenues for the health centre come from agreement-based payments. Only a small fraction of the revenues comes as fees from the patients. There are normally three separate agreements; one for doctors in the nursing homes, one for the health centre reception for all patients in that area, and one agreement for domestic health care pensioners. The agreement for domestic health care pensioners forms a large portion of the total revenue for the health centre, often around 50 %. In this agreement the health centres get paid depending on the number of registered domestic health care patients they service. The pensioners are divided into four different categories based on their health care needs. Throughout the city, there are similar guidelines for deciding on how to place the pensioners in the categories. The payment for each category is however dependent on the individual agreement between the health centre and the Health Care Order Office and therefore varies between the health centres. The doctor and the nurse from the health centre jointly decide on the appropriate category for each domestic health care patient. Every month, the health centre sends in a list with the number of patients in each category and gets paid accordingly.

A limited number of patients per doctor

The health centres have a system where they can put in the social security number of a potential patient, and then see which health centre he/she belongs to. Patients from other geographical districts can be listed, but there is a limit in the health centre's agreement with the Health Care Order Office on how many patients per doctor are allowed. The health centre also cannot refuse to register someone within its own geographical district, so there needs to be room for potential patients all the time. This means that even though the health centres legally can register all patients, they often deny patients who do not live in their geographical area.

4.2.2 Internal operational activities

In the health centre there are assistant nurses, nurses as well as doctors working with domestic health care for the elderly. The nurse has the responsibility for dividing the different tasks to be done by themselves and the assistant nurses. The assistant nurses, for example, take pulse and blood pressure, blood-test, bandage wounds and give insulin injections. The nurses

give injections, judge whether the pensioner needs to be sent to the hospital or not, prescribe aids and put medicine in special medicine boxes. The doctors are responsible for the medication of the elderly and make some home-visits.

4.3 The inter-organisational relationship

Both the municipality and the county underscore the importance of cooperation and they have reached an agreement on cooperation in elderly care. The overall goals of the inter-organisational relationship have been agreed upon by the top managers and are the same no matter what hierarchical level is concerned. The goals are to use public financial resources efficiently and to increase the quality of elderly care in terms of more security and dignity for elderly people. The general agreement states that a central cooperation group should be formed. The municipality and the county have established this central cooperation group, where some city district directors, medical and health care directors and legal experts are involved. They are required to meet at least twice a year and are responsible for following up the general cooperation agreement and discussing issues from the local cooperation groups.

4.3.1 General inter-organisational administrative controls

One part of the agreement is to cooperate better in the inter-organisational relationship between the home helper unit and the health centre. The home helpers, assistant nurses, nurses and their managers should cooperate when delivering domestic care to the pensioners. There are few inter-organisational administrative controls that are general throughout the city. Most is up to each district to decide, together with representatives from the county and health centres. There are, however, general guidelines for authorisation.

General guidelines for authorisation

Authorisation in domestic elderly care means that tasks are given to a person who does not have the formal competence but does have the actual competence needed for the task. Authorisation is given by a person who has both formal and actual competence for the task. This means that the home helpers have the possibility to perform certain health care tasks in the

pensioners' homes. The home helpers are allowed to give medicine and to give ear- and eye-drops. A nurse from the health centre is responsible for writing the authorisation to the home helper. The idea is that authorisations will increase the quality and efficiency in domestic care of the elderly, as the home helpers can give medicine and ear- and eye-drop treatment on authorisation when they are in the pensioners' homes doing social care. This means fewer people in the pensioners' homes since the assistant nurses do not have to come. The general guidelines for authorisation are:

- Authorisation is personal between the one authorising (the nurse) and the one accepting the authorisation (the home helper).
- Each home helper should have an individual authorisation on paper.
- The authorisation should be renewed once a year.
- The authorisation should be signed by both the home helper and the nurse.
- The tasks to be performed should be specified in the authorisation.
- The nurse should give relevant instructions to the home helper and see to it that the tasks are performed in an adequate way.
- After having given the medicine, ear- and eye-drops to the pensioner, the home helper should sign on a list in the pensioner's home. The nurses should see to it that there are always sign-off lists in the pensioners' homes.
- The home helper units should not be paid from the health centres for authorised tasks.

4.3.2 Inter-organisational operational activities

There are a number of inter-organisational operational activities: activities involving daily coordination of interdependent tasks, grey zone activities and activities involving authorisation.

Daily coordination of interdependent tasks

Some operational activities in the delivery of care to the pensioners are interdependent, i.e. the tasks need to be done in a certain order. These work practices depend on home helpers, assistant nurses and nurses, and cooperation is required since they need to coordinate and agree on times to perform the tasks. This is the case for insulin injections (the responsibility of the assistant nurse) and breakfast (the responsibility of the home helper)

since breakfast needs to be served shortly after the insulin shot has been given. The same interdependence is seen when the pensioner for example has a leg wound that needs to be bandaged. Then the shower (the responsibility of the home helper) and the change of bandage (the responsibility of the nurse) need to be coordinated as a new bandage needs to be put on shortly after the leg has been showered.

Grey zones

In the inter-organisational relationship between the health centre and the home helper unit there are often operational activities that need to be performed but no one really knows who is responsible for getting them done. The interviewees describe them as grey zones. Grey zones are areas where the division of tasks and responsibilities between the home helper unit and the health centre is vague. Picking up medicine from the pharmacy is the most common example. In the three empirical chapters that follow, more examples of grey zones will be given and the concept will be more elaborated on.

Authorised activities

We also have the inter-organisational operational activities that should be performed according to the general inter-organisational agreement between the municipality and the county. Here we have the nurses writing authorisations to the home helpers, the nurses preparing the medicine box for the home helpers and seeing to it that there are sign-off lists in the pensioners' homes. Here we also have the home helpers performing authorised tasks and signing the lists.

To sum up, this chapter has given a general introduction to domestic elderly care. The city districts are free to decide on many things regarding internal control and inter-organisational control. A more detailed account of control will be given in the following three chapters where empirical material from two districts will be presented. The empirical descriptions will be given in three different episodes. Episode one is based on City District one for the period before 2002. Episode two is based on City District one for the period from 2002 and onwards. Episode three is based on City District two. The three episodes represent three different states with respect to economic crisis. Episode one, before a financial crisis, Episode two, during a financial crisis, and Episode three, after a financial crisis when the situation has stabilised.

CHAPTER 5

EPISODE ONE, "WE DID NOT WORRY ABOUT OUR FINANCIAL SITUATION"

District one has more than 700 pensioners who require domestic elderly care. The period before 2002 may be described as a period when financial discussions were rare within the home helper units. This episode may be typified as "before a financial crisis". Table 5.1 shows the development of revenues, costs and net income of domestic care of the elderly in District one. All home helper units are aggregated and it can be seen that domestic elderly care had negative net income for the years 1998-2001.

Domestic elderly care	1998	1999	2000	2001
Revenues (tkr ²⁹)	84 500	86 000	87 000	88 000
Costs (tkr)	- 89 000	- 90 000	- 90 000	- 94 000
Net income (tkr)	- 4 500	- 4 000	- 3 000	- 6 000

Table 5.1 An aggregated income statement of all home helper units in District one, 1998-2001.

The home helper unit managers and the home helpers all explained that financial aspects were not concentrated on in the district. As one home helper said: "We did not worry about our financial situation." But what about control, boundaries and operational activities? These are the themes for the following sections of the thesis. Sections 5.1–5.3 describe administrative, social and self controls separately, and the boundaries they create. In these sections it is discussed what operational direction can be expected from the different controls and their respective boundaries. This is not the same as the actual operational direction in the delivery of care. Sections 5.1–5.3 are not grounded in the actual care given to the pensioners. These sections are rather grounded in empirical descriptions of different types of control impulses, and are structured according to the theoretical framework in chapter two. In section 5.4, the actual work practices are empirically described, both in terms of internal operational activities and

²⁹ Tkr = thousand Swedish kronor. As per 10th of April 2007, around 13.9 Swedish kronor equal 1 £ and around 9.4 Swedish kronor equal 1 Euro.

inter-organisational operational activities. In section 5.5 the empirical observations from actual task performance will be used to discuss dominant boundaries. These boundaries can be seen as an amalgamation of the boundaries created by the different types of controls. Here inferences may also be drawn about what types of controls seem to be important influences on the home helpers' behaviour.

5.1 Administrative controls

5.1.1 Internal administrative controls

The home helper unit managers all argued that the provider manager did not emphasise economy during discussions. "It often felt like we could do what we wanted as long as we delivered good care to the pensioners", one home helper unit manager said. There were some internal administrative controls and these included the setting of the annual budget, follow-up meetings twice a year and monthly meetings with the home helpers. The purchaser/provider split, and the productification through the social care contracts, were also general internal administrative controls in the district.

The purchaser/provider split and social care contracts

There was no systematic measuring and evaluation of the quality of domestic care of the elderly in District one. The social care service purchasers had individual follow-ups with the pensioners to see if they were pleased with the social services. Some of the home helper units did surveys with the pensioners and their relatives but these were not registered.³⁰ The social care service purchasers perceived that the home helpers did at least what was written in the social care contract and the purchasers were therefore pleased. As one social care service purchaser put it: "We only paid for tasks written in the social care contracts and the home helpers always did this and often much more." The social care service purchasers all thought that the home helpers performed good quality social services for the pensioners. The purchaser manager agreed and explained that there were not many complaints from the pensioners and their relatives about social care. The

³⁰ The lack of any systematic measuring of quality means that operational data in this thesis will be based on statements from the social care service purchasers, the home helper unit managers and the home helpers. The question of measuring quality and effectiveness will be returned to in chapter 8.

social care service purchasers argued that it was difficult for them to evaluate the quality of social services; they could only get signs. The “technical” operational activities were relatively easy to evaluate; if the home helper should clean, wash, do the dishes, then the purchaser could quite easily check with the pensioner or a relative if this had been done or not. The “personal” elements of the social care were more difficult to evaluate. The purchasers concentrated on whether the tasks had been carried out or not, rather than actual duration of the tasks. As one social care service purchaser put it:

How could I judge the quality of food and companionship? We could not measure if the home helper spent 30 or 45 minutes with the pensioner, as long as there was food and companionship. But my impression was that both the pensioners and their relatives were pleased with the services.

Good quality care, according to the home helper unit managers, was that the home helpers did at least what was written in the social care contract. The managers all claimed that the home helpers did at least this and stressed that they had very caring personnel. The surveys they occasionally sent out to the pensioners always came back with positive responses.

The setting of the annual budget

The budget process was described as paper-work without any significance. “It felt like the preparing of the annual budget was just for its own sake”, one home helper unit manager said. A similar view was expressed by another home helper unit manager: “Preparing the budget was just a paper exercise. No one really cared.” The home helper unit managers did not put much effort into estimating the costs and they did not get much feedback on whether their estimates were reasonable or not. They also found it difficult to know what to take into consideration when estimating costs. As a result, they often took last year’s budget and modified it a little so it matched the present year’s revenue budget.

Follow-up meetings

During the year when the actual figures were seen in the accounting statements, the budget was still described as a piece of paper without significance. “We had meetings with the provider manager twice a year and discussed how we were doing financially. But I did not feel any pressure to

have a balanced budget”, one home helper unit manager explained. The other home helper unit managers agreed and described that the actual revenues and costs were there on paper but seldom discussed. It did not seem to matter if they had budget deficits, as long as they argued that they needed all home helpers for the delivery of social care to the pensioners. The budget follow-up meetings twice a year were not considered important by the home helper unit managers. “It was noted that we had a budget deficit but we did not hear anything more about it”, one home helper unit manager argued. “It was taken care of by the black hole”, another home helper unit manager said about the budget deficits. The managers were not transferred even if they had budget deficits for many years.

Table 5.2 shows the income statements from 1998-2001 for the three home helper units in District one included in this investigation. Two of the units had negative net income for the whole period, whereas one of the units had positive net income.

Home helper unit one				
Years	1998	1999	2000	2001
Revenues (tkr)	20 100	20 000	20 500	22 000
Costs (tkr)	- 21 300	- 21 000	- 21 700	- 23 800
Net income (tkr)	- 1 200	- 1 000	- 1 200	- 1 800
Home helper unit two				
Years	1998	1999	2000	2001
Revenues (tkr)	21 900	22 100	22 300	23 000
Costs (tkr)	- 21 860	- 22 000	- 22 250	- 23 000
Net income (tkr)	+ 40	+ 100	+ 50	0
Home helper unit three				
Years	1998	1999	2000	2001
Revenues (tkr)	20 000	19 500	20 300	21 200
Costs (tkr)	- 20 900	- 20 300	- 21 500	- 22 700
Net income (tkr)	- 900	- 800	- 1 200	- 1 500

Table 5.2 Income statements for three home helper units in District one, 1998-2001.

The home helper unit managers and the provider manager agreed that it was acceptable to have negative financial numbers if the managers had to hire more personnel or if they had many people sick. As one home helper unit manager put it:

I had had a budget deficit for many years; the deficit often increasing over the years. All I did was explain to the provider manager that I had hired more home helpers and taken in more substitutes in order to give good care to the pensioners. And he accepted this.

The home helper unit manager who had a balanced budget did not get much positive feedback on his good finances. The managers all emphasised an important justification for negative financial results. During year 1999 and year 2001 the revenue template from the social care service purchasers did not increase at all, whereas the salary costs for the home helper units increased by around 3 %. “It was strange that we sometimes were not compensated for the annual salary increases but we did not care at that time”, one home helper unit manager explained.

Monthly meetings with the home helpers

The financial situation was not discussed during the monthly meetings with the home helpers, but the social care contracts were reviewed. “The social care contract was important and I always saw to that the home helpers did what was written in the social care contract”, one home helper unit manager said. The managers therefore reviewed all pensioners and their social care contracts together with the home helpers to see that all pensioners got the help they were entitled to. Apart from the monthly meetings, the home helper unit managers did not interfere much in what the home helpers actually did in the pensioners’ homes. The managers emphasised that they knew that the home helpers did a good job taking care of the pensioners. “I had very good and caring personnel who saw to the best of the pensioners. I knew that they did a good job so I did not need to do so many follow ups”, one home helper unit manager described.

5.1.2 Inter-organisational administrative controls

The managers of the health centres and the home helper units explained that they were not involved in the inter-organisational activities. “This was normally solved by those working with the pensioner”, one health centre manager said. This was supported by the other managers; the inter-organisational domain was not the priority of the managers. The managers from the home helper units and the health centres did not meet and discuss the cooperation. The only inter-organisational administrative controls were

the general guidelines for authorisation. The managers of both the health centres and the home helper units emphasised the importance of a well-functioning authorisation.

5.1.3 Administrative controls and boundaries

Summing up, we have the purchaser/provider split and the managers' emphasis that the home helpers should do at least what is written in the social care contracts. Other administrative controls were routines for the setting of the annual budget; in addition there were follow-up meetings twice a year. The home helper unit managers also had monthly meetings with the home helpers to review the social care contracts. There were also inter-organisational administrative controls in the form of general guidelines for authorisation.

Figure 5.1 provides a snapshot of administrative controls and their boundaries at the end of year 2001 in District one. Administrative controls seemed to create "allegiance boundaries" and "activity boundaries". The concepts of allegiance boundaries and activity boundaries are introduced in order to explain the empirical observations and to extend previous literature on controls and boundaries. The concepts are explained in the following and will be discussed and elaborated more in the discussion chapter. This thesis hereby follows Heracleous' (2004) call for working definitions of boundaries that are empirically and analytically clearly specified.

Allegiance boundaries describe with what or which "unit" one identifies oneself and is loyal. The managers emphasised that the home helpers should be loyal to the home helper unit. The setting of the annual budget, the follow-up meetings and the meetings with the home helpers were all aimed to create an allegiance boundary around the home helper unit. This meant that the home helper unit's legal boundary was the ground object when administrative controls created an allegiance boundary. Activity boundaries describe the proposed operational direction for task performance, i.e. in this case what care should be performed by the home helpers. It can be concluded that administrative controls created activity boundaries that productified the delivery of care. The basis was two different domains – one internal and one inter-organisational domain – and pre-specified operational activities in these domains. Administrative controls created one activity boundary around tasks written in the social care contract, i.e. the home helpers should follow these contracts. In the inter-organisational domain, an

activity boundary was created around authorised tasks, i.e. the home helpers should give medicine, ear- and eye-drop treatment to the pensioners if they had a written authorisation.

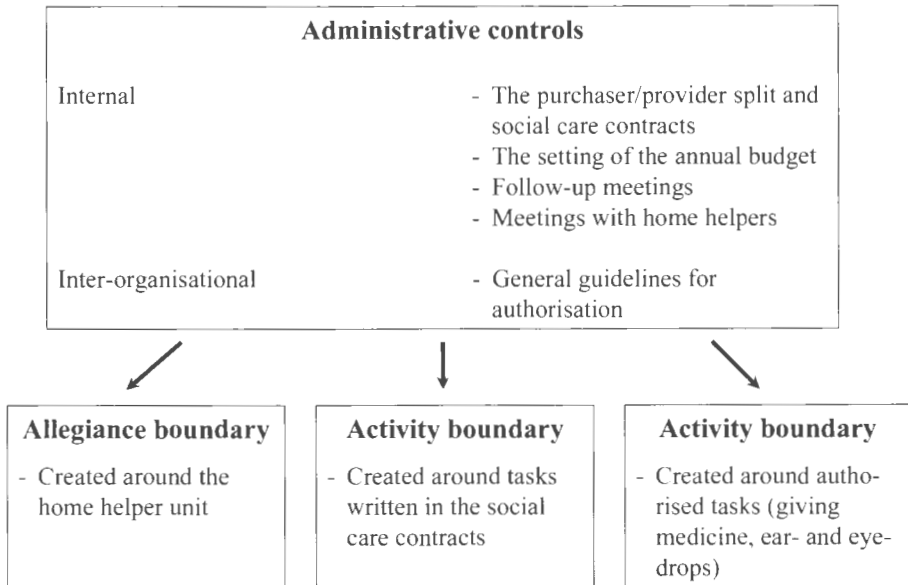


Figure 5.1 Administrative controls and boundaries, snapshot at the end of year 2001 in District one.

5.2 Social controls

5.2.1 Internal social controls

All home helpers talked to each other about the importance of being a united group concentrated on giving the pensioners good care. “We had a strong group feeling. We often discussed with each other the necessity of being flexible and giving the pensioners good care”, one home helper described. This was supported by the other home helpers; many of them expressed that they often talked about the importance of seeing each pensioner’s uniqueness.

The home helpers perceived that they all shared the same values about the social care contracts. They discussed with each other that social care

contracts did not match with reality, since each pensioner is unique but the estimated time duration for performance in the social care contracts is a template. All home helpers perceived an important group norm to be that the delivery of care should take its point of departure from the needs of the individual pensioners in specific care giving situations. Discussions within the home helper group were aimed to convince each other that the desires of the individual pensioners should guide the delivery of care rather than a template from the social care contract. "The general feeling, when discussing with each other, was that the focus for all of us was the pensioners", one home helper explained. Another home helper put it:

When we talked to each other, I really felt we all put the pensioner first. We home helpers were thinking about the pensioners. Social care service purchasers on the other hand were just ordering social care, and thought in tasks instead of pensioners. This was the difference between us and the social care service purchasers, and we home helpers often discussed this.

During the coffee breaks "financial discussions were avoided", as one home helper put it. Another home helper explained: "It was not appropriate to talk or think in financial terms in our group. The pensioner should be put first." Many home helpers stressed that, when discussing pensioners with each other, they always concluded that they should give the pensioner more care than what was written in the social care contract. The home helpers often discussed the need to take long walks with the pensioners and stay with the pensioners during lunch and dinner, even if this was not always included in the social care contracts. One home helper explained:

We home helpers often said to each other that an important part of good care for the pensioners was that we did the little things the pensioners asked for in the specific situation. Sometimes they wanted to just talk a little because they were lonely, then we took the time to do this.

5.2.2 Inter-organisational social controls

Home helpers, assistant nurses and nurses all argued that there was a norm for everyone to put the pensioner first. As one home helper put it: "We home helpers, assistant nurses and nurses discussed with each other that we were a team taking care of the pensioners." Another home helper said: "We

never discussed with the assistant nurses and nurses about my task and your task. Everyone should feel like a big family.” Similar discussions were described by other home helpers as well as assistant nurses and nurses. One nurse explained: “It was a good feeling when we talked with the home helpers. We all should focus on the pensioners.” There seemed to be a group norm that reinforced the importance of being part of a care team with focus on the pensioners. As one assistant nurse put it:

We [assistant nurses], the nurses and the home helpers had a really good atmosphere between us. We discussed a lot with each other that it should be fun to work and important to cooperate. We compared to colleagues in other parts of the city and always concluded that we were lucky to have such a good atmosphere.

Another perceived norm was the idea that home helpers, assistant nurses and nurses together should solve the problems that arose without management involvement. The assistant nurses and nurses felt the willingness from the home helpers to maintain a dialogue, and the home helpers perceived the same. “It felt like we all wanted to solve the problems and questions without involving our managers”, one assistant nurse said. This was supported by the home helpers. As one home helper put it: “The general feeling was that we should manage on our own. We home helpers, assistant nurses and nurses should talk to each other and not involve our managers so much. We should feel independent.” The assistant nurses described that the nurses always told them to let the nurses solve problems that arose, instead of talking to the health centre managers.

Home helpers, assistant nurses and nurses stressed a general feeling of the important role of the nurses. “The nurses were seen as having the whole picture and knowing what should be done and who should do it”, one home helper described. The home helpers all claimed that there was an unwritten code that reinforced the importance of seeing the nurses as informal managers who had the right to tell the home helpers and assistant nurses what to do. As one home helper put it: “We should listen to the nurses and look up to them. This was often discussed by us and the assistant nurses.” An assistant nurse said: “Nurses have a long education and should be seen as authorities.” The nurses described that the pensioners were often very ill and the home helpers needed support from the nurses, because the home helpers did not have sufficient medical knowledge. As one nurse put it:

The home helpers should trust us more than their own managers because we have the medical knowledge. It was good for the pensioner that we tried to decide what should be done and how it should be done. We have the whole picture and know what care is required.

5.2.3 Social controls and boundaries

The control impulses from the home helper group had the pensioners as their foundation. There was a group norm of pensioner-focus and therefore the home helpers should do extra tasks for the pensioners apart from the specified tasks included in the social care contracts. It was considered inappropriate to discuss financial issues with fellow home helpers. The inter-organisational social control impulses also had the pensioners as their basis. There was a norm that home helpers, assistant nurses and nurses all should feel part of a team that provided care for the pensioners. Issues and problems should be solved without involving managers. The nurses should be seen as informal managers telling home helpers and assistant nurses what to do. Figure 5.2 provides a snapshot of social controls and their boundaries at the end of year 2001 in District one.

The boundaries created by social controls had the pensioners as their foundation and an operational direction towards the pensioners' individual wishes and needs. Social controls created an allegiance boundary around a care team in the pensioner's home. The care team consisted of home helpers, assistant nurses and nurses and the nurses should be seen as authorities. Hence, attention was not on the legal internal boundaries of the health centre and the home helper unit.

The activity boundary created by social controls did not productify the delivery of care to the pensioners. Rather, the boundary was created around the individual pensioner's wishes and needs in any given situation. The separation of internal and inter-organisational operational activities was not relevant, as they both fell within the activity boundary created by social controls.

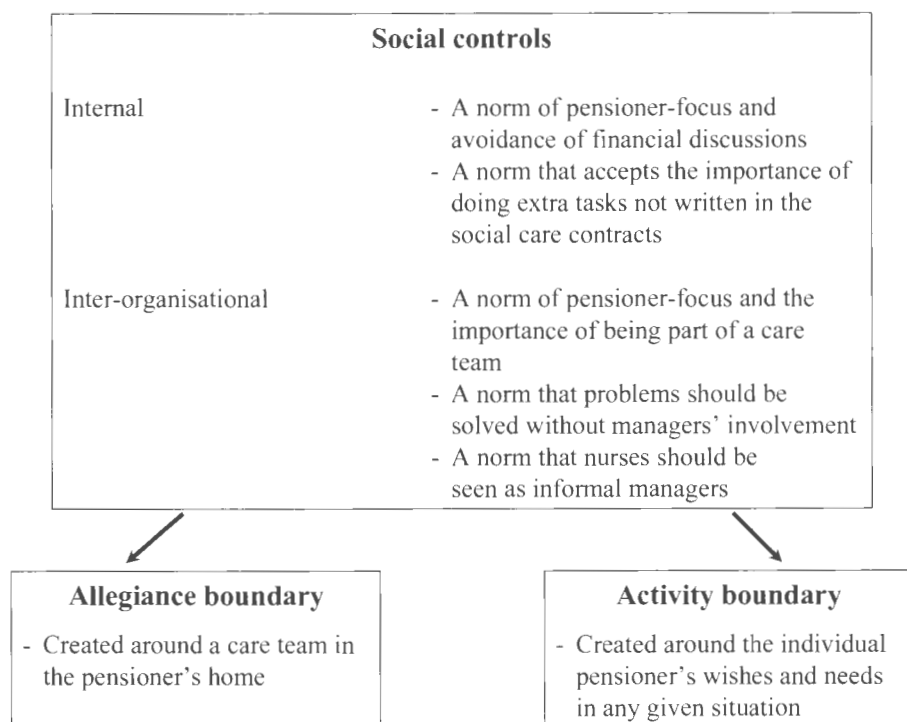


Figure 5.2 Social controls and boundaries, snapshot at the end of year 2001 in District one.

5.3 Self controls

All home helpers stressed the importance of being able to make decisions on their own when caring in the homes of the pensioners. "I was on my own in the pensioner's home. I did not have my manager or other home helpers there; I had to rely on myself", as one of the home helpers said. The home helpers described that they were proud of their jobs and felt good about giving the pensioners a good old-age. The home helpers argued that they often thought about what good and decent care for the elderly really meant. One home helper explained:

My personal belief was that delivering good care for the pensioners was to be flexible and to pay attention to what the individual pensioner needed in the specific situation. I was there for the pensioners and I should do what needed to be done in the pensioner's home.

Similar thoughts were put forward by many of the home helpers. As another home helper put it: "I personally found it important to do what the pensioner wanted and needed. I felt that strongly." All home helpers described that their personal gut feeling was that it was not good to just deliver services according to a social care contract. They felt the importance of being able to adjust to the situation at hand with the pensioner. A pensioner might be sad, or he/she might not want to eat. Then it might take a long time to give the pensioner food. The home helpers emphasised their personal desire for being able to stay longer and just talk to the pensioner, or being able to take the pensioner out for a walk to cheer him/her up, even if this was not included in the social care contract. The home helpers believed that it was important to do these extra tasks for the pensioners. "I really found it important to be able to do these extra unexpected things for the pensioners. I saw myself as a representative of the pensioners and I really wanted to give them as good a care as possible", one home helper described.

Many home helpers expressed that they personally thought that it should not matter if it had to do with performing internal operational activities or inter-organisational operational activities. "I strongly believed that my focus should be on the pensioner and his needs", one home helper put it. Other home helpers agreed and claimed that they did not want to think about whether it was the responsibility of the home helper unit or the health centre's responsibility. They found it important that the cooperation with the nurses and assistant nurses functioned smoothly because it benefited the pensioners. As one home helper put it: "My personal value was that different organisations should not matter, we should all be there for the pensioner." Another home helper explained:

My personal conviction was that cooperation with assistant nurses and nurses should be prioritised. We all must work together in the pensioner's home; it is for the good of the pensioner. Better cooperation means better care.

5.3.1 Self controls and boundaries

Self controls had the pensioners as their ground object and a concentration on giving the pensioners good care according to their individual needs. The social care contract was a template and it was not in line with the home helpers' personal values to just do what was written there. Unexpected things happened in the pensioner's home and the home helpers stated that they personally found it important to be able to adjust to the specific situations. The home helpers' personal values also reinforced the importance of cooperation with assistant nurses and nurses. Figure 5.3 provides a snapshot of self controls and their boundaries at the end of year 2001 in District one.

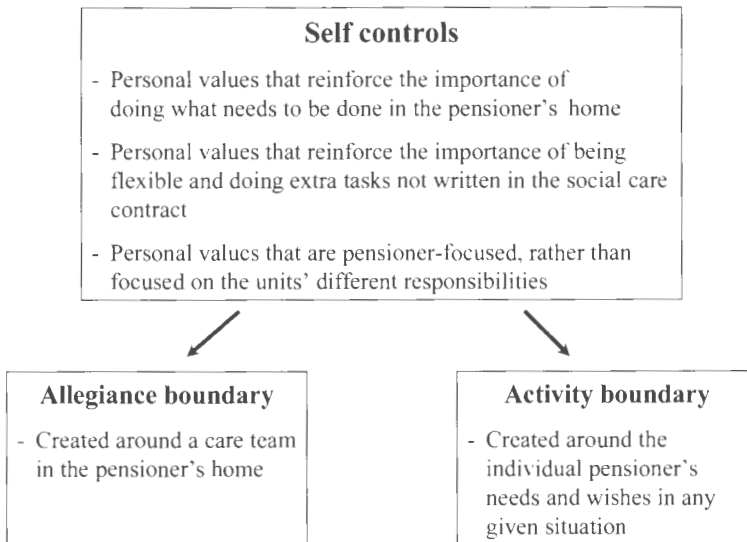


Figure 5.3 Self controls and boundaries, snapshot at the end of year 2001 in District one.

The boundaries created by self controls, like the boundaries created by social controls, had the pensioner as their foundation, and gave an operational direction towards the desires of the individual pensioners. Self controls created an allegiance boundary around a care team in the pensioner's home; different organisational hierarchies should not matter. The activity boundary also had the pensioner as basis. It was created around the individual pensioner's needs and wishes in any given situation and it thereby encompassed the importance of doing extra tasks, and helping the nurses and

assistant nurses. This activity boundary implied that the separation of internal and inter-organisational operational activities was not relevant, as both types of operational activities fell within the activity boundary created by self controls.

5.4 Operational activities

5.4.1 Internal operational activities

The home helpers felt free to deliver both the “technical” and the “personal” elements of social care according to their own judgement. Estimated time duration for each task in the social care contract was seen as the minimum requirement and the tasks often lasted longer if the home helpers found it to be necessary. As one home helper put it: “I did not think in minutes and hours when I delivered social care to the pensioners. The tasks often lasted longer than what was written in the social care contracts.” Another home helper said: “We had time to really care for the pensioners. for example, morning hygiene could take 45 minutes if necessary even if I just had 30 minutes in the social care contract.” The other home helpers agreed and as one home helper explained:

If doing the dishes, breakfast and walking with the pensioner were written in the social care contract, I knew the time durations from the contract. Say that I had 15 minutes for the dishes, 30 minutes for breakfast and 30 minutes for walking with the pensioner. Very often I stayed longer with the pensioner. For example, I walked with the pensioner for 45 minutes if I thought it was necessary.

The home helpers also did many extra tasks not included in the social care contracts. The contracts were described as too narrow and offer the pensioners too little care. Good quality care, according to the home helpers, needed to be flexible and did what needed to be done in the pensioner’s home. The needs of the pensioner in any given situation guided the actual work practices in the pensioner’s home. The home helpers stated that they were often the only people who visit the more lonely pensioners, except for nurses or assistant nurses who sometimes visit. Therefore the home helpers took time to do extra tasks, for example to sit down with the pensioners or take them for a walk, even if not written in the social care contract. One home helper explained:

I did many extra tasks for the pensioners. I cleaned a little more in the apartment if it was needed or the pensioner asked for it. I took time to just sit and talk to the pensioner, offering companionship, even if it was not included in the social care contract. I listened to what the pensioner wanted. And it varied of course from day to day, so I did not simply follow the social care contract.

The home helpers were aware of the social care contract and knew that they were required to do at least that. “We had our monthly reviews of the social care contracts, so we knew what help the pensioners were entitled to”, one home helper said. The pensioners influenced what else should be done. Unexpected things often happened in the pensioner’s home. The pensioner might have broken a household object and then the home helper cleaned up. The mood of the pensioner was also of importance in determining what the home helpers actually did in the pensioner’s home. If the pensioner was sad, the home helpers took time to sit down and talk to the pensioner, and all operational activities took a bit longer. If the pensioner was angry or not willing to get out of bed, it also took longer time than normal. One home helper explained:

You were in a very vulnerable position as a home helper. You were in someone’s home and he wanted you to help him. Then you tried your best to help him with what he wanted, no matter if it was on the social care contract or not. The mood of the pensioner was important for me. If the pensioner was happy he wanted me to do one thing, and if he was unhappy he wanted me to do another thing.

When the home helpers delivered social services in the pensioners home they saw themselves as representatives of the pensioners. One home helper said: “We did what the pensioner desired when we were in his house.” The home helpers felt free to deliver care according to their own judgement. “We were not tightly controlled by our manager, the needs of the pensioner guided our behaviour”, one home helper said. “If the pensioner needed more help than what was in the social care contract I just did it, without telling the social care service purchasers or our manager”, another home helper explained.

To summarise:

- All internal “technical” operational activities that were written in the social care contracts were performed and the home helpers thought the time was enough. For example: washing laundry, doing the dishes, cleaning the apartment.
- All internal “personal” operational activities that were written in the social care contracts were performed. The time duration for these tasks was often longer than written in the contract. For example: taking a walk with the pensioner, dinner and companionship, helping the pensioner out of bed and helping perform morning hygiene.
- Internal “extra” tasks, not included in the social care contracts, were often performed. The home helpers did what was needed in the specific situations in the pensioner’s home. For example: sitting down and talking to a depressed pensioner, taking an extra walk with the pensioner, cleaning a little more if the pensioner wanted.

5.4.2 Inter-organisational operational activities

There were no measures or systematic follow-ups of how the inter-organisational relationship was functioning or how the inter-organisational operational activities were performed. No one asked the pensioners and neither the home helper units nor the health centres evaluated the inter-organisational relationship. Therefore, the following section is based on the statements from home helpers, assistant nurses and nurses on how they perceived the inter-organisational relationship. They all described the cooperation as well-functioning. The home helpers, assistant nurses and nurses all agreed that their managers were not interested in the inter-organisational relationship. The home helpers, assistant nurses and nurses felt free to solve the cooperation issues in the pensioner’s home, and discussed cooperation when they saw each other or solved problems over the phone.

Daily coordination of interdependent tasks

The importance of daily coordination of interdependent tasks between home helpers, assistant nurses and nurses was stressed by all interviewees. Daily coordination was said to function smoothly because the home helpers largely adjusted to the nurses’ wishes. It was important to be flexible in the daily

work with the pensioner. Therefore, both home helpers and nurses argued that a good solution was that the nurses told the home helpers what to do. For example if a wound was to be bandaged by the nurse, a home helper had to shower the pensioner before. For this the nurse and the home helper needed to agree on a time. One home helper explained:

We often had pensioners with sores. Then I needed to cooperate with the nurse. I had to shower the pensioner before the nurse put on a new bandage. For this we needed to agree on a time. I always adjusted my schedule so it matched the nurse's schedule. It functioned well.

The other home helpers, assistant nurses and nurses agreed. "It was always the health centre that dictated the conditions", one home helper claimed. Sometimes the home helpers had to wait for hours until the nurse came and they did wait regularly. "We were always thinking about the pensioner and we knew that the nurses had many things to do", another home helper said.

Home helpers, assistant nurses and nurses all described that the nurses acted as "informal" managers during task performance. The nurses influenced how and what the home helpers did in the pensioners' homes. "The nurses had higher status and knew more; we home helpers just did what the nurse said", one home helper described. Another home helper explained:

One thing the nurses often did was call us home helpers directly without telling the home helper unit manager, and tell us to do things that the health centre was supposed to do. For example we were often told to go to the health centre to pick up the doses of medication.

Nurses often grabbed home helpers in the pensioners' homes and told them to go and get prescriptions for medication, even if it was an emergency prescription and the responsibility of the health centre. Often the nurses also told the home helpers to accompany the elderly to the hospital. The home helpers claimed that they often ran errands for nurses and helped them with medical issues, even though that was not the responsibility of the home helper unit. The home helpers did not find the situation strange as they saw the nurses as authorities who knew what should be done in the pensioners' homes. "When we delivered care to the pensioners there were so many uncertainties. We needed support from the nurses and we saw them as managers", one home helper explained. This was supported by other nurses,

assistant nurses and home helpers describing the difficulties in giving care to pensioners who were very ill. "It was a very difficult situation; we had to rely on the nurses a lot. It was hard for us when the pensioner was ill. We did not know what to do, how to give the appropriate care", one home helper argued.

The nurses and assistant nurses stressed that even though the nurses organised the inter-organisational activities, they also helped the home helpers a great deal. Many of the nurses stressed that they were not afraid to do tasks of "social-care nature". "We saw what the patient needed when we got there, we had a human perspective", one nurse put it. If someone was in need of changing diapers, the nurses did it. They did not call the home helpers because it was a social care task. If the home helpers were not in the pensioner's home when the assistant nurses gave insulin, the assistant nurses made a sandwich for the pensioner. The nurses also emphasised the daily education and support they gave to the home helpers when they called and were anxious. "We were a great support for the home helpers", one nurse described.

The grey zones

One often used expression by the interviewees was the term grey zone. This was understood as the tasks that no one really knew whether the home helper unit or the health centre was responsible for. One nurse said:

There were many grey zones. Who should go to the pharmacy? Where was the line for salve? Was the salve medicine and our responsibility or personal hygiene and the responsibility of the home helpers? Who was responsible for the diabetes patient to be certain that he got food after insulin shots?

The example mentioned by all interviewees was picking up medicine from the pharmacy. "This had been a grey zone for such a long time", one home helper argued. The nurses and assistant nurses did not really know who should pick up the medicine from the pharmacy. "Everything about picking up medicine was unclear for us", one assistant nurse said. All home helpers also claimed that they did not really know who should go to the pharmacy to pick up medicine.

The grey zones were not described as problematic. "There were never any discussions. No one cared about who should do what", one home helper

said. Home helpers, assistant nurses, and nurses all pointed out that everyone saw to the best of the patient and did what needed to be done in the pensioner's home. It did not matter if it was written down on a social care contract or not, or whose responsibility it was. "The grey zones did not matter, we did not think in those terms. We just did it if it was necessary", one home helper explained. Another home helper said:

We did not find the grey zones to be problematic. It was not a question of our duty or the nurses' duty. We thought of the pensioner. If the pensioner needed salve, I just picked it up and saw to it that the pensioner used it.

Home helpers, assistant nurses and nurses described that the grey zone activities were solved without problems because the nurses often decided who should do what. "This was not a question; we could just ask the nurse who should do it and they told us", one assistant nurse said. "If the pensioner needed salve, the nurse told us to go and buy it and we did", one home helper said. The home helpers did not have much insight into who should do what; they simply did what needed to be done in the pensioner's home, and what the nurses told them to do. "You just did what the nurses told you, without reflecting on it", one home helper put it. Other home helpers, as well as assistant nurses and nurses, agreed and underscored the advantages for grey zone tasks of having the nurses as "informal managers". They all argued that someone who has the knowledge of both social and health care should guide the execution of care. And the nurses were argued to be ideal for this role. "We never thought about "us" and "them" or about financial issues, we concentrated on delivering good care to the pensioners", one home helper claimed. This was supported by the other interviewees, and as one assistant nurse put it:

Everyone on the floor was focused on giving good care. We had organised it well when we cooperated and helped each other, and the nurses decided who should do what. Management did not intervene and we could give care according to the needs of the patients.

The nurses and assistant nurses stressed the advantages of the grey zones being defined in a cooperative manner. Often the assistant nurses and nurses did not have access to the pensioner's money. Home helpers had money for food and other expenses, so it was sometimes easier if they picked up the medicine, the nurses argued. Some older people refused to give out money to

the nurses and this took much time and energy. "That is why it was so good for everyone, that the home helpers could get medicine when the nurses asked them. We did not have to argue with the patient and everything worked out smoothly with the home helpers", one assistant nurse explained.

Authorisation

Home helpers, assistant nurses and nurses all agreed on the logic behind the authorisations. They found it reasonable because the home helpers were already in the homes of the elderly. As one home helper put it:

I saw that the pensioners were happy when we worked well together with the assistant nurses and the nurses. It is not easy for them to have people running around in their homes and therefore it was very important that the medicine-giving worked smoothly.

The nurses emphasised that authorisations were efficient because home helpers could give medicine and ear- and eye-drop treatment so the more educated assistant nurses and nurses could concentrate on more advanced tasks. The nurses could focus more on examination and prevention of illness. One home helper explained:

I often gave eye-drops to a pensioner. I liked it and he liked it. He wanted to have few people running around in his apartment. And I was there anyway and thought it was fun to do medical tasks.

The home helpers claimed that the writing of the authorisations did not always function well. Often the nurses were late with the annual renewal of the authorisations. The nurses were also often slow with writing authorisations for new home helpers. The nurses explained that it was not always easy to get the time to write authorisations for all new home helpers. There were many new home helpers since the home helper units changed personnel frequently. Hence the nurses tried to write many authorisations at the same time, meaning that some home helpers had to wait for a while until they got their authorisation. The home helpers' application of medicine and ear- and eye-drops to the pensioners was working smoothly anyway, because the home helpers did these tasks even if they had not yet received the authorisation. One home helper explained:

The pensioner needed medicine and if we did not give it just because we had not yet received the authorisation, the pensioner would have to wait for medication. And that was not good for the pensioner of course, so we gave medicine anyway.

Another home helper said: “We even went to the pensioner’s home just to give medicine without having other things to do there at that time”. This was supported by the other home helpers who claimed that the giving of medicine and the giving of ear- and eye-drop treatment functioned smoothly because the home helpers were flexible. Sometimes there was something wrong with the medicine dose and the home helpers needed to be able to reach the nurses. For example, the pensioner might have thrown all medicine on the floor. One home helper described this kind of situation: “We waited for the nurse to come so we could make sure the pensioner got the medicine. This often took a long time for us but we always waited.”

To summarise:

- The daily coordination of interdependent tasks functioned smoothly since the nurses decided who should do what in the pensioner’s home and the home helpers adjusted to the nurses’ wishes. For example: adjusting schedules so breakfast could be given just after insulin shots, and coordinating showering and bandaging if the pensioner had a sore.
- Grey zone tasks were performed without problems. There was little attention on the respective units’ responsibilities. The home helpers did what needed to be done in the pensioner’s home and the nurses decided who should do what if there were uncertainties. For example: buying salves and picking up medicine from the pharmacy.
- Authorised tasks were performed without problems. The nurses were sometimes slow with writing authorisations and renewing authorisations but the home helpers gave medicine and ear- and eye-drops anyway. If something was wrong with the medicine box, the home helpers waited for the nurses to come and fix it.

5.5 Summary and discussion

The quotation in the epigram to this chapter came from a home helper. She said: “We did not worry about our financial situation”, when she described the situation before 2002 in District one. Similar descriptions were given by the other home helpers and the home helper unit managers. The quotation

therefore serves as a summary of Episode one. There seemed to be a low degree of accountingisation and basically no tension between operational activities and financial limits. The home helper unit managers did not feel pressure from the provider manager and the district director to produce balanced budgets. The home helpers did not take finances into consideration when caring for the pensioners. Attention for the home helpers was on the pensioners' wishes and needs.

By using the home helpers' descriptions of what they actually did in the pensioners' homes (from section 5.4), the boundaries that dominated in the actual delivery of care to the pensioners may be discussed. These boundaries are an amalgamation of the boundaries created by administrative, social and self controls. In section 5.4 it has been shown that during actual work practices, the basis for the home helpers was the pensioner and his/her desires rather than internal or inter-organisational operational activities and different units' responsibilities. Figure 5.4 gives a snapshot of District one at the end of year 2001 in terms of dominant boundaries during task performance.

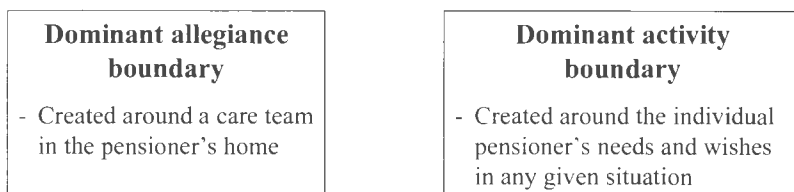


Figure 5.4 Dominant boundaries in the actual delivery of care to the pensioners, snapshot at the end of year 2001 in District one.

The dominant allegiance boundary was created around a care team in the pensioner's home. The home helpers, together with assistant nurses and nurses, were part of a team that aimed to give the pensioner the care he/she wanted and needed. They solved issues and problems without management involvement and the nurses were seen as "informal" managers of the care team, and told the other groups what to do.

The dominant activity boundary in the delivery of care to the pensioners was created around the individual pensioner's needs and wishes in any given situation. With a pensioner-based focus, it was important for the home helpers to be flexible. The social care contract was only seen as the minimal requirement of care that should be given to the pensioners. Internal

operational activities of both “technical” and “personal” nature were performed for the time the home helpers found it necessary. The home helpers frequently did extra tasks that were not written in the social care contract, if the pensioner wanted them. With a dominant activity boundary set around the individual pensioner’s needs and wishes in specific situations, the inter-organisational operational activities also functioned smoothly. The nurses dictated the working conditions for daily coordination of interdependent tasks, grey zone activities and the giving of medicine, ear- and eye-drop treatment on authorisation. The home helpers just did what the nurses told them to do, since the nurses were seen as having knowledge about both social and health care.

The dominant allegiance boundary and activity boundary implied that a separation of an internal and an inter-organisational domain – the legal organisational boundaries of the health centre and the home helper unit, and the separation of internal operational activities and inter-organisational operational activities – was not important for the home helpers during actual work practices.

Based on empirical data of the actual delivery of care to the pensioners, and the discussion of dominant allegiance boundaries and activity boundaries, inferences can be drawn about which controls seemed to be important influences on the home helpers’ behaviour. Administrative controls did not seem to be an important mode of control. The managers did little to control the cooperation between the home helpers and the assistant nurses and nurses. Administrative controls were important in the sense that the tasks ordered in the social care contract were performed. But the administrative controls’ productification of the delivery of care to the pensioners was not important during actual work practices.

The actual caring was rather guided by the pensioners’ needs and wishes in specific situations. Social controls and self controls seemed to be important influences on the home helpers’ behaviour. These controls created allegiance boundaries and activity boundaries with the pensioner as their foundation; an allegiance boundary around a care team in the pensioner’s home and an activity boundary around the individual pensioner’s desires in specific situations. The dominant boundaries in the actual delivery of care to the pensioners were similar to the boundaries created by social controls and self controls.

This was the first of three empirical episodes. Episode one may be typified as “before a financial crisis”. As the quote “We did not worry about our financial situation” illustrated, the home helpers did not think much about the financial situation of the home helper unit during task performance. Let us now continue the empirical journey to Episode two, typified as “during a financial crisis”.

CHAPTER 6

EPISODE TWO, "WE ARE IN A FINANCIAL CRISIS AND OUR JOBS ARE THREATENED"

As shown in Episode one, domestic elderly care in District one had a deficit of 6000 tkr by the end of year 2001. The politicians then wanted a change and acted, and in 2002 a new district director was appointed to turn around the deficit. Since then there has been major economic progress in the whole of District one as well as for domestic care of the elderly. The budget deficits have rapidly diminished since 2002 and all home helper units have improved their finances, many having a positive income flow already by 2004. Table 6.1 shows that aggregated net income for domestic elderly care has been positive from 2004 and onwards.

Domestic elderly care	2002	2003	2004	2005
Revenues (tkr)	89 000	93 000	92 000	94 000
Costs (tkr)	- 91 000	- 94 000	- 91 500	- 94 000
Net Income (tkr)	- 2 000	- 1 000	500	0

Table 6.1 An aggregated income statement of all home helper units in District one, 2002-2005.

All interviewees emphasise the drastic change that has taken place since the new district director was appointed. Home helper unit managers and home helpers talk about an economic crisis within domestic care of the elderly, and the need for taking drastic actions to achieve balanced budgets. As one home helper explains: "We are in a financial crisis and our jobs are threatened". Hence this episode represents "during a financial crisis". The following sections will be structured in the same way as in Episode one.

6.1 Administrative controls

6.1.1 Internal administrative controls

All interviewees stress the attention on finances in the whole district. As the provider manager puts it: "We had a budget free falling in 2001. It was too much in the minus, it had been in the minus for a while, and the negative trend had been increasing over the years. These factors made the politicians press the alarm button and act." The new district director describes: "For our part it is all about having a balanced budget for the district. A balanced budget is the issue; with lots of focus on this. There is no talk about developing something new, this has to come later." According to the district director, it is a matter of attitude, where financial issues had previously tended to be made mystical and neglected. The managers work hard to change this attitude and as the purchaser manager puts it: "It is only a matter of understanding that revenues should equal costs."

All interviewees agree that there has been a major change since 2002 when the new district director was appointed. "It is two different worlds, before and after the new district director", a home helper says. The home helper unit managers stress the increased financial demands made by the provider manager. "Money controls very much now, it does", as one home helper unit manager puts it. Another home helper unit manager explains: "The three most important parameters when I am evaluated? Budget, budget, budget...." The assistant purchaser manager describes the change with the words: "Now a balanced budget is priority one, and this has been made clear." The provider manager, the district director and the controllers see budget deficits as a matter of bad home helper unit management. One controller argues:

As a home helper unit manager you have to have detailed knowledge of how to organise the work, how to think in economic terms, and be flexible in terms of employment conditions. This was not the case before.

As shown in table 6.1, the aggregated net income for domestic care of the elderly has improved. The same trend can be seen for the individual home helper units included in this investigation, as shown in table 6.2. All home helper units have improved their finances and in 2005 all three units had a positive income flow. Both home helper unit managers and controllers point out that the economy of the home helper units have improved even though

the units have not received compensation for the annual salary increase of 3 %. During years 2002, 2004 and 2005 the revenue template from the social care service purchasers has been constant, whereas the personnel costs have increased by around 3 % each year. As one home helper unit manager puts it: “We are not compensated for salary increases and still we show financial improvement. We work really hard, as you can imagine.”

Home helper unit one				
Years	2002	2003	2004	2005
Revenues (tkr)	22 500	24 000	23 700	24 200
Costs (tkr)	- 23 500	- 24 400	- 23 600	- 24 000
Net income (tkr)	- 1 000	- 400	+ 100	+ 200
Home helper unit two				
Years	2002	2003	2004	2005
Revenues (tkr)	23 600	24 200	25 100	25 200
Costs (tkr)	- 23 500	- 23 950	- 24 800	- 25 100
Net income (tkr)	+ 100	+ 250	+ 300	+ 100
Home helper unit three				
Years	2002	2003	2004	2005
Revenues (tkr)	21 300	23 100	23 400	23 600
Costs (tkr)	- 22 100	- 23 200	- 23 450	- 23 550
Net income (tkr)	- 800	- 100	- 50	+ 50

Table 6.2 Income statements for three home helper units in District one, 2002-2005.

A number of internal administrative controls are used in District one. There is the purchaser/provider split, and productification through the social care contracts. Other internal administrative controls are selective recruitment, education, meetings, the setting of the annual budget, monthly budget follow-ups, sanctions, overviews of the social care contracts, detailed behaviour guidelines for the home helpers, financial discussions with the home helpers and discussions of cooperation issues with the home helpers. These are described in turn.

Purchaser/provider split and social care contracts

In District one there is still no systematic measuring of operational data about the quality of care for the elderly. According to the social care service purchasers, what constitutes good quality social care is that in which the home helpers do what is written in the social care contract. The purchasers

do not get many complaints from the pensioners when they talk to them. "The quality of social care is good. We get the care we pay for I think", one social care service purchaser claims. The other purchasers agree and the purchaser manager explains that she seldom gets complaints from the pensioners or their relatives. The social care service purchasers emphasise the difficulties in evaluating the quality of social care and describe how they can only have a vague sense for quality.

The indications the home helper unit managers get from the pensioners and their relatives are that the pensioners are pleased with social services. "Good quality means that the pensioner gets care according to the social care contract", one home helper unit manager claims. Another home helper unit manager says: "Good quality is defined as that which is in the social care contracts. It is as simple as that." This view is also held by the provider manager: "It is important that the home helper units understand that we can only have the quality that we have money for." She argues that the quality of social services can be defined as that which the social care service purchasers find reasonable and order in the social care contract. If the purchasers say no to more extended social care services it should not be delivered by the home helpers.

Selective recruitment

A new district director was appointed in the beginning of 2002 with the clear mission of turning around the deficit. Shortly after, the purchaser unit manager and the provider manager were replaced, as well as some of the home helper unit managers. The new purchaser manager and provider manager both come from the private sector. "It feels like I have the same kind of thinking as the provider manager, we both know that the budget needs to be balanced", the purchaser manager says. According to the district director, recruitments are made to employ managers who prioritise financial issues. A recruited home helper unit manager explains:

When I started I was shocked. The home helper unit had had budget deficits for many years. This surprised me as I have had my own company and know that revenues have to be greater than costs. I asked the former home helper unit manager and she said that they had always had budget deficits. That it was in the system. I was astonished.

The home helper unit managers now all foreground the need to have balanced budgets. “Costs cannot be higher than revenues, end of story”, as a home helper unit manager says.

Education

The provider manager, together with the controllers, educate the home helper unit managers in financial issues. The provider manager emphasises that the home helper unit managers must realise the importance of balanced budgets. The home helper unit managers need to understand the importance of taking drastic actions when the district is experiencing an economic crisis. The controllers talk about the importance of always thinking about financial consequences when making decisions. The controllers also explain the importance of making reasonable prognoses for personnel costs in order to take actions if the costs rise when the revenues do not. The home helper unit managers are taught how to make good personnel cost prognoses. “It is not just to take 1/12 [of an annual budget] every month, you have to be aware of the fluctuations during the summer for example”, one controller claims.

Meetings

The home helper unit managers explain that they have frequent interaction with the provider manager and discuss financial issues. “The provider manager is like a leech on us”, one home helper unit manager says. The home helper unit managers and the provider manager meet every second week and have joint discussions on how to lower costs. During the meetings, the provider manager stresses to the home helper unit managers that they cannot make their own judgements about what care the pensioner needs without telling it to the social care service purchasers. The managers have to understand that if the needs of the pensioner are greater than what is ordered, then the purchaser needs to change the social care contract. Otherwise the home helper unit will not be paid correctly. The provider manager says:

They cannot do more than what they are paid for. The managers have to go to their home helpers and say, we have to lower our ambitions and adjust to what we get paid. The home helpers should only do what is in the social care contract. This I make very clear.

The setting of the annual budget

The provider manager and the controllers put a lot of effort into getting the home helper unit managers to understand the structure and importance of the annual budget. When the home helper unit managers receive their revenue budget, the controllers explain the figures. Thereafter, the home helper unit managers and the controllers together discuss how much personnel the unit can have in order to have a balanced budget according to the estimated revenues. They also discuss the different types of costs and how to estimate them based on previous years' experience and prognoses for the year to come. The goal is that the home helper unit managers should have a good understanding of what their annual cost budget means in terms of personnel and other costs. The home helper unit managers all agree that they have a good understanding of the structure of the budget, how to make cost estimations and the implications for the number of home helpers they can employ.

Monthly budget follow-ups

In order to put more pressure on the home helper unit managers, the provider manager has monthly budget follow-ups with the managers. During the meetings they discuss how the units are doing financially. If needed, the home helper unit manager, together with the controller and the provider manager, agree on actions to reduce costs. For example, they may choose not to take in substitute personnel if a home helper is sick, or they may tighten up the schedule planning or review the social care contracts, or even dismiss home helpers if needed.

Sanctions

The provider manager makes it clear to the home helper unit managers that they have to concentrate on achieving balanced budgets; otherwise they will lose their jobs. "Of course you can give the managers a second chance, but not three or four chances as it was before. Firing managers is the only punishment we have in the public sector", the provider manager says. The provider manager looks at the trends of the financial results of the home helper unit and has to see improvements. And a few managers have been replaced, "so all managers know that it is not empty threats", as one home helper unit manager describes. "The managers feel that they have to do something otherwise they will lose their jobs", one controller argues. "We really feel that our home helper unit manager is heavily driven by the

provider manager. She is very stressed out about our budget; it cannot be easy to be the manager these days”, one home helper explains.

Both home helper unit managers and home helpers discuss the current situation in terms of a financial crisis, and they feel the home helper unit's existence and their jobs to be threatened. The home helper unit managers have geographical divisions for the home helpers and detailed planning of the home helpers' tasks. The managers describe that they often dismiss home helpers. They are also strict with taking in substitutes and often the home helpers have to cover for each other. “Personnel costs are basically the only thing we can affect in terms of costs”, one home helper unit manager claims. The managers now have many hourly-employed home helpers, and thereby a small crew of full-time employees.

Overview of the social care contracts

On a regular basis, the provider manager requires all home helper unit managers to go through the social care contracts and form the home helpers' schedules on the basis of the contracts. The home helper unit managers and their home helpers review all social care contracts and compare them with actual work practices. “All the home helpers need to be fully engaged in tasks the whole day, otherwise it is impossible to have a balanced budget”, one home helper unit manager argues. If people are sick then another home helper has to cover if he/she has free time. There is no room for taking in substitutes as frequently as before. “I have to know in detail what everyone is doing. If a pensioner is in the hospital, then I have to know that home helper “A” has two hours free, and she can fill those two hours with some other pensioner”, one home helper unit manager explains.

Detailed behaviour guidelines for the home helpers

The home helper unit managers communicate to the home helpers that they should only do what is written in the social care contract. “I have very caring personnel, many a bit older. I tell them over and over again, you cannot do things not written in the social care contract”, one home helper unit manager claims. Another manager says:

I am clear to my home helpers that they should limit work to what is written in the social care contract; no more, no less. They have to say no to the pensioners if they want more. We must have it on the social care contract so we get paid for it.

The home helper unit managers require detailed information of what the home helpers are doing in the homes of the elderly. Therefore the home helpers have to document social services. The home helper unit manager compares this with the social care contracts.

Financial discussions with the home helpers

The home helper unit managers frequently discuss the economy of the home helper unit with the home helpers. "Both my home helpers and I really need to think in financial terms", one home helper unit manager says. The managers emphasise to their home helpers that the budget needs to be balanced; otherwise more home helpers will lose their jobs. One home helper unit manager describes:

I try to make my home helpers aware of financial issues and budget pressure. They have to understand that we all have to help to lower costs. And the home helpers have to understand the importance of getting the social care contracts right so we get paid for what we do.

The managers have monthly meetings with the home helpers where they discuss how the home helper unit is doing financially. The home helpers get a document where they can see the actual revenues and costs for the unit so far during the year, and the prognoses for the whole budget year. The managers try to stress the connection between the revenues for the home helper unit and the home helpers' salaries. The managers describe for the home helpers how the revenues come from the social care service purchasers based on the social care contracts and that it therefore is very important that the social care contracts are correct. One home helper unit manager explains:

The home helpers have to understand that minus 300 000 [Swedish kronor] is one less home helper in our unit. This connection between the budget and their salary is important. They also have to know that it is the social care contracts that give us the revenues. In this way the home helpers have been forced to be interested in financial issues.

Another home helper unit manager says: "At every meeting I tell my home helpers how we are doing financially. This is what we have consumed and this is the money we have gotten. This is what I think for the whole year." Or as another home helper unit manager puts it: "The communication with the home helpers must function. They must be aware of how a budget looks, what the revenues are, what will happen if I do not tell the social care service purchaser, and so on."

Discussions about cooperative issues with the home helpers

The home helper unit managers discuss inter-organisational activities frequently with the home helpers. The managers stress the importance of only doing what is the responsibility of the home helper unit, and not helping the nurses simply if they ask. "The home helpers should only do authorised tasks for the health centre, nothing else", one home helper unit manager claims. The managers often initiate discussions with the home helpers when they emphasise that the home helpers should only do social care, and that they belong to the home helper unit. "There is a lot of focus on our responsibility and the health centre's responsibility", one home helper unit manager says. The managers underscore to the home helpers that they should not let the nurses tell them what to do. "I am their manager, not the nurse. I have no room in my budget for my home helpers to be an extra resource for the nurses at the health centre", one home helper unit manager claims.

6.1.2 Inter-organisational administrative controls

The health centre managers and the home helper unit managers do not issue any inter-organisational administrative controls of their own. There are only the general inter-organisational administrative controls about authorisations. The health centre managers emphasise the importance of writing authorisations when discussing with their nurses. The home helper unit managers tell their home helpers that they should give medicine and ear- and eye-drops on authorisation.

The home helper unit managers want to have meetings with the health centre managers but argue it is hard to find time for meetings since they have to concentrate so much on their own financial situation. Cooperation issues are not in the picture. "We want to meet with the managers of the health centre, but nothing happens", one home helper unit manager explains. The health

centre managers also talk about the need for having meetings with the home helper unit managers. "As it is now I do not know so much about who is working for the home helper unit, and it is hard to cooperate when you do not have a face to relate to", one health centre manager argues. The health centres have not heard anything from the home helper units about establishing meetings. They are thinking about proposing it to them. "But the relationship is so frosty and they are focusing on their internal activities so much", one health centre managers argues. "I feel like the home helper units have fewer and fewer people; they do not have time", another health centre manager says.

6.1.3 Administrative controls and boundaries

Summing up, there seem to be many control impulses from the managers. Most of them are internal administrative controls. These can be described as the purchaser/provider split and productification through the social care contracts, selective recruitment, education and meetings, the setting of the annual budget, monthly budget follow-ups, sanctions, overviews of the social care contracts, detailed behaviour guidelines and discussions with home helpers about cooperation issues and financial issues. There are also inter-organisational administrative controls in the form of general guidelines for authorisation. Figure 6.1 provides a snapshot of administrative controls and their boundaries at the end of year 2004 in District one.

All internal administrative controls seem to be aimed at creating an allegiance boundary around the home helper unit. The home helper unit's legal boundary is the basis and the home helpers should be aware that they belong to a unit in an economic crisis with an overarching threat to the unit's existence and to the home helpers' jobs. Cooperation should not be concentrated on; loyalty should be towards the home helper unit.

Administrative controls create activity boundaries that productify the delivery of care to the pensioners. The foundation is the separation of an internal and an inter-organisational domain and pre-specified operational activities in these domains. An activity boundary is created around tasks written in the social care contracts, i.e. the managers are clear that the home helpers only should do what is written in the contracts and nothing extra for the pensioners. In the inter-organisational domain, an activity boundary is created around authorised tasks, i.e. the home helpers should give medicine, ear- and eye-drop treatment to the pensioners if they have a written

authorisation from the nurse. The home helpers should concentrate on internal operational activities and only help the nurses with authorised tasks, nothing else.

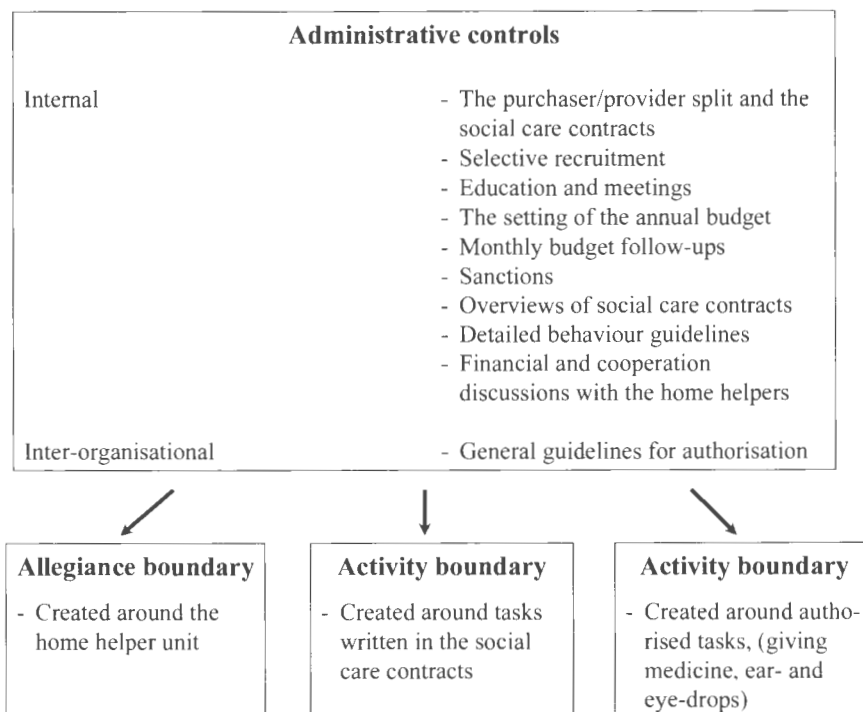


Figure 6.1 Administrative controls and boundaries, snapshot at the end of year 2004 in District one.

6.2 Social controls

6.2.1 Internal social controls

The home helpers describe that it is common to discuss financial issues and talk about the budget and costs during coffee breaks. Financial issues are discussed frequently since many of the home helpers are afraid of losing their jobs. This is explained by the fact that budget deficits within the home helper unit means that more home helpers will be dismissed and no one wants that. Everyone feels threatened and they discuss with their colleagues the importance of contributing to a stable financial situation. "Our unit and

our jobs are in danger. Of course we try to influence each other in order to save money”, one home helper explains. Another home helper describes:

Before I felt pressure from the other home helpers to think of the pensioner and never discuss financial issues. Now it is the opposite, I feel pressure to think of the budget and the budget and the budget. It is the budget all the time.

Another group norm is described as aimed to the importance of limiting work to what is written in the social care contract. During coffee break discussions the home helpers talk to each other about the necessity to follow the social care contracts in order to have a balanced budget. One home helper describes: “You feel it in the air, that you should not do extra tasks for the pensioners.” Another home helper explains:

I feel the pressure from my colleagues to be faster and faster when delivering care, and only do what is in the social care contract. Over and over again you hear the same thing. Everyone is under pressure and afraid of losing one’s job.

Many home helpers state that they do not like the discussions with their colleagues. They argue that they personally do not agree with the group norms. “We push each other to think financially and only do what is in the social care contract. But personally I want to be flexible when I deliver care”, one home helper says. The home helpers are afraid of losing their jobs and explain that they try to influence their colleagues to be stricter. “I do not like the way I talk during coffee breaks, but we must save money”, one home helper puts it.

6.2.2 Inter-organisational social controls

Home helpers, assistant nurses and nurses state that there are two clear groups in the pensioner’s home. The home helpers are one group and the assistant nurses and nurses form the other group. It is clear that the two groups have different organisational loyalties. The home helpers belong to the home helper unit and feel responsible for social care; the assistant nurses and nurses belong to the health centre and feel responsible for health care. One home helper explains:

In our home helper group we say to each other that we should help the nurses by giving medicine on authorisation, but we should not take orders from them or run errands, or adjust our schedule all the time. We are responsible for social care and not health care.

The home helpers seem to feel that they belong to a home helper unit that is under tough economic pressures. There is a strong norm within the home helper group on how to relate to the assistant nurses and nurses. The home helpers tell each other to focus on social services and not let the nurses and assistant nurses push them around. As one home helper says:

We talk a lot about how we home helpers have to stick together as a group and be clear that we should give the pensioners social care, and not help the nurses whenever they want. We have our budget to hold to and we do not have time to do things for the health centre.

The assistant nurses and nurses describe that they try to discuss with the home helpers about the importance of the nurses' authority to formulate some conditions in the pensioners' homes, because the nurses have knowledge both about social care and health care. One assistant nurse says: "We often talk to the home helpers about listening more to what the nurses say. But it is difficult to get through." One nurse describes: "We try to give advice to the home helpers and to divide tasks between us, but they often do not listen to us. They are so busy doing their social care." An assistant nurse says: "They do not listen to us and the nurses; they are just focused on doing their social care." Similar descriptions are also given by the other assistant nurses and nurses. One assistant nurse argues:

What we say does not seem to matter anymore; the home helpers concentrate on the social care duties and do not see the whole picture of necessary care for the pensioner. It is not good at all. It is not a good atmosphere between us and the home helpers.

6.2.3 Social controls and boundaries

The home helpers describe the pressure from their colleagues of foregrounding the financial situation of the home helper unit. During coffee break discussions, the importance of a positive income flow is discussed.

They should all help to save money so that no more home helpers will lose their jobs, and the home helper unit survives. The home helpers try to influence each other to limit their work to what is written in the social care contracts. They should also stick together as a group and not let the nurses dominate them. Figure 6.2 provides a snapshot of social controls and their boundaries at the end of year 2004 in District one.

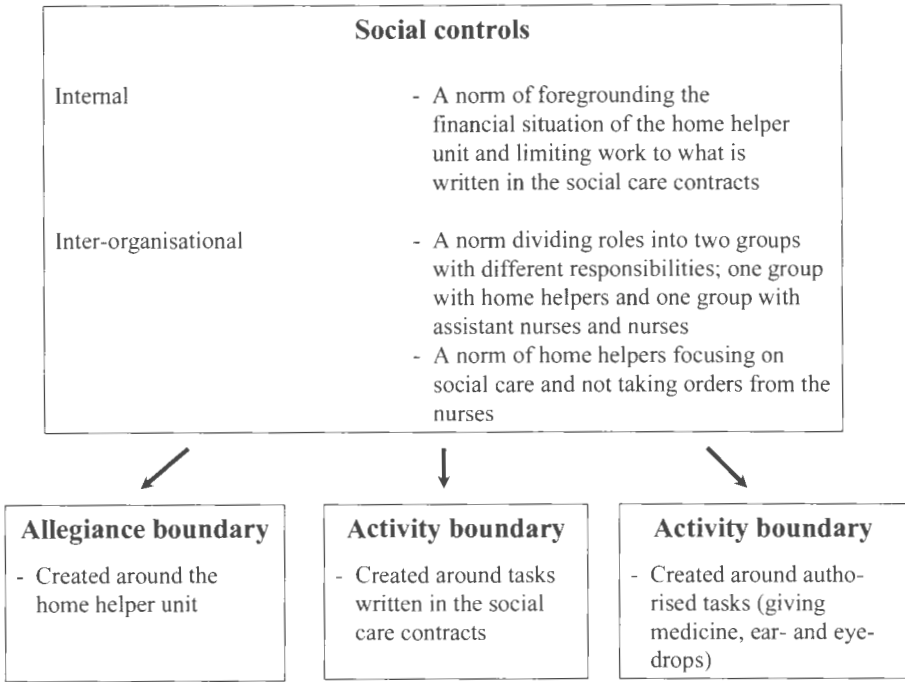


Figure 6.2 Social controls and boundaries, snapshot at the end of year 2004 in District one.

Social controls create an allegiance boundary around the home helper unit. The home helpers should be loyal to the home helper unit, which currently experiences a financial crisis, and all home helpers should unite and work to improve the economy of the unit. Social controls also create activity boundaries that productify the delivery of care to the pensioners. One activity boundary is created around tasks written in the social care contracts; i.e. the home helpers should only do what is written in the contracts, nothing extra. Social controls also create an activity boundary around authorised

tasks, i.e. the home helpers should give medicine, ear- and eye-drops on authorisation but nothing else for the nurses.

6.3 Self controls

The home helpers' personal values seem to reinforce the importance of doing everything written in the social care contracts as well as some extra tasks. The home helpers say that they are proud of what they do, and underscore that they personally feel strongly that the social care they deliver must have some dignity. This means that they do not want to act literally on the social care contract. One of the home helpers explains:

You go home to a pensioner who is often lonely. I personally want to be able to make my own decisions regarding what is appropriate to do and this sometimes includes doing more than what the social care service purchaser thinks is appropriate care.

Another home helper claims: "I often say to myself, we are human beings. I do not want to act according to the social care contract all the time. Then I might as well do something else." The home helpers think that the social care service purchasers are too strict in their decisions on what is considered good social care and on what the pensioner needs.

The home helpers all claim that they work for a home helper unit with pressure on it to produce a positive income flow. They all experience an economic crisis and stress the importance of improved finances. Their professional task is to perform social care, the responsibility of the home helper unit. "I represent my home helper unit and I want to give the pensioners as good social care as possible", one home helper argues. This is supported by the other home helpers who underscore that they have to work hard to survive as a home helper unit. "I understand that it is a matter of our jobs. We cannot have higher costs than revenues", one home helper describes. Another home helper says: "I hear about other home helpers who have to quit because of bad budgets. I am afraid of losing my job. We have to have a balanced budget." The home helpers approach to their jobs seems to include the importance of balanced budgets for the home helper unit, which implies that they do not think it is reasonable to do everything the pensioner wants. As one home helper puts it:

I personally think it is important to be flexible in the pensioner's home. Good social care in my opinion requires that I adjust to the specific situation. The social care contracts cannot mirror reality, we have to be flexible. But we should definitely not do everything the pensioner asks for; we have to find a fair balance.

Another home helper expresses similar thoughts:

I personally think we should do everything that is written in the social care contract and a little bit extra. I want to do a little more and be flexible for the pensioners. They need this. But I do not want to do too much extra for the pensioners; it is important to think about the budget as well.

The home helpers' personal values seem to reinforce the importance of focusing on social care at the expense of cooperation. All home helpers point out that they belong to the home helper unit and that they have the responsibility to offer good social care. "I say to myself almost every day that I will do my best to give the pensioners good social care", one home helper describes. The home helpers all say that they often think in terms of the responsibility of the home helper unit and the responsibility of the health centre. "I think a lot about the difference between our tasks and the tasks of the health centre. I am responsible for social care and this I really want to do well", one home helper says. The home helpers describe how they are aware of the fact that they are providers of social care and work for a home helper unit with budget problems. "I personally think that we should focus on social care. We should only help the nurses in giving medicine and ear- and eye-drop treatment on authorisation", one home helper claims. The other home helpers put forward similar views. As one home helper puts it:

I personally think that we should not do anything extra for the health centre, or my home helper unit will cease to exist because we would not have a balanced budget. We should only do authorised tasks. We should not help the nurses with other things like we did before. It is not possible, the assistant nurses and nurses have to manage on their own.

6.3.1 Self controls and boundaries

Impulses in the form of self controls seem to be connected to the personal desires of the home helpers to give the pensioner decent social care, which implies the possibility to be flexible when delivering social services in the pensioner’s home. The home helpers personally want to do everything written in the social care contract as well as some extra tasks for the pensioners. This does not imply that they want to do everything the pensioner wants however. The home helpers find it important that their home helper unit has a balanced budget. Therefore they personally stress the importance of having a fair balance and not doing too many extra tasks for the pensioners. The home helpers’ personal values seem to reinforce the definition of the inter-organisational domain as something not within their responsibility. The home helpers think they only should give medicine and ear- and eye-drops on authorisation. Figure 6.3 provides a snapshot of self controls and their boundaries at the end of year 2004 in District one.

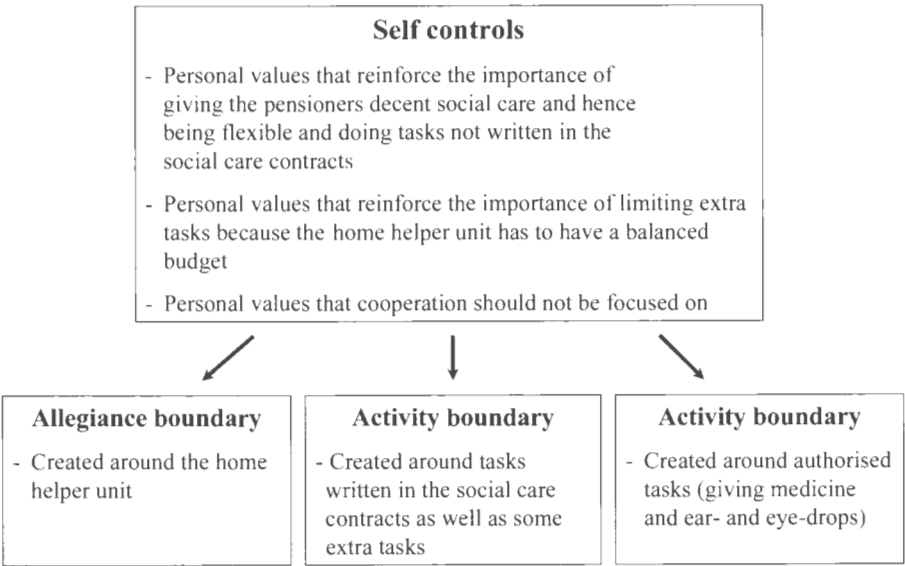


Figure 6.3 Self controls and boundaries, snapshot at the end of year 2004 in District one.

Self controls create boundaries that depart from the home helper’s personal desire to give the pensioners a decent social care and at the same time take the home helper unit’s financial situation into consideration. The allegiance

boundary is created around the home helper unit. The home helper should be loyal to the home helper unit and cooperation is not a central matter of concern.

Self controls also create two activity boundaries. One activity boundary concerns the internal operational activities and is created around tasks written in the social care contracts as well as around some extra tasks. Such extra activities do not include doing everything the pensioner asks for, but are limited to some extra operational activities as judged by the home helper in specific situations. Self controls also create an activity boundary around authorised tasks, i.e. giving medicine and ear- and eye-drop treatment. This activity boundary productifies inter-organisational operational activities since only pre-specified authorised tasks fall within the activity boundary.

6.4 Operational activities

6.4.1 Internal operational activities

The home helpers think that the social care service purchasers are too strict in their decisions about what is considered to be good social care and what the pensioner needs. The home helpers stress that flexibility is important for decent social care, which means doing other services not written in the social care contract. All home helpers describe their tight schedules, which are planned in detail by the managers according to the social care contracts. "I have many pensioners to visit. There is no possibility whatsoever to be flexible and do anything extra if I am to follow all the social care contracts", one home helper claims. The other home helpers agree and argue that it is impossible to be flexible, unless they do less than what is written in the social care contracts for some of their pensioners.

The home helpers emphasise the pressure they feel from managers and fellow home helpers to do only what is written in the social care contracts. Still all home helpers claim that they do extra tasks that are not included in the social care contracts. As one home helper says: "Because I do a little extra, I give the elderly decent social care. The social care contract is not enough". This is supported by the other home helpers. "I do not care what the managers and my colleagues think. When I deliver social care I am flexible and do extra tasks if I think the pensioner needs it", one home helper claims. As another home helper puts it:

I often do more than what is written in the social care contract. The pensioners need me and when I am in the pensioner's home I often feel that I have to do things for them, even if it is not in the social care contract. For example stay a little longer for breakfast. Take an extra walk if the pensioner really needs some fresh air.

The home helpers describe how they find time to be flexible and do extra tasks even though their schedules are packed and planned in detail according to the social care contracts. They do less for some of their pensioners, those who are not as ill. One home helper explains:

I have to do less than what is written in the social care contract for some of my healthy pensioners. In this way I get some extra time which enables me to be flexible and give something extra to the pensioners who really need me that day.

Another home helper says:

If I have stayed longer to do more for one pensioner, then with another of my pensioners I have to, for example, clean while the pensioner eats. In this way he gets food and companionship, but I do other things at the same so I save some time. I know this is not food and companionship as it was intended, but it is my only way of managing.

All home helpers describe similar situations. They do less time than what is written in the social care contracts for some healthy pensioners to be able to do extra tasks for the pensioners who really need these extra services that particular day. The home helpers only do less of "personal" operational activities for the healthy pensioners. They take a shorter walk with the pensioner, have shorter meals and companionship than normal and rush with the morning hygiene. The "technical" operational activities are performed for all pensioners according to the social care contracts, because these services are easy for the social care service purchasers, the pensioners and their relatives to evaluate.

The pensioners' desires are important for actual work processes. The home helpers explain how it is a special situation to work with elderly people in their homes, and how it is hard to say no to the needs of the pensioners. They stress that the pensioners are individuals who behave differently, and the home helpers try to adjust to each specific situation. "I have a human

perspective when I act as a home helper. I get to know the pensioners and I help them well”, one home helper says. The home helpers express that they become attached to the pensioners. One home helper explains:

A pensioner can be sad. Who can simply leave a pensioner who is sad? Then I stay a bit longer even if I am not supposed to. I do not care about the social care contract in such situations. I simply do less for some other pensioners who are not sad that day.

Another home helper describes:

The pensioner may have dropped a tin of jam. I cannot say: No I am sorry, I am just here to make up the bed. The social care service purchasers say it is not in the social care contract and our boss does not want us to clean up the jam. I do it anyway which means I do less for some other pensioner that day.

The home helpers underscore that being flexible does not imply doing everything the pensioner asks for. They judge the specific situations and say no to pensioners' desires for extra help, especially when it involves “technical” operational activities. If a pensioner is sad and needs companionship or if a pensioner really needs to talk for a while, the home helpers do these extras. But if the pensioner wants them to dust an extra time or do an extra wash of clothes they say no. One home helper describes: “There are many tough decisions. Often we say no to the pensioners' wishes and this is difficult.”

All home helpers explain that they do less social services than they personally would like to. As one home helper puts it: “We have to run faster and faster all the time in order to have a balanced budget. I would like to give the pensioner much more social care than I am able to give.” The home helpers want to do more for their pensioners and take more time for their “personal” tasks. As one home helper says: “There is little time for us to do anything extra for the pensioner, it is more like a factory. I want to do much more for the pensioners.”

The home helpers also describe other ways to save on time. They coordinate “technical” tasks with each other, for example washing clothes for several pensioners at the same time or joint shopping of groceries. One home helper describes:

We often help each other with the shopping of groceries. I also try to shop for many pensioners at the same time, instead of going to the store over and over again for each pensioner. I also often wash clothes for many pensioners at the same time if they live in the same building.

All home helpers agree that they do less and less of the “personal” care activities to save time. The home helpers describe how food and companionship is often reduced to giving the pensioner the food without having time to sit down with the pensioner. They also describe how walks with the pensioners get shorter and shorter, and the same is said about breakfast. All home helpers think this development is bad as they find social contact an important part of social care for the elderly. All home helpers agree that the “technical” operational activities which are easier for the social care service purchasers to evaluate, like making the bed, cleaning and washing, are always done. One home helper explains:

The time for sitting down and talking to the pensioners during breakfast gets shorter and shorter. It is sad because talking to the pensioner, just sitting down and being good companionship, is much more important than making the bed. Still making the bed is what we do because this is in the social care contract and because it is easy to measure and evaluate whether we have done it or not.

To summarise:

- The home helpers are flexible to some extent during actual work practices. They do extra tasks for some pensioners if the home helpers judge it to be necessary. The time for doing these extra tasks comes from doing fewer “personal” care activities for other pensioners.
- The “technical” operational activities, according to the social care contracts, are done for all pensioners.
- The “personal” operational activities are performed according to the social care contract for some of the pensioners. Other pensioners get less “personal” services than they are entitled to. The time spent on “personal” tasks is getting shorter and shorter.

6.4.2 Inter-organisational operational activities

All interviewees from both the health centres and the home helper units describe an atmosphere of negativity between the home helpers on the one hand, and the assistant nurses and nurses on the other hand. There are often discussions about what the respective responsibilities of the home helper unit and the health centre are. There is no measurement or follow-up of inter-organisational activities. This section is therefore based on the views of home helpers, assistant nurses and nurses within the health centres and the home helper units.

Daily coordination of interdependent tasks

Both home helpers and nurses emphasise the difficulties in coordinating interdependent activities. According to home helpers, assistant nurses and nurses it is difficult to reach each other via telephone. Everyone asks for better routines about whom to call and what numbers to use. "There are so many phone numbers; secret numbers, the kitchen, answering machines. We have a note somewhere about when to use each number, but no one really knows", one home helper argues.

There is often disagreement on setting up a proper time frame if a sore is to be bandaged by the nurse. The home helper has to shower the pensioner first and therefore the nurse and the home helper need to agree on a time that suits both of them. "We do not want or have the time to adjust our schedules to fit the nurses' needs", one home helper claims. Another home helper says: "Nowadays, the nurses change days without telling us, but we do not have time to wait around for the nurses. This often leads to the pensioner not getting a shower in time." The other home helpers agree and argue their schedules nowadays are so packed that they have no time to wait. One home helper says:

The disagreements with the schedules all the time create a bad climate between us and the nurses. And it is bad for the pensioner. Sometimes tasks are not carried out because we cannot agree on a joint time. But the nurses have to take their responsibility; we cannot adjust all the time.

Home helpers, assistant nurses as well as nurses give examples of pensioners not getting their sores taken care of properly because of bad coordination. Sometimes pensioners who get insulin eat breakfast too late because the

nurses and the home helpers have had bad communications. This is the responsibility of the health centre, the home helpers claim. As one home helper puts it: "We do our part, social care, very well, but we cannot and should not always adjust to the nurses."

The assistant nurses and the nurses give the opposite story. They emphasise that the home helpers never adjust their schedules and seldom listen to the nurses' advice. As one nurse describes: "We try to be flexible but it does not work because the home helpers are never flexible." One assistant nurse claims:

We and the nurses are as flexible as we can, but it never is enough. We cannot adjust all the time. The home helpers have to do their part and this is not the case now. It is not good at all.

The grey zones

The grey zones are described as problematic and annoying by home helpers, assistant nurses and nurses. In particular getting medicine from the pharmacy does not work well. "This has been a grey zone for such a long time", one home helper claims. All home helpers state that they do not really know who should go to the pharmacy to get medicine. "I asked my manager, but she told me it was a bit unclear", one home helper says. The home helpers also point to the fact that the social care service purchasers say different things. Some social care service purchasers write the pick-up of medicine into the social care contract and some do not. This makes the home helpers even more confused. The same goes for the assistant nurses and nurses. "Everything about getting medicine is difficult", one assistant nurse says. "Picking up medicines is a social task", another assistant nurse argues. "I think we should obtain medicine in many cases", a nurse claims.

Both home helpers and nurses argue grey zone tasks are often not carried out on time, sometimes delayed for many days. Pensioners sometimes have to wait for important medicine and salves. One assistant nurse explains:

It is really bad. Sometimes a pensioner does not get medicine on time because no one gets it. We do not talk to each other, or there is a misunderstanding. We must communicate better with the home helpers and we need guidelines for the grey zones. Now we blame them and they blame us.

The home helpers describe how pensioners often have to wait too long for support socks because both home helpers and nurses want the other to put them on. The same arguments are given for salves for the pensioners. No one really knows who should get it, and blames each other. "We try our best but the grey zones are not our responsibility. I think it is the health centre that should get medicine and salves", one home helper argues. This is supported by other home helpers who blame the assistant nurses and nurses. They say that the nurses are not flexible and always try to make the home helpers do things they are not supposed to do. The opposite description is given by the nurses and assistant nurses. They state that they try their best to make it work, but the home helpers must take more responsibility and do some grey zone activities. Everyone wants clearer guidelines about responsibilities so that the grey zones can be eliminated. As one home helper puts it: "I am sure we and the nurses all want clearer guidelines about who should do what."

Authorisation

The authorisations are described by the home helpers as problematic. The writing of authorisations is often done too late and they claim that giving medicine sometimes takes a considerable amount of time. According to the home helpers, it is not a matter of just giving the medicine, sometimes it has to be crushed as an old person may not be able to swallow. Sometimes the pensioners do not want to take their medicine, so the home helpers have to persuade them, which takes time. It is also argued that what is most time consuming is the fact that things so often go wrong. There is often wrong medicine in the doses or no sign-off list so the home helpers have to call the nurse. "All this calling takes time and creates anxiety for us", one home helper claims.

The nurses have a different view on the problems with authorisation. One nurse says:

We never sit down and coordinate these things, and we do not get information about who is newly employed. And they change a lot of personnel, so we need that information. We really try to make it work but the home helpers do not seem to bother to tell us who is in need of authorisation.

The home helpers give medicine and ear- and eye-drop treatment but they are sometimes not flexible if something goes wrong. One home helper describes: "We give medicine and try our best even though the nurses often

do not put sign-off lists in the pensioners' homes." The home helpers claim, however, that they often deny giving medicine if the pensioner has messed up the doses. One home helper describes: "If something is wrong with the medicine we tell the nurses – they have to fix it. It is not our responsibility." The assistant nurses and nurses emphasise that the home helpers are not flexible. If the sign-off list is missing, or if something is wrong with the medicine, the home helpers may not give the medicine or the ear- and eye-drops, and often without telling the nurses. "They have to tell us, otherwise the patient will not get the medicine", one assistant nurse says.

To summarise:

- The daily coordination of interdependent tasks is not working well. The home helpers and the nurses often do not adjust to each other's schedules and they have difficulties to reach each other.
- The grey zone tasks are often done late. The home helpers, assistant nurses and nurses blame each other and no one wants to pick up medicine, get salves or put on support socks. The delay of the performance of grey zone activities is due to lengthy discussions about who should do what.
- Giving medicine and ear- and eye-drops on authorisation is performed by the home helpers if there is a sign-off list in the pensioner's home. If a sign-off list is missing, the home helpers sometimes skip giving medicine and ear- and eye-drop treatment, at times without the nurses knowing.

6.5 Summary and discussion

The quotation in the headline to this chapter comes from a home helper. She says: "We are in a financial crisis and our jobs are threatened", when describing the situation in District one. Similar descriptions are given by the other home helpers and the home helper unit managers. The quotation therefore serves as a summary of Episode two. There is a great deal of pressure to improve the economy of the home helper units; the home helpers and home helper unit managers are experiencing a financial crises and fear losing their jobs. The home helper unit managers do not shield the home helpers from financial concerns. There seems to be a high degree of accountingisation and the home helpers take finances into consideration during actual work practices.

By using the home helpers' descriptions of actual task performance from section 6.4, the boundaries that dominate in the actual work processes may be discussed. These boundaries are an amalgamation of the boundaries created by administrative, social and self controls. Figure 6.4 gives a snapshot of District one at the end of year 2004 in terms of dominant boundaries during task performance. The dominant allegiance boundary is created around the home helper unit. There is a separation of an internal and an inter-organisational domain. When performing services, the home helpers are loyal to their own home helper unit and cooperation is not a priority.

Dominant allegiance boundary - Created around the home helper unit	Dominant activity boundary - Created around tasks written in the social care contract for some, but not all pensioners, and extra tasks for others	Dominant activity boundary - Created around authorised tasks (giving medicine and ear- and eye-drops)
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Figure 6.4 Dominant boundaries in the actual delivery of care to the pensioners, snapshot at the end of year 2004 in District one.

The dominant activity boundary for internal operational activities does not completely productify the delivery of care to the pensioners. When the home helpers perform social services they are flexible and do extra tasks. For example, the home helpers sometimes take an extra walk with a pensioner even if it is not written in the social care contract. The needs and desires from the pensioners are important for what the home helpers actually do; if a pensioner is sad, the home helpers might do more than what is written in the social care contracts. This is made possible by offering less “personal” care than is written in the contracts for some healthier pensioners. During task performance, it is important for the home helpers to find a fair balance between what the pensioner needs and wants in a given situation and the need for the home helper unit to have a balanced budget. The dominant activity boundary does not encompass everything the pensioners ask for; the home helpers say no to some extras, for example “technical” operational activities, such as dusting or washing an extra time.

A dominant activity boundary is also created around authorised tasks, i.e. giving medicine and eye- and ear-drops. Daily coordination of interdependent tasks and grey zone activities are often neglected. The

dominant activity boundary productifies the delivery of care in the inter-organisational domain, since only pre-specified operational activities fall within the dominant activity boundary. There is a separation of internal and inter-organisational operational activities; they are approached and performed differently by the home helpers. The home helpers appear to prioritise the internal operational activities at the expense of inter-organisational operational activities.

Based on empirical observations of actual work practices and the discussion of dominant allegiance boundaries and activity boundaries, inferences can be drawn about which controls seem to be important influences on the home helpers' behaviour. It appears that administrative controls, social controls as well as self controls are important influences on behaviour. The different types of controls often create similar boundaries. All three types of controls create allegiance boundaries around the home helper unit, which also is the dominant allegiance boundary during actual work processes. The home helpers act as representatives of a home helper unit that is in an economic crisis and is only responsible for providing social care. All three types of controls also create an activity boundary around authorised tasks, which is similar to the dominant activity boundary for inter-organisational operational activities.

The dominant activity boundary for internal operational activities seems to be a mixture of the activity boundaries created by administrative controls and social controls on the one hand, and the activity boundary created by self controls on the other hand. The home helpers do some extra operational activities in accordance with the activity boundary created by self controls, but this is made possible by giving other pensioner less "personal" services than that which is written in the social care contracts. They do fewer extra activities and fewer "personal" operational activities than they personally want to, since the activity boundaries created by administrative controls and social controls also appear to be important.

This is the second out of three empirical episodes. Episode two may be typified as “during a financial crisis” and as the quote “We are in a financial crisis and our jobs are threatened” illustrates, the units have to improve their finances and everyone stresses the severity of the situation; there is an economic crisis. The home helpers and the home helper unit managers feel that the survival of the home helper unit and their jobs are in danger. Now our empirical journey continues with Episode three, typified as “after a financial crisis”.

CHAPTER 7

EPISODE THREE, "WE HAVE SURVIVED OUR FINANCIAL CRISIS AND NOW THINGS HAVE STABILISED, BUT FOR HOW LONG?"

District two has more than 700 pensioners within their domestic elderly care. For some time now the district as a whole, including domestic care of the elderly, has had a positive income flow. "This is very important. If the budget is bad it will always be a dark cloud hanging over you, taking all your time and energy ", one controller argues. Table 7.1 shows an aggregated income statement for domestic elderly care in District two.

Domestic elderly care	1998	1999	2000	2001
Revenues (tkr)	82 800	83 400	84 700	86 200
Costs (tkr)	- 86 700	- 84 400	- 84 900	- 86 000
Net income (tkr)	- 3 900	- 1 000	- 200	+ 200
Domestic elderly care	2002	2003	2004	2005
Revenues (tkr)	87 100	90 200	91 000	92 200
Costs (tkr)	- 86 100	- 88 200	- 89 800	- 91 500
Net income (tkr)	+ 1 000	+ 2 000	+ 1 200	+700

Table 7.1 An aggregated income statement of all home helper units in District two, 1998-2005.

Domestic care of the elderly has had a balance in the plus from year 2001 and onwards. However, as shown in the table, this has not always been the case. There was a financial deficit in the late 1990s and in the year 2000. The provider manager explains that there was an economic crisis in 1998 when they needed to take drastic measures to turn the negative financial trend around. They dismissed many home helpers and the home helper unit managers reorganised the work. The provider manager initiated a major effort to achieve a balanced budget and raise financial consciousness in domestic care of the elderly. Internal issues were spotlighted and cooperation with the health centre did not work well. Controllers, home helper unit managers, as well as home helpers, describe that they made it through the financial crisis and that things have now stabilised. Everyone stresses that it

requires hard work to continue to maintain balanced budgets. As one home helper puts it: "We have survived our financial crisis and now things have stabilised. But for how long?" The empirical description is based on the situation in year 2004. This episode may be typified as "after a financial crisis".

7.1 Administrative controls

7.1.1 Internal administrative controls

The provider manager emphasises that economy is important in domestic elderly care and in the district: "I must say that we concentrate a lot on the financial aspect in this district. We work actively to make all our employees aware of economic issues." The home helper unit managers are described as competent by the provider manager and the controllers. They are said to be good at planning, good with personnel, flexible with many hourly employed workers, and interested in financial issues. The provider manager explains:

The home helper unit managers are like small company managers. They think like that, which I think is a bit unusual. They are entrepreneurs, they know how much money they have and they adjust to that. Nothing is impossible; they change their ways of working if necessary. They do some of their own accounting on the side; this is a sign of their being financially conscious.

The home helper unit managers all argue that they are respected and given credence by the provider manager. The home helper units have had a positive economy during recent years. Table 7.2 shows the income statements from 2002-2005 for the three home helper units included in this study. The home helper unit managers claim that there has been a lot of hard work behind the positive financial figures. They describe themselves as financially conscious and well organised. They consistently work with efficient schedules; all home helpers need to have an active task and they need to fill in for each other. The managers also use many hourly employed workers in order to be flexible in terms of personnel. As one home helper unit manager says: "I must be creative in terms of personnel. If someone is sick, we have to ask, can we manage without taking in substitutes? If a pensioner is in the hospital, then the home helper is free and can cover for someone else." The home helper unit managers argue the importance of only

doing what is written in the social care contract. As one home helper unit manager puts it: “We have to work strictly according to the social care contract. This is important in order to have a balanced budget.”

Home helper unit one				
Years	2002	2003	2004	2005
Revenues (tkr)	21 700	22 200	23 500	23 300
Costs (tkr)	- 21 500	- 21 700	- 23 200	- 23 100
Net income (tkr)	+ 200	+ 500	+ 300	+ 200
Home helper unit two				
Years	2002	2003	2004	2005
Revenues (tkr)	19 600	20 300	19 100	19 400
Costs (tkr)	- 19 500	- 20 000	- 19 000	- 19 300
Net income (tkr)	+ 100	+ 300	+ 100	+ 100
Home helper unit three				
Years	2002	2003	2004	2005
Revenues (tkr)	22 400	22 000	22 500	23 100
Costs (tkr)	- 22 000	- 21 200	- 22 000	- 22 900
Net income (tkr)	+ 400	+ 800	+ 500	+ 200

Table 7.2 Income statements for three home helper units in District two, 2002-2005.

The home helper units are organised geographically concentrated, with home helpers assigned to specific streets in order to minimise walking time between the pensioners. The home helpers should also coordinate collecting food boxes to avoid all home helpers individually getting food boxes for their specific pensioners. The home helper unit managers complain that it is hard to retain balanced budgets and it gets harder and harder because they are often not compensated for the annual salary increases. The home helper units were not compensated for the annual salary increases during years 1999, 2001, 2003 and 2004. During these years the payments from the social care service purchasers did not increase at all, whereas the personnel costs increased around 3 % annually. “This means we get less money for the same care. It is crazy and we have to really look at all possible savings to continue showing positive numbers”, one home helper unit manager argues. Another home helper unit manager explains: “We are often not compensated for the annual increases in salary costs so we have to do the same job on less money.”

There are a number of internal administrative controls in District two. There is the purchaser/provider split and productification through the social care contracts. Other internal administrative controls are the setting of the annual budget, education, monthly budget follow-ups, monthly meetings, meetings with the home helpers, individual work plans for each pensioner and discussions of the importance of cooperation.

Purchaser/provider split and social care contracts

In District two, there is no systematic follow-up of the quality of social services. The social care service purchasers have individual follow-ups with the pensioners to see if they are getting the social care they are entitled to in the social care contracts. The purchaser manager claims that their individual quality reviews with the pensioners indicate that the quality of the social care is good. All social care service purchasers, as well as the purchaser manager, state that the home helpers are good at doing the things ordered in the social care contracts and hence quality, from their perspective, appears good.

All purchasers argue however that quality of social care is hard to measure and evaluate. The talks with the pensioners give an indication, but the pensioners also have difficulties assessing the social care. "The pensioner has nothing to benchmark against. How can he know if dinner and companionship are of good quality", one social care service purchaser says. The home helper unit managers explain that their evaluations indicate that the quality of the social care is good. The pensioners seem pleased with the social services. The home helper unit managers sometimes do small surveys asking the pensioners or their relatives how they perceive social care, but they do not record the answers in a systematic way.

The setting of the annual budget

The home helper unit managers, together with the controllers, put a lot of effort into preparing the annual budget. They discuss whether additional cost-savings are needed. They have detailed discussions on how to estimate the different costs so that the budget for the home helper unit will be balanced. They also go through approximately how many fixed employees, as well as substitutes, fit within the estimated cost budget. The controllers and the home helper unit manager also discuss the latter's views on the coming year in terms of how many pensioners might die or be moved to nursing homes. This means lost revenues for the home helper unit. All these

discussions boil down to an estimated cost budget so that the revenues and costs will be equal.

Education of the home helper unit managers

The district director, the provider manager and the purchaser manager work with an awareness of the budget and support the home helper unit managers in their financial role. The home helper unit managers are educated in financial issues. "We work a lot to educate them in financial awareness", one controller says. As the provider manager says: "You must systematically get the economic thinking to filter through the whole organisation. It is not enough that I am aware of the budget, all employees have to be aware of it." They arrange workshops for the home helper unit managers and small courses in accounting and business. They also have courses on how to read and understand the monthly reports sent out by the controllers. The controllers also teach the home helper unit managers how to create simulations when preparing prognoses. One controller describes:

For example, what would happen if the home helper unit manager hired one more home helper? Or what would happen if they bought cleaning services from another company instead of doing it themselves? We discuss these things with the home helper unit managers.

Monthly budget follow-ups

The provider manager and controllers have monthly budget follow-ups with the home helper unit managers as means of taking action. "You cannot wait until the official reports comes every four months, then it is too late", the provider manager says. It is clearly stated by the provider manager that the home helper unit managers are responsible for their home helpers and their budget.

Once a month the home helper unit managers get a report from the controllers. In the report they can see the actual revenues and costs accounted for during the year. The controllers have put the numbers together in an easy-to-read form for the home helper unit managers. The costs are, for example, aggregated into relevant cost types. In this way the home helper unit managers get an actual income statement for the months that have passed. Based on the report and what they think of the future months, the

home helper unit managers have one week to put together their prognoses for the next month and for the year as a whole.

The controller and the home helper unit manager thereafter discuss the actual figures and the prognoses for the year. The controller asks questions about the prognoses and they discuss if they are reasonable or not. They also discuss if any specific actions are needed and if the figures are going in the right direction and according to plan. Sometimes the provider manager is also involved. If the actual figures and the prognoses point towards a budget deficit for the year, the home helper unit manager needs to present an action plan of what to do over the rest of the year in order to not have the deficit. This action plan is then discussed with the controller and the provider manager, and specific actions are decided on.

Monthly meetings with all home helper unit managers

Every month, the district director, the purchaser unit manager and the provider manager meet all home helper unit managers. They go through the financial figures for all home helper units and they are all listed on a scale, a kind of benchmarking. "The home helper unit managers are motivated to be on top of that list", the provider manager explains. The managers claim that this is very good for them and it is useful to see the financial situation for the other home helper units as well. All home helper unit managers argue they want to be on top of the list and do not want to have negative numbers. "All managers see it. Of course you do not want to have a minus, and if you have a minus one month you really work hard to be better next month", one home helper unit manager says.

Meetings with the home helpers

The home helper unit managers have meetings every second week with their home helpers. They talk about the pensioners and go through the social care contracts to see if they are reasonable in terms of tasks and time durations, compared to what the home helpers are actually doing for the pensioner. The managers stress the importance of limiting work to what is written in the social care contract. They also discuss the financial situation of the home helper unit, how the revenues and costs have developed and how the prognoses for the year are looking. One home helper manager explains: "I guess the home helpers are tired of hearing about money all the time. But they know they have to be aware of the financial situation." All home helper

unit managers discuss the importance of a positive income flow with their home helpers.

Individual work plans

The home helper unit managers require that the home helpers prepare individual working plans for each pensioner, based on the social care contracts. The home helpers should be aware of what is written in the social care contracts. The home helper unit managers argue that the individual work plans for the pensioner hopefully influence the home helpers to limit work to what is written in the social care contract. The individual work plans form the basis for the schedules and the home helper unit manager, together with the home helpers, review the working plans every month and compare them with the contracts.

Discussions of the importance of cooperation

The provider manager explains that a well-functioning inter-organisational relationship with the health centre should be prioritised by the home helper unit managers. The provider manager says that she herself prioritises well-functioning cooperation because the two organisations are so interconnected in helping the pensioner. She discusses with the home helper unit managers the importance of cooperation. The home helper unit managers describe that they remind about the need for well-functioning cooperation during their internal meetings with the home helpers every second week. They tell the home helpers that it is not enough to give the pensioner social services, it is also important to cooperate with the assistant nurses and the nurses effectively.

7.1.2 Inter-organisational administrative controls

The managers have jointly agreed on a number of inter-organisational administrative controls. These controls are found in the task group, in monthly meetings between home helpers and nurses, and in specified guidelines for cooperation, which complement the general guidelines for authorisation.

General guidelines for authorisation

The inter-organisational administrative controls that are involved in the authorisation are applied in District two. These give general guidelines: that the nurse should write an authorisation to the home helper, and that the home helpers should perform authorised tasks, e.g. to give medicine and ear- and eye-drop treatment to the pensioners. The district also has more detailed guidelines for authorisation which will be described in a separate section.

The task group

All managers mention the task group as positive to the inter-organisational relationship. The task group has meetings approximately four times a year. The members of the task group are nurses from the health centres, the health centre managers, the purchaser manager, the provider manager and the home helper unit managers. The meetings are a forum for discussing things that are problematic in the relationship, and give the managers a chance to exchange important information. Here issues about the relationship between the health centres and the home helper units are discussed, for example the grey zones. No specific pensioners are discussed as this is only done during the meetings between the nurses and the home helpers.

A summary of the discussions and the decisions during the meetings are written down, and then it is distributed to the nurses, the assistant nurses and the home helpers. "The task group is very good. I always prioritise going to the meetings", the purchaser manager claims. All home helper unit managers agree. One home helper unit manager says:

The task group has developed very well. It is important that we do the same over the entire district since health centres work with different home helper units. Even though we have grey zones left the task group improves cooperation.

This is supported by the health centre managers. As one health centre manager puts it:

The task group is very interesting. Our health centre works with two districts, and we only have a task group in one. On this side we have an effective structure, it works very well and also my nurses meet the home helpers regularly. It is very important to have cooperation. The task group is very good, and important, and I think the key to why it works so much better in this district.

Monthly meetings between home helpers and nurses

The managers require home helpers and nurses to meet once a month when the nurses should come to the home helper unit premises. Each nurse should talk to the home helpers that attend to his/her domestic health care patients. The home helpers and the nurses are instructed to tell each other in advance which pensioners they want to talk about, so everyone comes prepared. The health centre managers and the home helper unit managers describe the meetings as good for information-sharing and keeping each other updated on the patients. “Many eyes see more than a few eyes”, one health centre manager explains. The pensioners should be discussed in terms of any changes in their condition that either the nurse or the home helpers have noticed. It can be that a pensioner has started to lose weight, or his/her memory is decaying so much that the pensioner might need a memory test.

Specified guidelines for cooperation

The managers require the nurses use a common authorisation form throughout the district. It specifies the different types of authorisation in a systematic and easily readable way, so the home helpers know what they are required to do. There are also specified routines for the authorisation procedure. The home helper unit managers are required to call the nurses when a new home helper has been hired and needs to be educated by the nurses. A few nurses at each health centre are responsible for writing these authorisations and for educating the home helpers. The home helpers need to come to the health centre in order to be educated. In addition, there are routines for the annual renewal of authorisations. The nurse should then come to the home helper unit and renew authorisations for a number of home helpers at the same time. The health centre and the home helper unit also have a common document that describes routines for who should do what when they find dead pensioners in pensioners’ homes.

7.1.3 Administrative controls and boundaries

To sum up, we can see many control forces generated by the managers, both internal and inter-organisational administrative controls. The internal administrative controls can be found in the purchaser/provider split and productification through the social care contracts, the setting of the annual budget, education, monthly budget follow-ups, monthly meetings with the home helper unit managers, meetings with the home helpers, individual work plans for each pensioner and discussions of the importance of cooperation. The inter-organisational administrative controls can be found in guidelines for authorisations, the task group, meetings between home helpers and nurses and specified guidelines for cooperation. Figure 7.1 provides a snapshot of administrative controls and their boundaries at the end of year 2004 in District two.

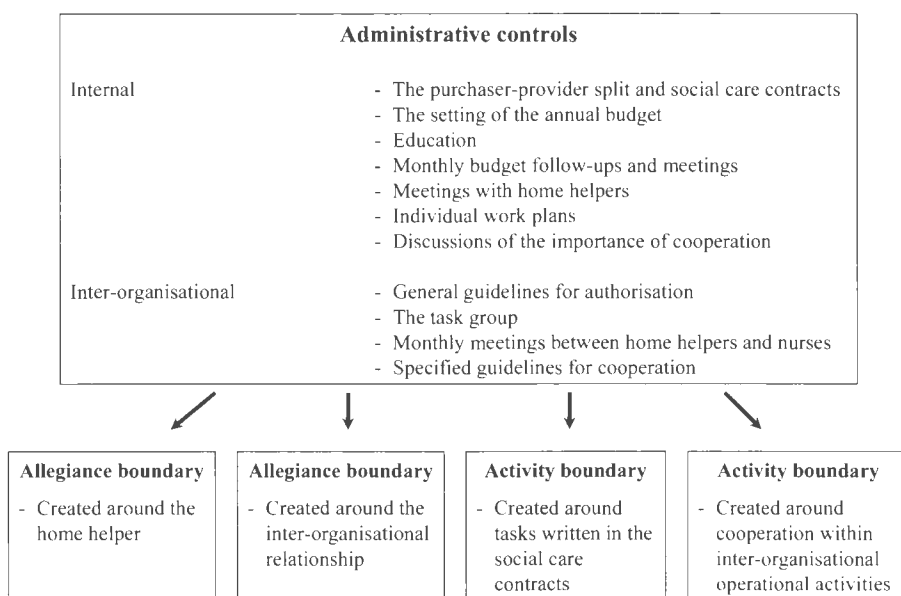


Figure 7.1 Administrative controls and boundaries, snapshot at the end of year 2004 in District two.

Many of the internal administrative controls are aimed to create an allegiance boundary around the home helper unit. The home helper unit's legal boundary is the foundation of this allegiance and the home helpers should be loyal to the home helper unit, which is under financial pressure. In

addition, some internal and all inter-organisational administrative controls create an allegiance boundary around the inter-organisational relationship. Home helper unit managers often emphasise the importance of cooperation during internal meetings, and home helpers and nurses are required to have monthly meetings. The home helpers should feel that cooperation is important and acknowledge responsibility for developing a well-functioning relationship with the health centre.

Administrative controls also create two activity boundaries. Internal administrative controls are aimed to create an activity boundary around the tasks written in the social care contracts. This activity boundary productifies the delivery of social services, the home helpers should not do anything extra and this is clearly stated by the managers. Administrative controls also create an activity boundary around cooperation within inter-organisational operational activities. Here the basis is the importance of cooperation, rather than the pre-specified tasks. Authorised tasks as well as other tasks should be carried out for the good of the inter-organisational relationship. Home helpers, assistant nurses and nurses should be flexible and helpful in cooperating and thereby give the pensioners good care.

7.2 Social controls

7.2.1 Internal social controls

All home helpers describe that they feel the pressure from their colleagues to think about the budget of the home helper unit. They often discuss the financial situation of the home helper unit with their fellow home helpers. “There is often discussion about the budget and if we are in the plus or in the minus”, one home helper says. There seems to be a norm within the home helper group of the importance of thinking in financial numbers and not only seeing everything from a pensioner-based perspective. As one home helper puts it:

We home helpers talk a lot to each other – and always budget this and budget that. One should focus on the budget – that is for sure. It is enormous pressure on maintaining a balanced budget.

Many home helpers describe how the discussions in the home helper groups often are about the home helpers who have been dismissed during the years. The home helpers are aware of the fact that the number of home helpers employed is dependent on the financial performance of the home helper unit.

There is also pressure within the home helper group to limit work to what is written in the social care contracts. During coffee breaks there are often discussions about the importance of keeping the social care contracts up to date so the home helper unit can collect its revenues. "We are becoming fewer and fewer and people are afraid for their jobs", one home helper says. Another home helper explains: "When I talk to other home helpers it is clear to me that they think I should only help the pensioners according to the social care contracts so we can keep a balanced budget and our jobs." Similar descriptions are given by the other home helpers. One home helper explains:

We talk to each other a lot about the social care contracts and that we do not have money to do anything extra. Budgets and social care contracts are subjects that we discuss frequently during coffee breaks. It is understandable. A balanced budget is necessary; otherwise people will lose their jobs.

Many home helpers say that they do not like the way the home helpers talk to each other. "There is a heavy atmosphere in our group, with the emphasis on finances and limitations to doing only what is in the social care contract", one home helper describes. Another home helper puts it:

I sometimes feel bad about how I talk openly with my colleagues about doing only what is written in the social care contracts. I personally do not think like this; extra tasks are important in giving the pensioners good social care. But it is hard to stand out when we discuss it with each other.

7.2.2 Inter-organisational social controls

Home helpers, assistant nurses and nurses all express a common understanding between them: that cooperation should be important when taking care of the elderly. There is pressure to be flexible and willing to help each other. One home helper explains: "I feel the pressure from my fellow home helpers and from the nurses to help the assistant nurses and nurses. It is vital for the pensioner that cooperation works well." Another home helper

says: "Cooperation should be prioritised in our district. We all say that to each other." This is supported by other home helpers and they explain that the atmosphere between the different professional groups is friendly.

The assistant nurses and nurses agree and stress a general feeling in the group that cooperation is important and should be handled in a helpful and flexible manner. "Everyone seems to believe that cooperation is a pleasure and important. I often talk to my colleagues about this and we all agree", one assistant nurses says. A nurse explains:

I really like the general feeling that we have together with the assistant nurses and the home helpers. Cooperation is important and should be in focus. I talk to colleagues from other parts of the city and they often do not have the same opinion. But here we all find it necessary for giving the patients good care.

The home helpers say they do not feel that the nurses push them around or point to the fact that they have more education. There is rather a norm that reinforces the importance of helping each other and not thinking so much about different organisational belongings and titles. One home helper claims:

It feels like we all care for the pensioners; we do different things. We do the social care and they do the health care, but they do not look at us as if we were lower professionals, as I have heard is the case in many districts.

The nurses and assistant nurses agree. They often talk to each other about the importance of being friendly to the home helpers and not trying to dictate conditions in the pensioners' homes. As one assistant nurse puts it: "Everyone expects that meetings with the home helpers will be coordinated quickly. It is a good talk between the groups; we like each other. There is good personal chemistry."

7.2.3 Social controls and boundaries

There seems to be pressure within the home helper group to think about the financial situation of the home helper unit. Home helpers have been dismissed and they are afraid of losing their jobs. There seems to be a group norm of being mindful of financial issues and limiting work to what is written in the social care contracts. This can be noticed during coffee break discussions and other conversations between the home helpers. Inter-

organisational social controls seem, however, to be more concentrated on the pensioners. Cooperation and flexibility should be important and the home helpers, assistant nurses and nurses should work for a well-functioning inter-organisational relationship. Figure 7.2 provides a snapshot of social controls and their boundaries at the end of year 2004 in District two.

Social controls create an allegiance boundary around the home helper unit. The home helpers should be loyal to their home helper unit which is under economic pressure. Social controls also create an allegiance boundary around the inter-organisational relationship. There seems to be an unwritten code that the home helpers, assistant nurses and nurses should feel that cooperation is important and feel the necessity of developing a well-functioning relationship with the health centre.

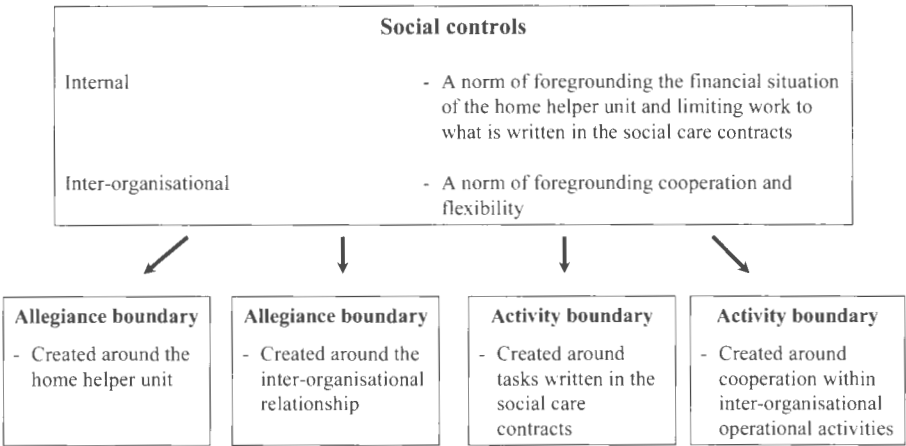


Figure 7.2 Social controls and boundaries, snapshot at the end of year 2004 in District two.

Social controls create an activity boundary around pre-specified internal operational activities. The home helpers should only do what is written in the social care contracts, and nothing more for the pensioner. Social controls also create an activity boundary around cooperation within inter-organisational operational activities. The grounds for this activity boundary seem to be that cooperation and a well-functioning inter-organisational relationship is important, rather than pre-specified inter-organisational operational activities. Home helpers, assistant nurses and nurses should be flexible and helpful, which means giving medicine and ear- and eye-drops

on authorisation as well as helping each other in the daily coordination of interdependent tasks and grey zone activities.

7.3 Self controls

All home helpers emphasise that they want to give the pensioners decent care. This means, according to the home helpers, being flexible in the pensioner's home and being able to do more than is written in the social care contract. Many home helpers stress that they personally want to do everything written in the social care contracts, as well as a little more for the pensioners. As one home helper puts it: "I want to just sit down with the pensioners and talk to them if it is needed. This spontaneous personal interaction is, in my mind, a very important part of social care." Another home helper says:

If I were my own boss I would be flexible towards what the pensioner needs in any given situation. The tasks in the social care contract are important and should all be done but the pensioner often wants help with other things. Then I want to be able to do some of these extra tasks. And one can never know what extras the pensioner will desire – and it varies from day to day. The social care service purchasers can never know this. I know it when I visit the pensioner.

The home helpers' personal values seem to reinforce the importance of doing extra tasks not written in the social care contracts. The home helpers argue however that this is not the same as doing everything the pensioner asks for. One home helper explains:

Personally I think it is important to find a balance between the specific needs of the pensioners and the social care contract. I want to do extra tasks but only to a certain extent. We also have a budget to keep.

This is supported by the other home helpers who stress the importance of balanced budgets. As one home helper puts it: "I want to have a human perspective and do what the pensioner desires but we also have a budget to keep; therefore it is necessary to be able to say no to the pensioners."

The home helpers emphasise the importance of good cooperation in the delivery of care to the pensioners. The home helpers think it is important to

find time for helping the assistant nurses and nurses even if everyone has tight schedules. "I have a tight schedule and so do the nurses, but I really think we should cooperate. It is for the good of the pensioner", one home helper says. The other home helpers agree and point to the need to be flexible and to give and take in the cooperation with the health centre. The home helpers mention that they value the support and education they get from the nurses in the monthly meetings. This support makes it so that the home helpers are more willing to help the nurses in order to give something back to them. One home helper explains:

I personally think cooperation is very important for the quality of care for the elderly. And I really appreciate the nurses' support. I believe it is important to not just focus on social care. I also have to cooperate with the health centre. This is necessary in order to be able to give the pensioners quality care.

7.3.1 Self controls and boundaries

The home helpers seem to have personal values that reinforce the importance of giving the pensioners decent care by being flexible and doing more than what is written in the social care contracts. There are also personal values that reinforce the importance of limiting extra tasks because the home helper unit needs to maintain a balanced budget. The home helpers personally stress that a well-functioning inter-organisational relationship is important for giving the pensioners good care. Figure 7.3 provides a snapshot of self controls and their boundaries at the end of year 2004 in District two.

Self controls create two different allegiance boundaries. One is created around the home helper unit, which is under considerable financial pressure. Self controls also create an allegiance boundary around the inter-organisational relationship. Good cooperation seems to be valued as important for decent care. Self controls also create two activity boundaries grounded on the home helper's personal desire of giving the pensioners decent care and at the same time taking the home helper unit's financial situation into consideration. One activity boundary encompasses the internal operational activities and is created around all tasks in the social care contracts, as well as some extra tasks. Another activity boundary is created around cooperation within inter-organisational operational activities. The giving of medicine and ear- and eye-drop treatment, as well as the daily

coordination of interdependent tasks and grey zone activities, fall within this activity boundary.

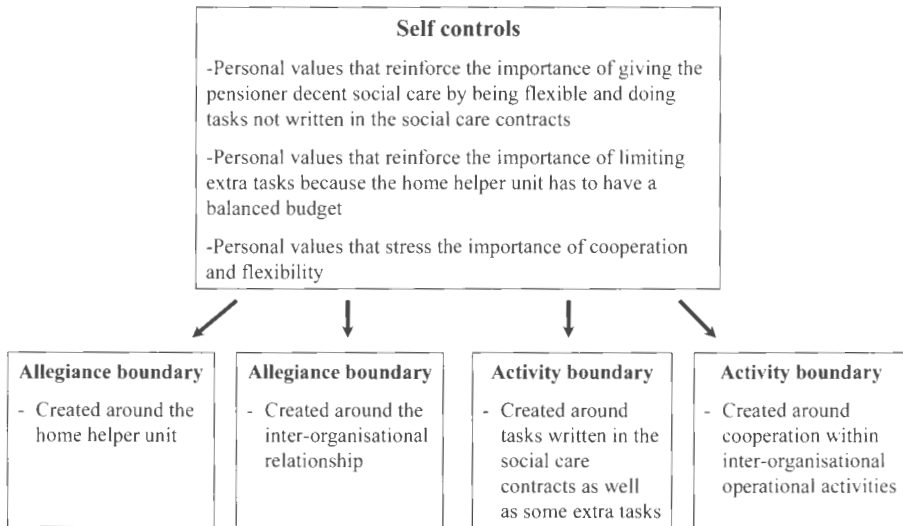


Figure 7.3 Self controls and boundaries, snapshot at the end of year 2004 in District two.

7.4 Operational activities

7.4.1 Internal operational activities

The home helpers argue that the quality of social services is good because they sometimes do some more than what is written in the social care contracts. The home helpers think that the level of social care ordered by the social care service purchasers often is too low. The extra tasks the home helpers do for some pensioners are seen as necessary to give the pensioners decent social care. "It is very hard to find the time to just sit down and talk to the pensioner if it is needed. I sometimes do it, however, even though it is not included in the social care contract", one home helper describes.

The influence of the pensioners when the home helpers deliver services is stressed by all home helpers. "You are not a robot, you are a human being and if the pensioner needs you, then you sometimes do something extra", as one home helper claims. Another home helper says:

The social care contract is not the only guide of what I do. The pensioner's needs in any given situation are also very important for what I do. If I have a depressed or ill pensioner I do a little extra. I might stay 15 minutes longer in the morning or stay some extra for lunch.

The home helpers have difficulties saying no to the pensioners' needs. One home helper explains:

In theory it is of course possible, but I often do not say no. I am dealing with people. I am worried if something looks wrong in the pensioner's home and then I stay longer than I expected. The elderly depend on me.

The home helpers describe that they are affected by how the pensioners feel. They often have a close relationship with the pensioners and sense it if something is wrong. They describe how the pensioners often seek contact with them and just want the home helpers to sit down and talk for a while. The home helpers try to take time to do this and they claim that many pensioners are lonely. One home helper says:

Just being there for the pensioners and staying and talking some, I do it on the side. The social care service purchasers will never give us time for this in the social care contracts. They do not see the pensioners as individuals; to them the pensioners are all alike.

The home helpers point out that they have packed schedules and little time to anything extra for the pensioners. Still they often do these extras. If they stay longer and do extra tasks for one pensioner, this means less time than what is written in the social care contract for another pensioner. One home helper describes:

I am flexible and do extra tasks. Often pensioners are sad and I stay longer to talk to them. This means that other more healthy pensioners get less time that day. Maybe I stay ten minutes less for meals and companionship compared to the time I normally spend on the healthier pensioners. Or I do not walk with the healthier pensioner that day.

Similar strategies are described by the other home helpers. The healthy pensioners often get less "personal" care than is written in the social care

contracts. This enables the home helpers to be flexible and give extra time to the pensioners who need extra help that particular day. "Technical" operational activities, such as making the bed and washing clothes, they always do for each pensioner, according to the social care contracts. The "technical" activities are easy to evaluate by the social care service purchasers, pensioners and relatives and the home helpers state that they therefore only improvise with the "personal" care activities.

All home helpers underscore that they do not do everything the pensioner wants. "I only do extra activities when it is really needed. A pensioner may be sad, or really begs for another walk, or has messed up the kitchen. Then I stay longer", one home helper describes. Another home helper says: "Often I say no to the pensioner, especially if it has to do with dusting, extra washing and so on. I only do extra tasks for those who really need it." All home helpers also claim that they want to do more for the pensioners than they actually do. But they point to their tight schedules and the fact that many pensioners need them every day. This means many tough decisions and prioritising. As one home helper notes: "It is very hard sometimes when I have to leave a pensioner who is sad and ill. I can stay a little extra but not too long. I have to go to the next pensioner; this is really hard for me." Other home helpers have similar experiences and wish they had more time.

The home helpers describe how social services are becoming more and more "technical", meaning that they do the cleaning, washing, cooking and buying of groceries. They do less of the "personal" elements of social care, such as talking to the pensioner, going for walks, sitting down with the pensioner when they eat. The reason for this is, to some extent, that the "personal" elements of the social services are harder to measure and evaluate. Therefore, when the home helpers are short on time they save on the "personal" elements. The pensioners and their relatives can easily complain if the cleaning has not been done, but it is harder to complain about the more "personal" elements. One home helper describes:

It is not a good development. Dressing of the pensioners often takes 10 minutes instead of 15 minutes. Food box and companionship take 20 minutes instead of 30 minutes. I can continue on the list. This is not good at all and we are all pushed very hard and have too much to do.

To summarise:

- The home helpers are flexible to some extent in doing social care. They do extra tasks for some pensioners if needed. The time for doing these extras comes from doing fewer “personal” operational activities for other pensioners.
- The “technical” operational activities according to the social care contracts are done for all pensioners.
- The “personal” tasks are performed according to the social care contract for some of the pensioners but not all. The time spent on “personal” operational activities is getting shorter and shorter.

7.4.2 Inter-organisational operational activities

The inter-organisational relationship is described as functioning well by all home helpers, assistant nurses and nurses. The key to good cooperation is said to be the willingness to give and take, and help each other. One assistant nurse describes the inter-organisational relationship as a “helping spirit towards each other.” One nurse says: “We have really good cooperation with the home helpers. They can adjust their schedules and we do too.” The home helpers agree. “It is working really well. We have great nurses and if there is any trouble they help us and we help them”, one home helper explains. Another home helper notes:

I think we have a very good relationship, with respect. They have faith in us when we call them, and they take action. It feels like they are listening and take action immediately. This feels very safe.

There is no measuring or follow-up of inter-organisational activities in District two. This means that the operational data about the inter-organisational activities presented in this section will be based on statements made by the home helpers, assistant nurses and nurses.

The daily coordination of interdependent tasks

Coordination of inter-organisational activities is often discussed at the meetings between the nurses and home helpers. Times are set for interdependent activities. One home helper explains:

It works really well; we help each other. The nurses and assistant nurses call us – it is easy to agree on a time and I feel like they often adjust to us as well. Sometimes we are nice and reschedule and sometimes they do the same thing – a good atmosphere.

Unexpected events which require coordination are solved by home helpers, assistant nurses and nurses who do some of the tasks that on paper are the responsibility of the other unit. One example is with insulin patients where it is important to coordinate the timing of insulin and food. The assistant nurses and nurses often give the pensioners a snack after the insulin shot so the home helper saves some time. There are also often unexpected emergencies with pensioners, for example if a pensioner becomes very ill quickly. Then home helpers and nurses help each other to solve the emergency. They call each other and try to adjust their schedules and decide when to meet. One nurse says: “If I ask the home helpers to do something, it does not feel like they think that it is annoying or that they do not have time. Coordination works perfectly – we agree on time and it works – it is easy to reach them”. The reason for this, according to the nurses, is that they themselves are always available and aid the home helpers. The nurses and assistant nurses give the pensioners food if they are hungry and shower them if needed. “I do not call the home helpers, I do it of course”, one assistant nurse says. “If we know the home helpers are not coming within an hour, we give the pensioners breakfast, make the bed, and talk to them”, one nurse claims.

The fact that both home helpers and nurses have mobile phones is said to be of importance for daily coordination. In most cases it is described as easy to reach each other. One home helper explains:

I have a lot of contact with the nurses via mobile phone – it is perfect. As soon as I see something that is not alright, I call them and always reach them. Then they take action and call me back to report. This means a lot to me. It is also very good for daily cooperation, when something is wrong, when someone needs to be bandaged. This makes you work in the spirit of cooperation.

The monthly meetings are said to be crucial for the well-functioning daily coordination of interdependent tasks. The meetings are seen as good for deciding on times for joint home visits and for setting times for

interdependent tasks that need to be coordinated, for example giving insulin and breakfast. The meetings also make the home helpers feel more secure because they can discuss with the nurse. The home helpers often worry about the pensioners, for example about whether the pensioners have not eaten, or have swollen legs. As one nurse puts it: "The monthly meetings are very good, otherwise the home helpers tend to grab us outside the pensioners' homes. I get a lot of information, but when I am back at the health centre I have forgotten it. The meetings are much safer; I take notes." Another rationale for having meetings is the lack of medical knowledge of the home helpers. One nurse says:

We cannot have them calling and asking us all the time to explain medical things. We have a tight schedule, we have no time to babysit and educate them via the telephone. During the meetings we can tell the home helpers important medical information.

Sometimes the nurses offer the home helpers some special education, for example about diabetes, during the meetings. Some nurses instruct the home helpers how to act in the pensioner's homes in order to avoid specific infections, for example resistant bacteria. Some home helpers have a little medical education and want to know more about sores and medicine, and they find it stimulating. Both home helpers and nurses like to meet face to face. The nurses point out that they go down to the premises of the home helpers to show that they are flexible and can adjust as well. This is supported by the home helpers. As one home helper puts it: "It is important that they come to our office building; this shows that they adjust to us as well."

The grey zones

The grey zones are mentioned by all home helpers, assistant nurses and nurses, and they think it is often unclear who should do what. "The putting on and taking off of support socks, is this health care or not? Sometimes we have support socks on the contract and sometimes not, so I do not know", one home helper complains. Another thing mentioned is salves. But everyone agrees that the biggest grey zone is the picking up of medicine from the pharmacy. Who should get medicine is described as a confusing question by all home helpers, especially since some social care service purchasers write pharmacy errands on the social care contract while some do not. One home helper explains:

The purchasers sometimes do not write in pharmacy errands, they write just errands. But if the pensioners are domestic health care patients, the nurses should do it, otherwise we should. But we do not know who is registered as a domestic health care patient, so it is unclear.

The home helpers say that they normally pick up the medicine if the pensioner needs it, even though they are not sure who is responsible for doing it. Even when they know it is the responsibility of the health centre to pick up medicine they often go anyway. "If they are domestic health care patients, it is the health centre's responsibility to get medicine. I sometimes go and get it anyway. The nurses help us with other things", one home helper explains. Another home helper describes: "Even if I do not know who is responsible for getting medicine I do it anyway – I do not want a hassle. I do it for the good of the cooperation."

It is claimed by home helpers, assistant nurses and nurses that the grey zone tasks are solved in a helpful spirit. As one home helper puts it: "Everyone helps each other, then it is not so important what is the responsibility of the health centre and what is our responsibility." A nurse says: "Some other districts are very strict. We, on the other hand, want to help each other – meet halfway. You have to think what is best for the individual pensioner. You should not be too picky." The atmosphere in the relationship is described as characterised by give and take. It is argued by home helpers, assistant nurses and nurses that in spite of there being grey zones tasks, it works out well because everyone is flexible and helpful. Even though they do not always know who should do what, they solve it over the phone or in the pensioner's home.

Authorisation

All home helpers, assistant nurses and nurses underscore that authorisation is good for the pensioners and for society as a whole. It is argued that authorisation means better use of public resources. The home helpers say that it does not take long and that it is fun to do health care tasks. The writing of authorisations is described as functioning well by both nurses and home helpers. "Authorisation works perfectly, even if they change personnel", one nurse says. Both home helpers and nurses suggest that this is largely due to the common authorisation form issued by the task group. "Standardisation is very good; we know exactly how we should write

authorisations and the home helpers know what to expect. In this ways the authorisation procedure can be very quick and everyone is pleased", one nurse says. One home helper describes:

We have a well-functioning routine. The new home helpers go to the health centre to get an authorisation. For annual renewals the nurses create a big group and do authorisations for all at the same time. Then the nurses come to us. You see – give and take. The authorisation form is also very easy to understand.

The nurses feel that the home helpers are competent and careful when they give medicine and ear- and eye-drops. "They often notice if the patient has mixed up the medicine dose – then they call us and we fix it", one nurse says. The home helpers mention that they sometimes are expected to make medical judgements, when there is something wrong with the medicine. "Sometimes there is another pill in the box, but I give them anyway after speaking to the nurse. But if it is not correct the nurse or assistant nurse should come", one home helper says. "When I call about something wrong with the medicine the nurses say 'you know what to do – we trust you – we have no time to come – you have worked here a long time so you know.' This feels good", another home helper explains. The home helpers claim that they feel that the nurses appreciate their giving medicine and ear- and eye-drop treatment. This is supported by nurses and assistant nurses who argue that many home helpers are glad being able to do health care tasks. "Many home helpers have a little medical education. They want to give medicine – it is stimulating for them", one nurse says.

To summarise:

- The daily coordination of interdependent tasks works well. The home helpers, assistant nurses and nurses adjust their schedules and help each other. They easily reach each other, and also coordinate interdependent activities during the monthly meetings.
- Grey zone tasks are performed by home helpers, assistant nurses and nurses. They all describe a "give and take", friendly and helpful spirit when resolving the grey zones.
- Authorisation works well with clear routines.

7.5 Summary and discussion

The quotation in the headline to this chapter comes from a home helper. She says: “We survived our financial crisis and now things have stabilised, but for how long?”, when she describes the situation in 2004 in District two. Similar thoughts are offered by the other home helpers and the home helper unit managers. The quotation therefore serves as a summary of Episode three. There is a great deal of pressure to maintain a positive income flow. The positive financial results are however getting smaller and smaller and everyone works hard to avoid a new crisis. There seems to be a high degree of accountingisation and the home helpers take finances into consideration during actual work practices.

By using the home helpers’ descriptions of what they actually do in the pensioners’ homes (from section 7.4), the boundaries that dominate in the actual delivery of care to the pensioners may be discussed. These boundaries are an amalgamation of the boundaries created by administrative, social and self controls. Figure 7.4 gives a snapshot of District two at the end of year 2004 in terms of dominant boundaries during task performance. There is a dominant allegiance boundary around the home helper unit. The home helpers take into account that they belong to a home helper unit that is under economic pressure. It is noticeable that, even though there is a high degree of accountingisation, the home helpers also prioritise the inter-organisational domain as there is a dominant allegiance boundary around the inter-organisational relationship.

Dominant allegiance boundary - Created around the home helper unit	Dominant allegiance boundary - Created around the inter-organisational relationship	Dominant activity boundary - Created around tasks written in the social care contracts for some, but not all pensioners, and extra tasks for others	Dominant activity boundary - Created around cooperation within inter-organisational operational activities
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Figure 7.4 Dominant boundaries in the actual delivery of care to the pensioners, snapshot at the end of year 2004 in District two.

There is a dominant activity boundary created around tasks in the social care contracts for some of the pensioners as well as around some extra tasks. The activity boundary does not encompass all tasks in the social care contracts since the home helpers free some time by giving healthy pensioners less

“personal” care than they are entitled to. The dominant activity boundary does not encompass everything the pensioners want; the home helpers make a judgement in each specific situation. The dominant activity boundary for inter-organisational operational activities is created around cooperation within inter-organisational operational activities. Home helpers, assistant nurses and nurses are flexible and help each other. Daily coordination of interdependent tasks, grey zone activities as well as giving medicine and ear- and eye-drops on authorisation, all fall within the dominant activity boundary.

Based on the empirical observations of the actual delivery of care to the pensioners and the discussion of dominant allegiance boundaries and activity boundaries, inferences can be drawn about which controls seem to be important influences on the home helpers’ behaviour. It appears that administrative controls, social controls as well as self controls are important influences on the behaviour. The different types of controls often create similar boundaries. All three types of controls create allegiance boundaries around the home helper unit which is under significant financial pressure. The three controls also create allegiance boundaries around the inter-organisational relationship. These are similar to the dominant allegiance boundaries in the actual delivery of care.

The three controls also create similar activity boundaries around cooperation within inter-organisational operational activities. The founding principle is the delivery of good care to the individual pensioners. The dominant activity boundary for internal operational activities seems to be a mixture between the boundaries created by administrative controls and social controls on the one hand, and the boundary created by self controls on the other hand. Self controls seem to influence the home helpers towards doing extra tasks in the specific care giving situations. The pressures from administrative and social controls, on the other hand, make the home helpers do less “personal” care for the healthy pensioners than if they would have followed their personal values.

This was the third and last empirical episode. It may be typified as “after a financial crisis”. As the quote illustrates “We have survived our financial crisis and now things have stabilised, but for how long? ”, there is a positive income flow but it is hard work for home helpers and home helpers unit managers to continue to show positive figures. This is the end of our empirical journey. Three empirical episodes have been described and discussed: before, during and after a financial crisis. These empirical episodes, together with the general description in chapter four, will now be analysed with reference to the theoretical skeletal framework and the basic control problem. Based on this empirical investigation, what can be said to the research community, to practice and to Sven and other pensioners? These questions will be explored next.

CHAPTER 8

DISCUSSION

In the introduction of this thesis it was shown that Sven and other pensioners are to be helped within a system of two interdependent public organisations, the home helper unit and the health centre. In this system there is a severely restricted economy. Care is delivered in the pensioners' homes, often on the pensioners, by home helpers, assistant nurses and nurses. The present thesis aims to develop our understanding of how control operates in this setting, and of the connections between control and operational activities.

In the three empirical episodes the workings of internal administrative controls, inter-organisational administrative controls, internal social controls, inter-organisational social controls and self controls in domestic care of the elderly have been shown. The controls have been connected to boundaries. They have also been connected to actual work practices through the concept of accountingisation. In this chapter, the different types of controls, boundaries, operational activities and accountingisation will be engaged and augmented. A dynamic aspect will also be introduced by comparing the different empirical episodes. Finally, the broader financial context and what the financial flows mean for domestic elderly care will be discussed.

This chapter has four sections. In each section, what the central questions are empirically, theoretically and practically will be discussed, as well as this thesis' contributions in each sphere.

8.1 Productification versus needs and wishes of the pensioners in specific situations

In all three empirical episodes, there seemed to be a tension between two different approaches to delivering social care to the pensioners. The first approach is productification of social services through the purchaser/provider split and social care contracts which pre-specify the operational activities to be performed. Standardisation is important and there is a predetermined delivery process decided by people at a distance from the actual caring. The second approach is to be flexible in any care giving

situation and to deliver services according to the individual pensioner's wishes and needs in the specific situations at hand.

When looking empirically at how the home helpers described their actual behaviour, it can be concluded that the home helpers performed extra tasks for the pensioners in all three empirical episodes. This means that they acted contrary to the managers' "orders", even when economic pressure was high and the home helpers recognised they were in an economic crisis, the existence of the home helper units was threatened, and the home helpers were afraid of losing their jobs. They did fewer extra tasks than during the period when there was no financial pressure, yet some flexibility in the actual work practices persisted. Being flexible and open to the needs and wishes of the pensioners in given situations was so important for the home helpers during actual work processes that some healthy pensioners were given less "personal" care than they were entitled to in the social care contracts. In this way the home helpers freed up time to stay longer with other ill or depressed pensioners, and were flexible to do additional tasks.

8.1.1 Theoretical implications

The difference between the two approaches to delivering social services was manifested in the tension between administrative controls and self controls in the present thesis. There were a number of internal administrative controls in the districts such as the purchaser/provider split, the social care contracts, attention on balanced budgets, routines for documentation, and meetings. In all three episodes, these administrative controls aimed to influence the home helpers to limit work to the tasks written in the social care contracts. The home helpers should not do anything extra for the pensioners, and standardisation was the key. The whole complicated process of giving care to the pensioners should be captured in the pre-specified social care contract. In addition, there were sanctions connected to financial performance; home helpers might lose their jobs.

At the same time we had self controls that reinforced the importance of being flexible to the individual pensioner's wishes and needs in specific care situations. This implied an influence to do a little more than what was written in the social care contract. The home helpers seemed to be torn between their own personal desires of the importance of being flexible to the pensioner's needs and doing extras, on the one hand, and the demand from

the managers only to do what is written in the pre-specified social care contract, on the other hand.

Self controls and the boundaries they create seemed to be solid since the home helpers delivered extra services in all three episodes. Social controls, on the other hand, created the same activity boundary as administrative controls during times of high economic pressure. To understand why self controls still held the line and differed from administrative controls and social controls, even during periods of significant financial pressure, we must look at administrative, social and self controls in terms of distance to the pensioner. Domestic care of the elderly creates a special setting in that there is human interaction in the pensioner's home. Neither the home helper unit manager nor the home helper can fully understand what the pensioners feel and think about the delivery of care. But there are different degrees of distance in that the individual home helper experiences some of the pensioner's problems and needs during task performance. Both administrative controls and social controls are more distant from the actual delivery of care when compared to self controls.

The home helpers' behaviour was to some extent influenced by the pensioners, i.e. extra tasks were performed if the home helper thought the pensioner really needed it. There is a need to conceptualise the interaction between the pensioner and the home helper when we analyse the operation of control in domestic elderly care. This is in line with Östman (2006) who argues the importance of conceptualising the processes between the employees and the users. This reasoning is, however, not incorporated into the theoretical framework of this thesis. Based on the empirical episodes, it is therefore argued that the influences from the pensioners should be incorporated into the control framework through self controls, which may be seen as an extension of the concept of self control. Self controls are linked to the personal influence of pensioners, and guide if and what extra activities need to be performed.

Compared to other settings, without direct human interaction in the delivery of products or services, domestic care of the elderly is different. When making a car we can expect it to be easier to put the car together the way the managers want (to follow administrative controls), even if we personally think the car should be put together another way (and thereby not following self controls). Or take the delivery of another type of service, for example a consultant who implements an IT-system for a company. Then the consultant

can be expected to implement the IT-system the way the manager wants (following administrative controls), even though the consultant personally thinks it should be implemented in another way (and thereby not following self controls). But for a home helper who thinks flexibility is necessary for social services, it is difficult to put personal values aside and follow administrative controls and social controls. The home helpers are often by themselves in the pensioner's home and it is hard to say no to the pensioner.

By relating administrative, social and self controls to distance to the user, and hence influence from the pensioners via self controls, the discussion of accountingisation (Power & Laughlin, 1992; Lapsley, 1998; Kurunmäki *et al.*, 2003) may be extended. It appeared that, even when there was a high degree of accountingisation and administrative controls became more prominent, self controls still influenced behaviour significantly in terms of extra tasks for the pensioners. A high degree of accountingisation in domestic care of the elderly does thereby not imply that the activity boundaries created by administrative controls and self controls are the same, not even when there is a financial crisis. The home helpers took finances into consideration when they worked but they also acted contrary to administrative controls. This thesis thereby empirically shows a limit of accountingisation in domestic elderly care and provides an explanation in terms of pensioner influence and self controls.

8.1.2 Practical implications

Quality and effectiveness

A practical implication involves quality and effectiveness in domestic elderly care. All groups that were not directly involved in the actual caring had similar views on quality of social services. These were the district director, the provider manager, the home helper unit managers, the purchaser manager and the social care service purchasers – all at a distance from the pensioners. Good quality social services, according to them, meant working according to the social care contract, nothing more and nothing less. These groups favoured a complete productification of the delivery of social care to the pensioners.

This perspective is in contrast to the home helpers' personal views of quality in social care. Instead of productification, the individual pensioners' wishes and needs in specific situations were important for good quality, according

to the home helpers. To be able to deliver social services of good quality it was considered important to be flexible and willing to do a little more than what was written in the social care contract for the pensioners who needed it. The individual home helpers interacted with the pensioners, unlike the other groups who were at a distance from the actual care giving process.

These opposite views of quality are important to consider for those who work practically in care of the elderly, on different hierarchical levels. There is not only one story to be found, and it is therefore important to be aware of things not being clear-cut, even if they often are described as unproblematic by the interviewees. Talks about quality will probably benefit by including people who are involved in the actual caring and not only those who work at a distance from the actual work processes.

The discussion of quality is also closely related to a broader discussion of effectiveness. Effectiveness is often defined as the relationship between the home helper unit's output and its objectives (Anthony & Young, 1988, p. 16; Sola & Prior, 2001). The more the output contributes to the objectives, the more effective the home helper unit is. Quality is one dimension of effectiveness but there is also a financial dimension. It is noticeable that there was a lack of any systematic monitoring of quality at the district level whereas financial performance was monitored frequently. It has been shown in this thesis that it seems difficult to measure quality in a deeper sense, especially in "personal" care activities. There was an imbalance in the districts with respect to effectiveness, as only the financial dimension seemed to be stressed. There is a risk of concentrating too much on having a positive income flow so that the original purpose of giving the elderly good quality services becomes secondary. There might be too much attention on doing things right and too little focus on discussing whether the home helpers are doing the right things.

When thinking about effectiveness, one often returns to the fundamental question of whether to continue productification through the purchaser /provider split, the social care contracts and income statements. Or should one allocate a sum of money to each home helper unit and thereby delegate to home helper unit managers and home helpers the right to decide what care to offer the pensioners? This is an important consideration from point-of-view of effectiveness that involves both quality and the economy. Chua (1996) argues that administrative controls take away the important context of the work actually being done. Olson *et al.* (2001) claim that a concentration

on administrative controls in the form of budgets and income statements is too simplistic for many public sector organisations.

The empirical material in the present thesis indicates that administrative controls in domestic elderly care were implemented with little concern for the unique aspects of social services. There are some figures and tasks that are easy to predetermine, measure and evaluate; for example net income and “technical” operational activities. They got a lot of attention. Other tasks are more difficult to predetermine, measure and evaluate and can only be seen close to actual work processes; for example the extra tasks needed, the grey zones and the “personal” operational activities. They were not registered by those who controlled at a distance or by the social care service purchasers who wrote social care contracts, and hence they were given little attention. Domestic care of the elderly was more and more constituted by visible measurable activities, rather than vaguely defined needs of the pensioners connected to the actual situations at hand. Here a mechanism can be noted that probably is seen in many other public organisations as well. The home helper units have neither profit-making nor financial wealth maximisation objectives. The basic task is to deliver care to the pensioners. Of course there is a financial aspect to public sector organisations as well, ensuring that public money is expended appropriately and is properly accounted for. But how far should the financial emphasis go? Is it desirable to productify all services in a social care contract? Is elderly care best expressed through organisational income statements? Will it be possible to identify all grey zones? These questions are related to effectiveness discussions and it is important for those who work practically with domestic care of the elderly, as well as for those who work with other public services, to pose them once in a while.

8.2 Dominant boundaries with the pensioner as the central focus

In Episode one, it was empirically shown that the home helpers focused on internal issues as well as on the cooperation with assistant nurses and nurses during actual work practices. Contrary to what would be expected based on previous literature, there was little administrative control structure for cooperation. There were few inter-organisational administrative controls and no internal administrative controls aimed to create allegiance boundaries around the inter-organisational relationship and activity boundaries around

inter-organisational operational activities. By connecting administrative, social and self controls to boundaries, this empirical observation may be explained.

8.2.1 Theoretical implications

As described in the chapter on theory, previous literature often delimits the analysis to how administrative controls create boundaries (see for example Mouritsen *et al.*, 2001; Van der Meer-Koistra & Vosselman, 2000; Cuganesan & Lee, 2006; Cuganesan, 2006). “Blurry boundaries” is an expression often used (see for example Coad & Cullen, 2006; Thrane & Hald, 2006) to describe how inter-organisational relationships give a new dimension to boundaries. A presumption, in previous literature on the interdependencies between internal and inter-organisational controls, has been that internal administrative controls create solid boundaries around the individual legal units. Therefore, it is argued, a boundary needs to be created around the inter-organisational relationship, as a complement to the solid boundaries around the individual legal units. This is a task for management, to issue diverse internal and/or inter-organisational administrative controls. Just to recap some of the examples given in the chapter on theory, Mouritsen *et al.* (2001) propose open-book accounting; Langfield-Smith and Smith (2003) propose joint meetings; Dekker (2004) proposes an alliance board and behaviour guidelines; and Håkansson and Lind (2004) propose using goals from the other organisation in an internal reward system. With both a boundary around the unit and a boundary around the inter-organisational relationship, it is hoped that those who perform actual work processes will have a double focus on internal and inter-organisational issues, and hence perform both internal and inter-organisational operational activities in a satisfactory way.

The present thesis builds on and extends the work of Hopwood (1974, ch. 2) by arguing for the need to analyse how administrative, social and self controls create boundaries that may or may not coincide. The concepts of allegiance boundaries and activity boundaries are introduced and connected to the three types of controls. Allegiance boundaries and activity boundaries do not depart from the pre-supposed separation of an internal and an inter-organisational domain. The starting points for the creation of boundaries may vary depending on the types of controls. Heracleous (2004) underscores the need of working definitions of boundaries that are empirically and analytically clearly specified. By introducing the concepts of activity

boundary and allegiance boundary, this thesis provides such a specification and uses an inductive approach that builds on the empirical material, i.e. the home helpers', assistant nurses' and nurses' first-order perceptions of what is "in" and "out" (or at the margins) of a certain domain. This means that this thesis, rather than subscribes to the general level organisational boundaries, differentiates boundaries according to the types of processes that a boundary represents, i.e. activities and allegiances.

Allegiance boundaries

Allegiance boundaries describe with what or which "unit" one identifies oneself and is loyal to. It is an open concept in that it does not depart from the separation of an internal and an inter-organisational domain and pre-assumed solid boundaries around the individual legal units. There may be such allegiance boundaries but it is left open for the empirical investigation to discover. Table 8.1, based on figures 5.1–5.4 from Episode one, shows the allegiance boundaries created by the different types of controls, as well as the dominant allegiance boundary during actual task performance.

Controls	Allegiance boundaries created by the respective controls
Administrative controls	Created around the home helper unit
Social controls	Created around a care team in the pensioner's home
Self controls	Created around a care team in the pensioner's home
The dominant allegiance boundary	
Created around a care team in the pensioner's home	

Table 8.1 Allegiance boundaries from Episode one.

As forecasted in the theoretical framework, the allegiance boundaries created by social and self controls had the pensioner as their central focus, and not the legal organisations, as was the case with administrative controls. By using the theoretical concept of allegiance boundary, a new dimension to the analysis of the interdependencies between internal and inter-organisational controls is added. In order to get a double focus on internal and inter-organisational operational activities, it need not be that managers issue inter-organisational controls and/or internal controls, as indicated in previous

literature. With an allegiance boundary created around a care team in the pensioner’s home, there was no separation of internal and inter-organisational allegiances. The home helpers, assistant nurses and nurses all belonged to a care team with the aim to care for the pensioners as well as possible. Within this care team there was a negotiated order between the different professional groups with the nurses as “informal” managers.

Activity boundaries

The activity boundaries describe the proposed operational direction for task performance. It is an open concept in that it does not depart from the separation of an internal and an inter-organisational domain and hence a separation of internal and inter-organisational operational activities. Activity boundaries may sustain that separation but it is a question for the empirical investigation to answer. Table 8.2, based on figures 5.1–5.4 from Episode one, shows the activity boundaries created by the different types of controls, as well as the dominant activity boundary during actual work practices.

Controls	Activity boundaries created by the respective controls
Administrative controls	Created around tasks written in the social care contracts (productification of internal operational activities) Created around authorised tasks (productification of inter-organisational operational activities)
Social controls	Created around the individual pensioner’s wishes and needs in any given situation
Self controls	Created around the individual pensioner’s wishes and needs in any given situation
The dominant activity boundary	
Created around the individual pensioner’s wishes and needs in any given situation	

Table 8.2 Activity boundaries from Episode one.

Social and self controls created activity boundaries around the pensioner’s needs and wishes in specific care giving situations. The pensioner influenced the operational direction of the caring. The social care contracts were important in that the home helpers performed these services, but the home

helpers also did many extra tasks. Pre-specified medicine giving and ear- and eye-drop treatment were performed. But unspecified daily coordination of interdependent tasks and grey zone activities were also done.

With the dominant activity boundary in Episode one, the putative dichotomy between internal and inter-organisational operational activities was not of primary importance for the home helpers. Rather, they were guided by what the pensioner desired in given situations. The social care contract was only seen as the minimum level and the home helpers did what needed to be done in the pensioner's home. The type of operational activity did not matter – internal “technical” social care activities, internal “personal” social care activities, internal extras not written in the social care contracts, daily coordination of interdependent tasks, authorised activities and grey zone activities – they all fell within the dominant activity boundary. Hence, with the pensioner's individual needs and wishes as basis for delivering care, a double focus was achieved without extensive use of inter-organisational administrative controls.

Summing up, counter to claims in previous literature, home helpers had a double focus on internal and inter-organisational operational activities, without extensive use of internal and inter-organisational administrative controls. Administrative controls, social controls and self controls were connected to the creation of allegiance boundaries and activity boundaries in order to explain this observation. During a period when there was little economic pressure, the putative separation of one internal and one inter-organisational domain, manifested in administrative controls, was not of primary interest to the home helpers. Social and self controls were important and they created allegiance boundaries and activity boundaries with another focal point, namely the pensioner and his/her needs and wishes in any given situation. The dominant activity boundary and allegiance boundary during actual task performance did not separate an internal and an inter-organisational domain. In previous research such a separation is often an unquestioned foundation. There seems to be a need to develop a frame of reference that takes into account how administrative, social and self controls create allegiance boundaries and activity boundaries. These additional dimensions to the interdependencies between internal and inter-organisational controls, and the connections to operational activities, are worth exploring further in both the private and the public sector.

8.2.2 Practical implications

The above theoretical discussion also has practical implications. When the home helpers, assistant nurses and nurses had the possibility to decide themselves, they chose a unified care team with nurses as “informal” managers during task performance. This observation connects to the debate in Sweden whether domestic care of the elderly should be split into two hierarchical organisations or not. It is seen in the present thesis that, during times of little financial pressure, those who cared for the pensioners disregarded the legal hierarchies and created their own informal organisation in the pensioner’s home. Delivering domestic elderly care involves many situations when cooperation and coordination are needed. The pensioners are often ill and need lots of help with both social and health care. In this situation the home helpers, assistant nurses and nurses found it reasonable to work as if they all belonged to the same organisation.

8.3 A comparative analysis of the three empirical episodes: the operational effects of financial pressure

Comparing the empirical episodes, operational actions that seem to follow increased economic pressure may be discussed. When there was significant financial pressure; what actions were taken and what happened with the delivery of care to the pensioners, as compared to when the economic pressure was low? Östman (2006) argues for the importance of citing empirical evidence on how the operational direction changes when the financial pressure increases.

8.3.1 From low financial pressure to high financial pressure – internal operational effects

Episode one, low financial pressure, is compared to Episodes two and three, significant financial pressure. In the delivery of social care to the pensioners, the same operational direction was seen in both Episode two and Episode three, hence these two episodes both represent high economic pressure.

First, let us look at the changes in net income. There have been major improvements in terms of the financial figures for domestic care of the elderly in District one. This is illustrated in table 8.3. The financial results

have been much improved from Episode one to Episode two and they have been positive during the last few years. In Episode three there was also a positive income flow during the period of this study.

Year	Episode one					Episode two			
	1998	1999	2000	2001		2002	2003	2004	2005
Net income	- 4500	- 4000	- 3000	- 6000		- 2000	- 1000	+ 500	0

Table 8.3 Aggregated net income for the home helper units in Episodes one and two.

Now, let us look at the delivery of social care to the pensioners. In Episode one with little financial pressure, the pensioner and his/her needs and wishes guided the delivery of social care. This was manifested in the many extra tasks that were done for the pensioners, but were not included in the social care contract. When the economic pressure increased, the delivery of social care to the pensioners changed. In Episodes two and three, with considerable financial pressure, it was seen that the home helpers took a number of actions in order to meet the demands to produce balanced budgets.

First, the home helpers did fewer extra tasks for the pensioners. The home helpers said no to some of the pensioner's needs and wishes. In each specific situation the home helper judged whether the desires from the pensioner for extra care were very important. If not, for example extra cleaning, washing or talking with a happy pensioner, the home helpers said no and preferred to follow the social care contracts. If the needs for extra care were considered very important, for example if a pensioner was depressed or ill, the home helper stayed longer. The second action taken was to do less "personal" care than was written in the social care contract for the healthy pensioners. This gave the home helpers some time to do extras for those pensioners who were depressed or ill. The third action was that the home helpers did less "personal" social care in general. For example, taking a walk with the pensioners lasted 20 minutes instead of the 30 minutes when the financial pressure was low. Finally, the home helpers tried to coordinate "technical" social care activities. The home helpers shopped for groceries for many pensioners at the same time and washed clothes for several pensioners at the same time. The content of the "technical" operational activities did not change however, because it was easy for the social care service purchasers to evaluate, as well as for the pensioners and their relatives.

All actions manifest an operational direction which has changed into an increased productification of the delivery of social care. With increased economic pressure in Episodes two and three, the pensioner's needs and desires were given less weight compared to how it was in Episode one. Some healthy pensioners even, quite arbitrarily, received less "personal" care than they were entitled to. The conflict built into the system between the purchaser/provider split and social care contracts on the one hand, and pensioners' wishes in specific situations on the other hand, was clearly seen during periods of high economic pressure. It has been empirically observed that the shift into a tough economic situation and its improvement in financial performance has also changed the actual work practices. It is important to put the advantage of lower costs in juxtaposition to these changes in actual task performance.

In addition to the changing effects in the delivery of social services, there were also effects related to the inter-organisational relationship and inter-organisational operational activities. These effects will be explored in the following two sections. By comparing the different empirical episodes it can be analysed that financial pressure within the home helper units affected the home helpers' actions in relation to cooperation. There were differences between all three empirical episodes in this respect. The internal financial situation of the home helper units seems therefore to be important for discussing and explaining internal/inter-organisational dynamics. The empirical material covers control and operational activities before, during and after an economic crisis. There are few empirical studies on the interdependencies between internal and inter-organisational controls and internal/inter-organisational dynamics that include the financial situation of the organisations in the analysis. These studies – Lindholm (2003), Cuganesan (2006) – only cover the periods before and during an economic crisis. This thesis therefore makes an empirical contribution by also including the phase after such a financial crisis.

8.3.2 Going from little financial pressure into a financial crisis – internal/inter-organisational dynamics

Ezzamel and Bourn (1990) note that a perceived internal economic crisis has a major impact on the relationship between the organisation and other units/organisations. This is supported when we look at the change over time from Episode one to Episode two. In Episode two, there was a perceived financial crisis within the home helper units. The district director, the

provider manager, the home helper unit managers and the home helpers all thought about improving their financial condition. Jobs were threatened and the survival of the home helper unit was questioned. The observed changes from Episode one to Episode two can be interpreted as a change from a low degree of accountingisation to a high degree of accountingisation. In Episode one, the home helpers did not take finances into consideration during task performance, but this changed in Episode two. This change is in line with Lindholm's (2003) observations which show that financial concerns are only important for front-line social care workers when there is significant economic pressure. The dominant boundaries have changed from Episode one to Episode two as illustrated in figure 8.1.

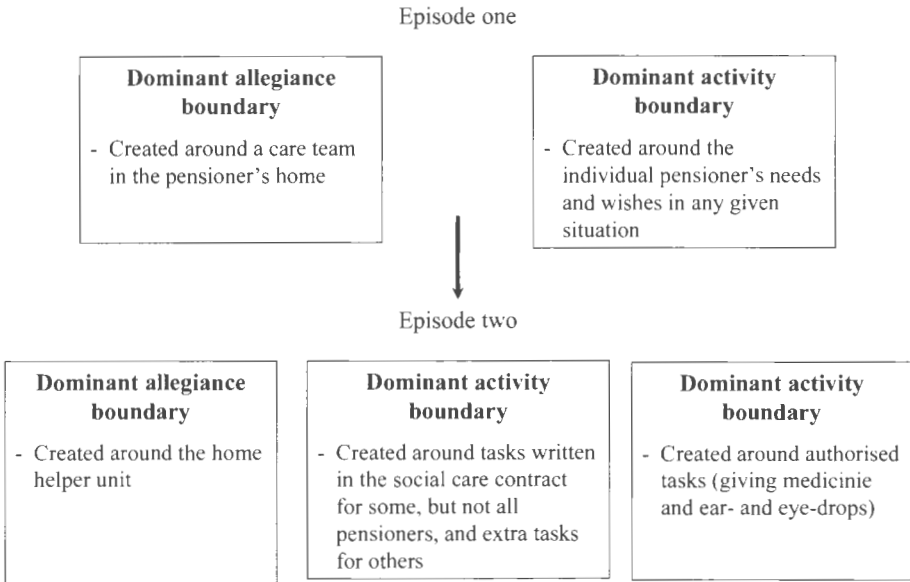


Figure 8.1 Dominant boundaries in Episode one and Episode two.

This has implications for internal/inter-organisational dynamics. There have been changes involving the inter-organisational operational activities. In Episode one, there was no separation of an internal and an inter-organisational domain and no separation of internal and inter-organisational operational activities. The central concern was the pensioner and his/her needs. With the daily coordination of interdependent tasks and the grey zone activities, the nurses decided who should do what and the home helpers adjusted to the nurses' wishes. The home helpers did what needed to be done

in the pensioner's home. In Episode two, there was a separation of an internal and an inter-organisational domain. Cooperation was not prioritised by the home helpers; they gave medicine and ear- and eye-drops on authorisation but the daily coordination of interdependent activities and grey zone activities functioned poorly. The dominant allegiance boundary was created around the home helper unit. The home helpers did not prioritise the inter-organisational domain as there was no allegiance boundary around the inter-organisational relationship. When there was an economic crisis the home helpers looked to the immediate survival of their home helper unit.

By comparing Episodes one and two, the empirically observed changes in operational activities can be interpreted in terms of controls and their boundaries. The major action taken by the provider manager and the home helper unit managers in Episode two, was to increase the use of internal administrative controls. This is shown in table 8.4.

	Episode one	Episode two
Internal administrative controls	<ul style="list-style-type: none"> • The purchaser/provider split and social care contracts • The setting of the annual budget • Follow-up meetings • Meetings with home helpers 	<ul style="list-style-type: none"> • The purchaser/provider split and social care contracts • Selective recruitment • Education and meetings • The setting of the annual budget • Monthly budget follow-ups • Sanctions • Overviews of social care contracts • Detailed behaviour guidelines • Financial and cooperation discussions with the home helpers

Table 8.4 Internal administrative controls in Episodes one and two.

The inter-organisational administrative controls had not increased along with internal administrative controls. There were the general guidelines for authorisation both in Episode one and Episode two. The boundaries created by administrative controls were the same in Episodes one and two. There was an allegiance boundary around the home helper unit and two activity boundaries; one around tasks written in the social care contracts and one

around authorised tasks. All internal administrative controls in Episode two were issued with the aim of making clear that there were financial problems. There seemed to be a multiple effect to the increased use of internal administrative controls. First, the boundaries created by administrative controls became more prominent. Secondly, internal administrative controls also appeared to affect social and self controls and thereby the boundaries created by these types of controls.³¹

Social controls had changed between Episodes one and two. There was greater financial focus in Episode two and group pressure to think in financial terms. In Episode one, financial discussions were avoided during coffee breaks and the nurses should be seen as informal managers in the pensioner's home. In Episode two, the language during coffee breaks was centred on financial issues, and the home helpers tried to influence each other to focus on social care only and not on cooperation. The home helpers also discussed with each other the importance of not taking orders from the nurses. These changes in social controls have implications for the boundaries created by social controls as shown in figure 8.2.

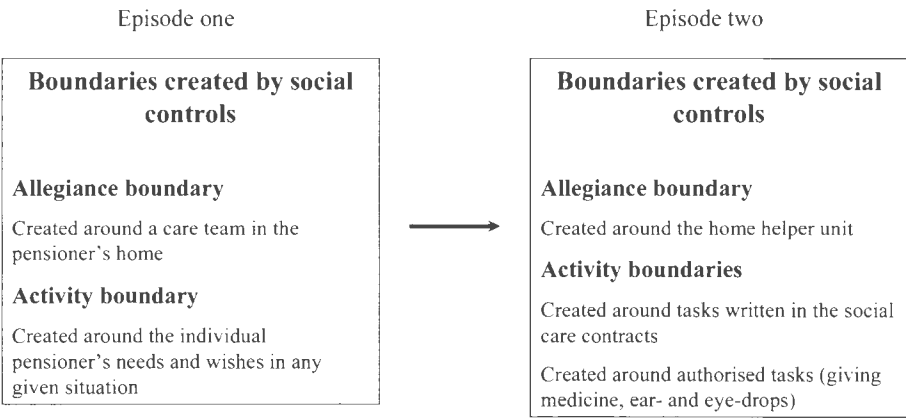


Figure 8.2 Boundaries created by social controls in Episodes one and two.

The boundaries created by social controls no longer had the pensioner as their central focus. The focus was rather the home helper unit and the need to have a positive income flow. In Episode one, the internal/inter-organisational

³¹ It is the intention of this thesis to describe a causal relation; social and self controls may have changed due to other factors than internal administrative controls.

separation was not important. The home helpers should be loyal to a care team in the pensioner's home and should deliver care with attention to the needs of the pensioner in any given situation. In Episode two, the boundaries created by social controls separated an internal and an inter-organisational domain. Social controls created an allegiance boundary around the home helper unit and the home helpers should only perform authorised inter-organisational operational activities. It can be noted that the boundaries created by social controls in Episode two were similar to the boundaries created by administrative controls.

The increased use of internal administrative controls also seemed to have changed self controls. The home helpers viewed themselves and their role differently in Episode two as compared to Episode one. In Episode one, the needs of the pensioner were the key focus and the home helpers personally thought it was important to do what needed to be done in the pensioner's home. In Episode two, on the other hand, the home helpers stressed that they belonged to the home helper unit which needed to have a balanced budget. The home helpers personally thought it was important to find a balance between what the pensioners needed and the finances of the home helper unit. The inter-organisational domain was not prioritised, the home helpers wanted to give medicine and ear- and eye-drop treatment on authorisation but did not want to do other inter-organisational operational activities. The change in self controls also had implications for the boundaries created by self controls as depicted in figure 8.3.

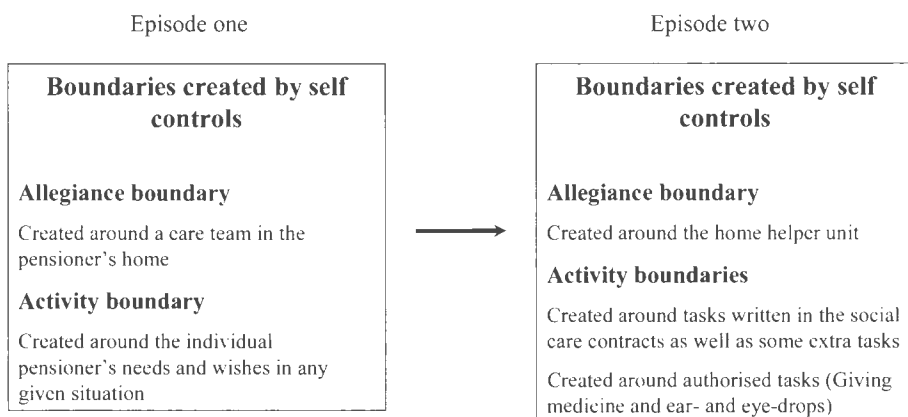


Figure 8.3 Boundaries created by self controls in Episodes one and two.

The boundaries created by self controls in Episode one were based on the pensioner and his/her needs. Self controls created an allegiance boundary around a care team in the pensioner's home. There was no separation of the internal and the inter-organisational domain; the focus in the delivery of care should be on the pensioner's individual desires in specific situations. In Episode two, on the other hand, the boundaries created by self controls took into account that the home helper unit was under strong financial pressure. The allegiance boundary in Episode two was created around the home helper unit. The activity boundary was also changed in Episode two and the foundation was the dichotomy between internal and inter-organisational operational activities, rather than specific needs of the pensioner as was the case in Episode one. Self controls created an activity boundary around authorised tasks. In Episode one, the activity boundary was created around the individual pensioner's wishes and needs, which included also grey zone activities and daily coordination of interdependent tasks.

Summing up, the internal/inter-organisational dynamics seemed to be driven by the financial situation within the home helper units. There has been change over time in the home helpers' approach to the inter-organisational relationship and the performance of inter-organisational operational activities. These changes have been explained by connecting administrative, social and self controls to the creation of boundaries. The increased use of internal administrative controls seemed to have changed internal and inter-organisational social controls and self controls, and the boundaries they created. The dominant allegiance boundaries and activity boundaries have changed from Episode one to Episode two, with effects on inter-organisational operational activities.

8.3.3 From a financial crisis to a period after a financial crisis – internal/inter-organisational dynamics

When discussing dynamics from Episode two to Episode three, there seemed to be considerable economic pressure and a high degree of accountingisation in both episodes. The home helpers took finances into consideration during actual work practices. Even so, there were differences between a period of perceived economic crisis, as in Episode two, and a period after a financial crisis when the financial situation of the home helper units had stabilised, as in Episode three. It has been empirically shown that these differences concern the inter-organisational domain. This is shown in figure 8.4 where

the dominant allegiance boundaries and activity boundaries in the two episodes are shown.

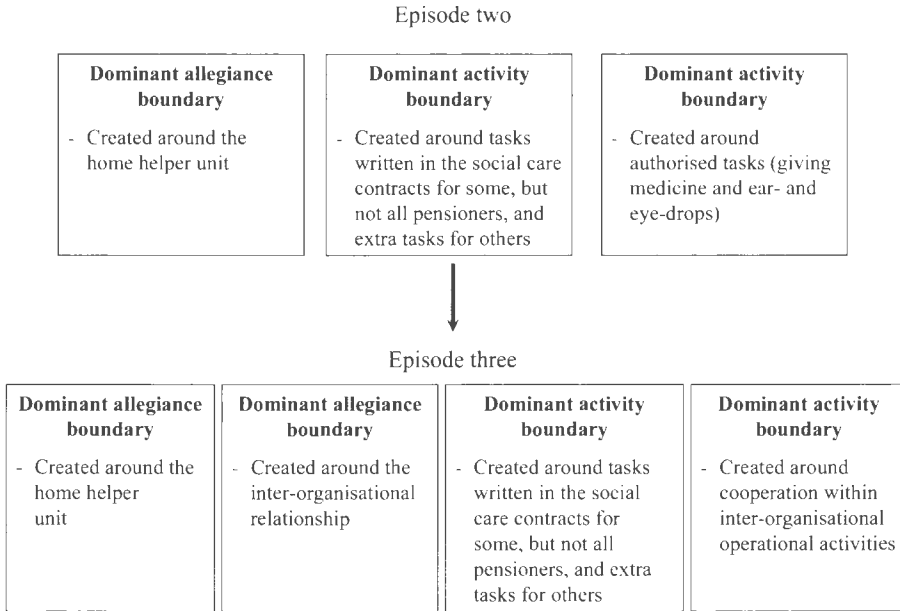


Figure 8.4 Dominant boundaries in Episodes two and three.

During an economic crisis in Episode two, there was no allegiance boundary around the inter-organisational relationship and the home helpers only gave medicine and ear- and eye-drop treatment on authorisation. The home helper units seemed to “isolate” themselves and did not concentrate on cooperation during the financial crisis in Episode two. When a financial crisis was “over” and things had stabilised, as in Episode three, the home helper units seemed to open up for cooperation. There was a dominant allegiance boundary around the inter-organisational relationship and the home helpers had a double focus on internal and inter-organisational operational activities. Home helpers, assistant nurses and nurses were flexible and willing to adjust schedules and help each other if necessary. Cooperation was viewed as important and daily coordination of interdependent tasks and grey zones were performed in a “give and take” climate between the home helpers, assistant nurses and nurses.

This internal/inter-organisational dynamics can be explained by discussing how administrative controls, social controls and self controls interacted and thereby changed the boundaries created by the different controls. After a financial crisis, inter-organisational administrative controls were issued in Episode three with the aim to create a boundary around the inter-organisational relationship. In Episode two, there were only general guidelines for authorisation. As illustrated in table 8.5, these general guidelines were, in Episode three, complemented by other administrative controls for cooperation; the managers tried to put the inter-organisational relationship on the agenda.

	Episode two	Episode three
Inter-organisational administrative controls	<ul style="list-style-type: none">• General guidelines for authorisation	<ul style="list-style-type: none">• General guidelines for authorisation• The task group• Monthly meetings between home helpers and nurses• Specified guidelines for cooperation

Table 8.5 Inter-organisational administrative controls in Episodes two and three.

There were a number of inter-organisational administrative controls in Episode three. These were similar to those described in previous literature on inter-organisational control. The managers emphasised that the home helpers and nurses must meet at least once a month to discuss the pensioners. The importance of inter-organisational meetings is stressed by Lindberg (2003) and Langfield-Smith and Smith (2003). In Episode three, there was also the task group, which can be compared to Dekker’s (2004) alliance board, which oversaw the inter-organisational relationship. Specified guidelines for cooperation were also found in Episode three. For example, the central authorisation guidelines were adapted to the local conditions and routines were made so authorisation was the same over the entire district. Behaviour guidelines for cooperation are described by Dekker (2004) as important.

In Episode three there were also internal administrative controls in the home helper units that emphasised the importance of cooperation. The home helper unit managers discussed with their home helpers the need for a well-functioning inter-organisational relationship. The use of internal administrative controls for cooperation is discussed by Håkansson and Lind

(2004). Internal and inter-organisational administrative controls together seemed to give attention on cooperation in Episode three. There were, however, no accounting-based inter-organisational administrative controls. There was rather an administrative control structure for cooperation with other inter-organisational administrative controls such as the task group and joint meetings between home helpers and nurses. This is contrary to previous research within the private sector that argues the importance of accounting-based inter-organisational administrative controls (see for example Langfield-Smith & Smith, 2003; Dekker, 2004).

The change in administrative controls in Episode three also seemed to affect social and self controls and the boundaries they created.³² As shown in figure 8.5, the boundaries created by social controls were the same between the episodes concerning internal issues, but have changed concerning inter-organisational issues.

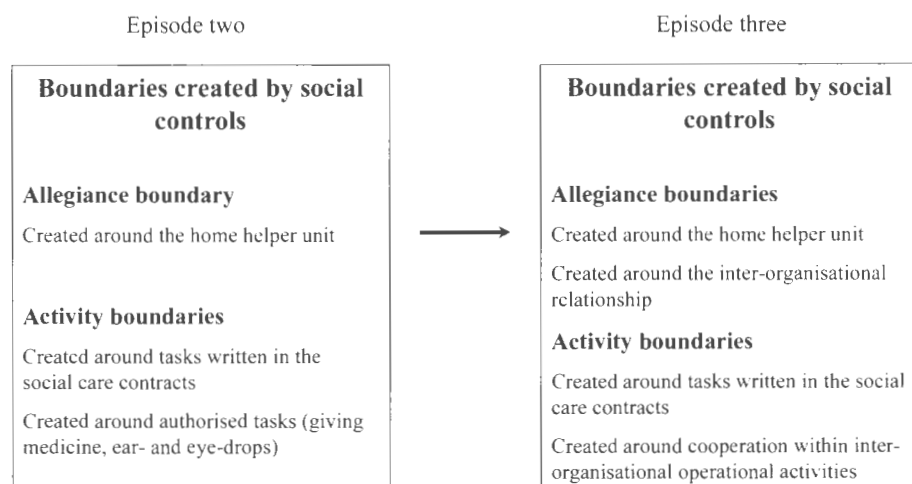


Figure 8.5 *Boundaries created by social controls in Episodes two and three.*

In Episode three, social controls created an allegiance boundary around the inter-organisational relationship. Social controls also created an activity boundary around cooperation within inter-organisational activities. This is

³² As pointed out previously, it is not the intention in this thesis to describe a causal relationship. Social and self controls may have changed due to other factors than administrative controls.

different compared to an activity boundary around authorised tasks as in Episode two. In Episode three, inter-organisational social controls have developed, where it was considered unacceptable to deviate from the group norm of foregrounding cooperation and flexibility. Self controls and the boundaries they created have also changed as depicted in figure 8.6.

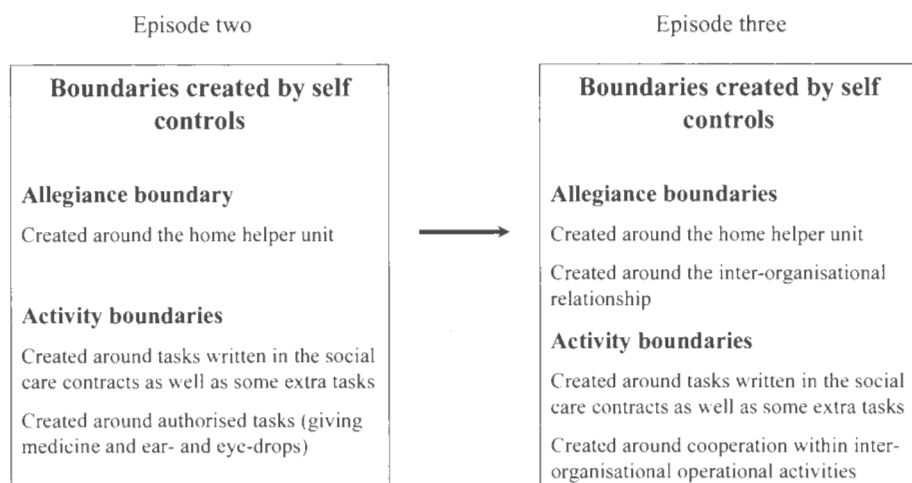


Figure 8.6 Boundaries created by self controls in Episodes two and three.

The boundaries created by self controls seemed to have changed in the same way as the boundaries created by social controls. In Episode three, self controls created an allegiance boundary around the inter-organisational relationship. The home helpers' personal values reinforced the importance of cooperation and flexibility and an activity boundary was created around cooperation within inter-organisational operational activities. This was different when compared to the activity boundary around authorised tasks in Episode two.

The empirical material indicates that the financial situation in the home helper units seemed to be an important factor in driving internal/inter-organisational dynamics. Even though there was a high degree of accountingisation in both Episode two and Episode three, there was a difference between significant financial pressure, i.e. Episode three, and a perceived economic crisis, i.e. Episode two. The differences seemed to lie in the functioning of the inter-organisational relationship. During a financial crisis the home helper units "isolated" themselves and there was attention on

internal issues, and hence cooperative issues were not prioritised. After an economic crisis, the home helper units opened up and cooperation received more attention. This has been explained by the interaction between administrative, social and self controls and the boundaries they created.

8.3.4 Empirical and theoretical contributions

When comparing the episodes can be empirically seen that a change from low to high economic pressure and the concomitant financial improvements, had a profound effect on the delivery of social care to the pensioners. The operational direction moved from being guided by the wishes and needs of the pensioners, in Episode one, to more productification and performance of pre-specified operational activities, in Episodes two and three. In order to meet rising financial demands, the home helpers took a number of actions in Episodes two and three, which were not done in Episode one. They did fewer extra tasks for the pensioners and limited their work more to the pre-specified social care contract. But when the pensioners were really depressed or ill, did they take time to do some extra tasks. The home helpers also did less “personal” social care when there was significant economic pressure. “Personal” care activities were difficult to evaluate by both the pensioners and the social care service purchasers so the time devoted to these activities diminished in Episodes two and three. The home helpers even did fewer “personal” care activities than was written in the social care contract for some healthy pensioners. The home helpers also coordinated the “technical” operational activities more in Episodes two and three as compared to Episode one. They jointly coordinated food boxes and did joint shopping for groceries and joint washing of clothes.

Other actions driven by increased economic pressure were related to cooperation. An empirical contribution is the description of the interdependencies between internal and inter-organisational controls and implications for internal/inter-organisational dynamics during these three phases; before, during and after a financial crisis. Empirically, it was seen in Episode one, before a financial crisis, that the separation of an internal and an inter-organisational domain was not important in the delivery of care to the pensioners. The central focus was the needs and wishes of the pensioners and the home helpers did not consider economy when they worked. The home helpers were loyal to a care team in the pensioner’s home and the nurses were “informal” managers.

This changed in Episode two, when there was a perceived economic crisis within the home helper units. The home helper units seemed to “isolate” themselves and focused on internal issues. There was a separation of internal and inter-organisational operational activities, and grey zone activities and daily coordination of interdependent tasks were poorly-functioning. An additional aspect of internal/inter-organisational dynamics was seen in Episode three, when a financial crisis was over and things had calmed down. Then the home helper units opened up and cooperation received more attention. It did not function the same as in Episode one however. In Episode three, the cooperation issues were solved in a “give and take” climate, as opposed to Episode one where the nurses decided who should do what and the home helpers mostly adapted to the assistant nurses and the nurses.

The analysis of inter-organisational control, the inter-organisational relationship and the inter-organisational operational activities seems to be interdependent with the internal situation of the organisations. This is in line with Mouritsen *et al.* (2001), Van der Meer-Koistra and Vosselman (2000), Cuganesan and Lee (2006) and Cuganesan (2006) who argue the need to analyse internal and inter-organisational controls in an integrative manner. Two extensions of previous literature have been made. Firstly, the internal financial situation of the respective organisations appears to be important for inclusion in the analysis. The internal/inter-organisational dynamics seemed to be driven by increased financial pressure in the home helper unit. When there was a perceived economic crisis and the unit’s existence was threatened the focus was mainly on internal issues. This might not be so surprising. However, when going through studies on inter-organisational control and the interdependencies between internal and inter-organisational controls, the financial situation of the companies is often neither described nor discussed. Mouritsen *et al.* (2001), Van der Meer-Koistra and Vosselman (2000), Cuganesan and Lee (2006) all discuss internal/inter-organisational dynamics without connecting it to the financial situation of the companies involved. The few studies that do discuss the financial situation compare the period before a financial crisis with the period during an economic crisis (Lindholm, 2003; Cuganesan, 2006).

Secondly, increased use of internal administrative controls may have inter-organisational effects even if inter-organisational administrative controls do not change. In Mouritsen *et al.* (2001), Cuganesan and Lee (2006) and Cuganesan (2006), the issuing of inter-organisational administrative controls “starts” the chain of events. In this thesis the importance of including social

controls and self controls has been illustrated. In Episode two, inter-organisational administrative controls did not change. Instead the inter-organisational effects seemed to be due to changes in inter-organisational social controls and self controls. In relation to previous literature, new theoretical variables have been added which may be important in analysing the interdependencies between internal and inter-organisational controls and understanding internal/inter-organisational dynamics. It has been demonstrated how the different types of controls interacted dynamically over time and the consequences of this for operational activities. The increased use and importance of internal administrative controls seemed to have affected social and self controls. New boundaries were created and there were consequences for the operational activities. Why the behaviour of the home helpers had changed was explained by using the concepts of administrative, social and self controls and the boundaries they created. All three types of controls seemed to be important for understanding internal/inter-organisational dynamics and hence should be included in the analysis.

8.3.5 Practical implications

Efficiency

One practical implication of comparing the different episodes involves efficiency in domestic care of the elderly and similar organisational activities. Efficiency in the public sector is difficult to constitute with a sufficient range of nuances (Östman, 1993). Efficiency is often defined as operational activities, i.e. output, divided by resources, i.e. input (Anthony & Young, 1988, p. 15; Sola & Prior, 2001). In domestic care of the elderly, discussions of efficiency become complicated because actual task performance often involves interaction with the pensioner. Hence time is important both in the nominator and denominator. The operational activities depend on time and the resources depend on time. How can we talk about efficiency in a meaningful sense about washing a pensioner, or about taking a walk with the pensioner, or about sitting down and talking to a depressed pensioner? Time is crucial. If the home helper walks with the pensioner for 25 minutes instead of 30 minutes, fewer resources are consumed but the content of the operational activity is also changed.

One way of developing the discussion on efficiency might be to divide operational activities into “technical” care activities (no interaction with the pensioner) and “personal” care activities (interaction with the pensioner).

This distinction is not often done in practice. Here I follow the argument of Hofstede (1981, p. 194): "Thus for a meaningful classification from a management control viewpoint, we have to break our organizations down to the level of activities." When washing clothes for the pensioners, as long as the clothes get clean the home helper can be as fast as possible. Time is not important for the pensioner since the "technical" activity does not involve interaction with the pensioner. But if the home helper goes for a walk with the pensioner, time is important for the pensioner.

If increased economic pressure with its resulting financial savings only leads to changes in "personal" operational activities, it might not represent increased efficiency after all. But if the performance of "technical" operational activities are developed so it consumes fewer resources, then one might talk about increased efficiency. To some extent the empirical investigation in the present thesis supports the argument that the home helper units were more efficient in Episodes two and three than in Episode one. The managers had worked a lot with geographic scheduling to minimize walking time between the pensioners. The home helpers also coordinated the shopping of groceries; one home helper could shop for many pensioners at the same time. Giving out food boxes had also been coordinated better by the home helpers. The same goes for washing clothes; they tried to wash for several pensioners at the same time. Here we are talking about the "technical" elements of care.

It can however also be seen in the empirical material that the "personal" operational activities had been changed. The home helpers did fewer extras for the pensioners and the "personal" care activities were done faster. A walk with the pensioner might for example be 20 minutes in Episode two and three instead of 30 minutes in Episode one. For some pensioners they even offered less "personal" care than what was written in the social care contract in order to have time to do more for other, less healthy pensioners. Here we cannot talk about increased efficiency, because time is important both for the denominator and the nominator.

What does this imply practically for domestic elderly care? A first step could be for the managers to divide the operational activities into a "technical" category and a "personal" category. Then the managers can first focus on the "technical" operational activities and find ways to make them more efficient. If the "technical" tasks are performed with fewer resources, we can then talk about more efficient social care. Many examples were given where

“technical” operational activities were performed in a more efficient way during Episodes two and three than during Episode one. For “technical” tasks, routines and planning are essential and standardisation is possible. The managers can control the home helpers more tightly by telling them how to perform the “technical” services.

“Personal” operational activities can be approached in another way. These are performed in interaction with the pensioners, each activity is unique, and it is difficult to talk about efficiency in a deeper sense. The home helper and the pensioner jointly create an experience and it is much harder for a manager to tell the home helper how the “personal” operational activities should be performed. Flexibility is important. To meet the requirement of flexibility, my suggestion is that the social care service purchasers put some unspecified time in the social care contract earmarked for “personal” operational activities and “extra” tasks. Say, for example, that the purchasers give each pensioner one hour per week in the social care contract, and it is up to the home helpers to decide how to use this time in caring for the pensioners. Some pensioners might need the home helpers to sit down and talk and some pensioners might need an extra walk. It is not controllable by the social care service purchasers or the home helper unit managers, but it is probably good for the pensioners. In this way the content of the “product”, i.e. the social care contract, is changed. The contract will then contain not only pre-specified operational activities but also unspecified time, and the contracts will thereby be adapted somewhat to the wishes and needs of the pensioners in specific situations.

Efficiency in terms of “personal” tasks boils down to how to balance the cost aspect and the human aspect of the problem. The advantage of lower costs, when comparing Episodes two and three with Episode one, must be seen against the negative consequences of less time spent on “personal” care. My suggestion, to put in some unspecified time in the social care contracts, is a way to handle this dilemma within the current system with purchaser/provider split and social care contracts. Efficiency for “personal” care activities touches on difficult questions about priorities in the public sector. For the “personal” care activities it will always be a question about money. For example, how do the needs of the pensioners relate to the needs of small children in the day care centres and schools? The list of different areas in the public sector that need resources is long. These debates need to be taken by people higher up in the hierarchy than the home helper unit managers. The discussion is also of general interest for other public sector

services where the delivery of the service involves interaction with the user. Examples are hospitals, nursing homes, schools and day care centres.

The importance of managers

Another practical implication involves the important role of managers for well-functioning cooperation during periods of significant financial pressure. This is seen by comparing Episodes two and three. The internal functioning was similar and there was a positive income flow in both episodes. The difference was in how inter-organisational relationship functioned. In Episode three, the inter-organisational relationship seemed to be functioning well which did not appear to be the case in Episode two. In Episode three, there was an administrative control structure for cooperation. When there is a high degree of accountingisation it therefore seems to be important that managers issue inter-organisational administrative controls and internal controls that emphasise the importance of cooperation. It is often not possible to leave this to the people below management to solve themselves. It might not be the first thing to think about when a financial crisis arises, but when things have calmed down it is important for managers to act. In Episode three, there were examples of inter-organisational administrative controls that might be used. Quite small means – a task group, meetings between nurses and home helpers and specified guidelines for cooperation – seem to give positive effects in terms of cooperation.

The difference between a period during a financial crisis and a period after a financial crisis

The difference between a period during an economic crisis and a period after a financial crisis, when things have calmed down, is important to note. The two districts are not similar only because they had a positive income flow at a given point in time. Both had balanced budgets, but it is important to view differences over time. District two had had a positive income flow for some time, whereas District one recently had gone through dramatic savings and changes in internal administrative controls. This is seen in table 8.6.

It is important to recognise this dynamic when comparing District one and District two. In District one, when the people experienced an economic crisis, home helper unit managers as well as home helpers felt that the existence of the unit was threatened and they feared losing their jobs. They

would need time to build up an administrative control structure for cooperation.

	City District one (Episode two)	City District two (Episode three)
Year 2002	- 2 000	1 000
Year 2003	- 1 000	2 000
Year 2004	500	1 200
Year 2005	0	700

*Table 8.6 The development of aggregated net income (tkr)
for the home helper units in the two districts.*

In District two, the financial pressure was significant but they did not perceive themselves in an economic crisis any longer. They had some time to build an administrative control structure for cooperation. This is important when discussing the functioning of the inter-organisational relationship. It is easy to jump to the conclusion that the managers in District two are better than the managers in District one because they have a functioning cooperation. This is not the intension in the thesis. Rather it points out the importance for managers in District one to start building an administrative control structure for cooperation when they have made it through the crisis.

Accounting-based inter-organisational administrative controls

Another practical implication has to do with accounting-based inter-organisational administrative controls. The NPM-development from the 1980s and onwards has step by step created more specialised units as quasi profit centres that are loosely linked to each other, and which makes it hard for cooperation to be achieved (Humphrey *et al.*, 1993). Accounting becomes more and more important internally for the evaluation of the home helper units, and the financial performance decides the survival and growth of the home helper units to a great extent. It has been empirically shown in this thesis that there were no accounting-based inter-organisational administrative controls in the two districts. What will happen with the well-functioning cooperation in District two if a new financial crisis arises? Will the good cooperative atmosphere persist or will the home helper units only concentrate on internal issues?

With accounting-based inter-organisational administrative controls, cooperation issues might be prioritised even during an economic crisis because inter-organisational operational activities (and not only internal operational activities) affect the financial situation of the units. In the inter-organisational control literature, joint financial reward systems and open book accounting have been discussed (Mouritsen *et al.*, 2001; Langfield-Smith & Smith, 2003; Dekker, 2004). Kurunmäki and Miller (2006) describe pooled budgets that allow health and social care organisations to bring together resources in a discrete fund to pay for some of the services for patients.

Based on this thesis I do not want to say that accounting-based inter-organisational administrative controls should be established. It is also impossible for me to give advice on what specific types of accounting-based administrative controls might fit domestic care of the elderly. My advice is rather that it is worthwhile for policy makers to discuss the possible need for accounting-based inter-organisational administrative controls in domestic elderly care. They can also investigate different types of accounting-based inter-organisational administrative controls and see if any fit their specific needs. If this leads to establishing accounting-based inter-organisational administrative controls remains to be seen, but at least the issue will have been thoroughly discussed. The lack of accounting-based inter-organisational administrative controls is not something peculiar to domestic care of the elderly. It is the same within the whole public sector (Kurunmäki & Miller, 2006). This reasoning is therefore relevant for other public sector areas as well.

8.4 The financial context

8.4.1 Costs for a given operational activity increase over time

In the introduction of this thesis, a basic control problem in domestic elderly care was foregrounded. There is a financial shortage on the one hand, and there are elderly people with their care needs, on the other hand. An important reference point in the discussion chapter should be what can be said regarding this problem. The previous discussions in sections 8.1–8.3 have had a “micro” perspective, by focusing on the home helper unit and the health centre. The main part of the collected empirical material can also be

connected to these discussions. One theme has been the consequences of increased economic pressure in the form of extensive use of internal accounting-based administrative controls.

There is however some empirical material connected to a wider financial context and the basic control problem seems to be related to financial flows. There appears to be a step before accounting in the home helper units, and before the different controls that create different boundaries. It is, therefore, not sufficient to stop at declaring that accounting and other administrative controls, as well as social and self controls, have certain consequences. The previous discussions can be put in a broader financial context, something often avoided in most of the previous research from the theory chapter. One exception is Östman's (2006) description of the Swedish Royal Dramatic Theatre. He underscores the importance of relating the discussions of basic control problems to a broader financial context. He argues that wider system questions are often defined away in the literature, and give too narrow of angles when they discuss the empirical observations.

An empirical observation in all three empirical episodes is that the home helper units were often not compensated for annual salary increases. The home helper units get paid from the social care service purchasers for each pensioner, based on the number of hours per month are assigned in the social care contract. The monthly time in the social care contract corresponds to a payment amount. This payment amount is the revenue for the home helper unit. As been described in chapter four, the sum of all payment amounts for the pensioners is total revenue for the home helper units. The payments for each time level should increase 0-3% each year. This potential increase was annually decided by the purchaser manager, the provider manager, the district director and the controllers. Costs, mainly salary costs for the home helpers, are influenced by other sectors and follow a general development trend. They rose around 3 % annually, according to the financial reports from the home helper units. The home helper units were often not compensated for the annual increases in costs. In District one, the payment levels from the social care service purchasers were held constant during the years 1999, 2001, 2002, 2004 and 2005. In District two, the payment levels held constant during the years 1999, 2001, 2003 and 2004. This means that, during the period of investigation, both districts were not compensated for the annual cost increases in 50 % or more of their annual budgets.

According to the purchaser managers, the provider managers and the controllers in the two districts, there was a financial motive for not increasing the payments annually. Based on the money received for care of the elderly from City Hall, they found it necessary to hold the payment amounts constant in order to have a balanced budget. When we look at how the prices are set between providers and purchasers, it can therefore be concluded that the home helper units cannot affect their revenue templates. The revenues are not revenues set on a market. They are decided by the managers in elderly care, depending on the money received from City Hall. In chapter four, it has been described that the general public financial condition, and decisions regarding national prioritising of different public areas, affect the money that City Hall can allocate to the districts. This thesis has not investigated the processes behind the decisions on how to allocate money from City Hall. But it can be concluded that the financial situation for the home helper units at a given point in time seems to be part of a structural development process that, to a large extent, cannot be affected by the home helper units. The financial context and resource problem in care of the elderly is manifested in a concrete way for the home helper units. They are often not compensated for the annual increases in salaries. This leads to a situation where a given operational activity costs more and more for the home helper units to perform. With this perspective it can be concluded that the home helper units seem to have an underlying problem, there is a financial course of events that is complicated for them.

8.4.2 Theoretical implications

The empirical observation that a given operational activity costs more and more for the home helper units to perform, is in line with the empirical observations in Östman (2006). He claims that many public sector organisations have an underlying structural financial problem to deal with. He describes how the government gradually removed compensation for actual increases in wages for the Royal Dramatic Theatre. The nominal costs per performance by the Royal Dramatic Theatre rose almost continuously throughout the century. The salary levels were influenced by levels in totally different fields where possibilities to improve productivity were better, and selection on the basis of profitability and growth was the principle. He argues that this structural process is an important continuous driving force for action within public sector organisations.

This mechanism of increased financial scarcity was also described as early as 1965 by Baumol and Bowen (1965) who studied performing arts organisations. The organisations and units which had less possibility to rationalise than others were forced to live with salary levels affected by conditions of those with higher rationalising possibilities. If the organisation also had little chance to select a profitable path, this process was strengthened. Many public sector organisations, such as domestic elderly care, can be expected to fall into the category with few possibilities for rationalising and little possibility for profitable selection of alternative actions. Östman (2006) describes this as a main problem in the public sector. The same problem can be expected in some private organisations as well, as the potential for rationalising often decreases over time. But preconditions for doing business also change and private organisations have substantial possibilities for profitable selection of alternative actions.

We get a new dimension to the theoretical and practical analysis in sections 8.1–8.3. With the underlying structural financial process identified, accounting is no longer an independent variable. Accounting is rather part of a broader financial context not often described in the literature on internal and inter-organisational control. The discussions of administrative controls, social controls and self controls, the boundaries they create and their connections to operational activities, can be connected to a wider financial context. The managers in domestic care of the elderly often do not have any decision about whether to issue more administrative controls or not. It might be more appropriate to say that there is an underlying financial problem manifested in increased use of administrative controls and the pressure to have balanced budgets. There are financial flows behind accounting, that give accounting and the boundaries created by administrative controls a latent power. There is a need to lift the discussion to a higher level than the individual units, and to describe the financial flows manifested in accounting and other administrative controls. This is connected to the basic problem and shows that everything starts with the amount of money that is available. The basic control with a financial shortage on the one hand, and the pensioners' need of care on the other hand, is seen to incorporate an increased financial scarcity over time. Accounting is dependent on financial flows and alternative use of money in the Swedish society in general, and in each municipality in particular.

The above reasoning supports the conclusions made by Llewellyn (1994) and Östman (2006) that a low degree of accountingisation seems to be only a

temporary state in public organisations, such as domestic elderly care. It is shown in this thesis that there was a low degree of accountingisation only when the financial pressure was low. Significant economic pressure seemed to be laid on the units because of the structural financial process identified in the thesis. Even if actions are taken, costs for a given operational activity will increase and there will probably be new financial crises. There is now a high degree of accountingisation in both districts, the home helpers take finances into consideration when they care for the pensioners. The concept of accountingisation introduced by Power and Laughlin (1992) and later used in studies by Lapsley (1998) and Kurunmäki *et al.* (2003), may be augmented. Accountingisation may not only involve the focus on financial aspects at a given point in time. It goes beyond that and also incorporates general structural financial processes. Thereby an explanation is given to the temporary nature of a low degree of accountingisation. This implies that the question of degree of accountingisation has to do with more than accounting per se; it also has to do with a broader financial context.

8.4.3 Practical implications

Based on the empirical observations it can be concluded that the financial development process seems to be structural even if we have financial crises at specific points in time. Still, the financial problems of the moment seem to be getting more attention than the structural financial problem in domestic elderly care. With this in mind the changes from Episode one, to Episode two, to Episode three, in terms of the functioning of the inter-organisational relationship, should not be interpreted as an “happy ending” with a functioning cooperation that will continue from now on. Rather it points to the possibility of a new financial crisis around the corner and possible new focus on internal issues at the expense of cooperation. An awareness of the underlying structural financial process also gives some perspective on the behaviour of the home helper unit managers. It is not a question of the managers being able to choose control styles and administrative controls with a high degree of freedom; rather they have to continuously find ways to cope with a problematic financial situation.

When and how should the structural financial process be taken into account if one is evaluating the individual home helper units? How should visions, functions and operational activities for the home helper unit be put in relation to limited public financial resources? These are important practical questions. As of now, no reference at all has been made to the underlying

financial process in the evaluation of the provider manager and the home helper unit managers. The evaluation of the financial results of the home helper units is focused on the absolute figures as such. The numbers speak for themselves and decisions are made on the basis of whether the budget is balanced or not. Managers are replaced, home helpers dismissed, operational activities changed. Östman (2006) argues that too narrow a delimitation of the frame of reference is a danger in a world which has more and more complex relations. There is a risk for policy makers in domestic elderly care to oversimplify and mislead if they do not discuss the structural financial process. If they take the underlying financial process into consideration, they will see that it is not only a question of whether (more) administrative controls are good for domestic care of the elderly. It is also a question of whether underlying financial processes create problems in the Swedish public sector. The resource issue for domestic elderly care and the home helper units involves a dynamic problem. This is the underlying construction even if it appears in the form of financial crises on certain occasions.

CHAPTER 9

CONCLUSIONS

Let us return to chapter one and the purposes of the present thesis. It aims to develop our understanding of the operation of control in domestic care of the elderly, and of the connections between control and the delivery of care to the pensioners. The provision of domestic elderly care is split into two different hierarchical public units; the home helper unit and the health centre. The sub-purpose is therefore to extend our understanding of the interdependencies between internal and inter-organisational controls. Four main conclusions will be presented where the empirical and theoretical contributions are highlighted. Thereafter suggestions for future research will be presented. The chapter will end with practical implications, especially constituted those working with domestic care of the elderly, for practical policy making and for Sven and other pensioners.

9.1 Empirical and theoretical conclusions

The first main conclusion deals with the basic conflict inherent in the system design of productification in delivery of social services through a purchaser/provider split and social care contracts. It has been seen empirically in all three episodes that when the home helpers deliver social services, they are also guided by the desires of the pensioner in any given situation and often perform extra tasks not included in the pre-specified social care contract. The home helpers are flexible in the delivery of care even if there is an economic crisis and they are afraid of losing their jobs. These empirical observations are explained by invoking administrative, social and self controls in regards to distance to the pensioner. Both administrative controls and social controls are distant from the actual delivery of care and aim to influence the home helpers to limit work to tasks written in the social care contracts. The concept of self control, closer to actual work processes than administrative and social controls, is augmented by being linked to influence from the pensioners. The importance of flexibility to the needs and wishes of the pensioners in specific care giving situations is thereby incorporated in the control model through self controls. This extension of the concept of self control explains why the impulses from self controls differ from the impulses from administrative and social controls

even during an economic crisis. It also explains why self controls seem to be important influences on the home helpers' behaviour in all episodes: before, during as well as after a financial crisis.

The second conclusion concerns the interdependencies between internal and inter-organisational controls and their connections to operational activities. The concepts of allegiance boundaries and activity boundaries are introduced, and it is shown how administrative, social and self controls create different allegiance and activity boundaries. The two concepts are held more open in comparison to previous literature's putative separation of an internal and an inter-organisational domain and solid boundaries around the legal units. When the financial pressure on the home helper units is low, social and self controls create allegiance boundaries and activity boundaries with the pensioner as their basis; the internal/inter-organisational separation is not relevant. Instead allegiance boundaries are created around a care team in the pensioner's home and activity boundaries are created around the pensioner's desires in specific care giving situations. The home helpers are loyal to the care team, nurses are the informal managers and the pensioner's needs and wishes in any given situation guide the delivery of care. Internal as well as inter-organisational operational activities fall within the activity boundary created by social and self controls. The dominant activity boundary is similar to the activity boundaries created by social and self controls, which implies that the home helpers have double focus on cooperation and internal issues during task performance without extensive use of internal and inter-organisational administrative controls.

The third conclusion concerns the operational effects of increased economic pressure, and internal/inter-organisational dynamics. The delivery of care changes from being primarily guided by the desires of the pensioners, to becoming more productified and "technical". The home helpers do fewer extra tasks for the pensioners and the time spent on "personal" care activities decreases. Some pensioners even, quite arbitrarily, get less "personal" care than is written in the social care contract because the home helpers need to free some time to help sick or depressed pensioners. There are also changes with respect to the cooperation with the health centre. The internal financial situation of the home helper units seems to be an important factor when analysing inter-organisational control and internal/inter-organisational dynamics. This dynamic is empirically described before a financial crisis (well-functioning cooperation; nurses directing the conditions), during a financial crisis (cooperation issues neglected by the home helpers) and after

a financial crisis (cooperation important again; home helpers, assistant nurses and nurses helping each other; the nurses do not direct conditions). By analysing how an increased use of administrative controls seems to change social and self controls and the boundaries they create, the differences in the delivery of inter-organisational operational activities between the empirical episodes are explained. Inter-organisational operational effects seem to be caused by changes in inter-organisational social controls and self controls and not by changes in inter-organisational administrative controls. This shows the importance of having a broad view of controls and boundaries when analysing the interdependencies between internal and inter-organisational controls, and the connections between control and operational activities.

The fourth conclusion engages the broader financial context of the home helper units. There seems to be an underlying structural financial process which is problematic for the home helper units and which they cannot affect. The costs for a given operational activity increase over time and this is manifested in the empirical observation, where the home helper units are often not compensated for the annual salary increases as the payment levels are held constant. With this in mind, accounting-based administrative controls are not the independent variable in the analysis; they are connected to a broader financial context. By bringing the broader financial context into the analysis, the concept of accountingisation (Power & Laughlin, 1992; Lapsley, 1998; Kurumäki *et al.*, 2003) may be augmented. Accountingisation involves the focus on financial aspects during task performance at a given point in time, as indicated by previous literature. But it also involves the underlying structural financial process that gives accounting-based administrative controls a latent power. This implies that a low degree of accountingisation seems to be merely a temporary state in public organisations, such as domestic elderly care.

9.2 Suggestions for future research

This thesis has illustrated the tension between financial limits and operational activities. The operational effects of financial pressure are of general importance both in the private and public sector. Specific changes in actual work processes in the case of domestic care of the elderly have been shown, i.e. the different actions taken by the home helper units to cope with increased financial pressure. Other actions will probably be seen in other cases. It is important to describe and analyse changes in task performance

case by case and see how each case's distinctive features add up to a more general picture. More empirical research on the operational effects of financial pressure is therefore needed. How do the operational activities change? What actions are taken to improve financial results? These empirical descriptions can form the basis for discussions on whether the actions taken are acceptable and desirable, and if not, what can be done about it. How should the transformation of economic life look?

This thesis also points to the need for further research on the interdependencies between internal and inter-organisational controls, with a broad view of control and with the incorporation of administrative as well as social and self controls. The concepts of allegiance boundaries and activity boundaries can also be further elaborated in other empirical settings, both in the private and public sector.

There is a need for more studies that will examine the functioning of the inter-organisational relationship in relation to how the individual units do financially. This might be investigated in larger surveys as well as with in-depth case studies. In this thesis only the internal control in the home helper unit has been studied. Research that includes internal control systems of both organisations involved in an inter-organisational relationship can give further insights in the interdependencies between internal and inter-organisational control systems, and internal/inter-organisational dynamics.

There are also some avenues for future research related more specifically to health and social care organisations. Whether the empirical findings and discussions in this thesis are attributable to the cultural and historical contexts of Sweden has not been discussed in the thesis. Olson and Sahlin-Andersson (1998) argue that accounting in the Swedish public sector has some distinctive features. The municipalities have, for example, considerable power at the expense of our central government. It would be interesting to do comparative studies of care for the elderly between countries and thereby incorporate national differences in the discussion.

Another issue worth exploring is the importance of a strong profession. Lapsley (1998) and Kurunmäki *et al.* (2003) discuss that the concept, and consequences, of accountingisation may differ within the public sector, depending on the status and strength of the professional group. Previous literature argues that social services have low status (see for example Llewellyn, 1998a; Nordström, 2000, ch. 4). It would therefore be interesting

to explore the issues raised in this thesis in public sector units with strong professions, for example an inter-organisational relationship that involves doctors and psychologists. How does cooperation take place in such a context? What are the effects of increased economic pressure? These questions might be investigated over a number of years and during a period of poor financial performance.

9.3 Concluding remarks regarding practice

This thesis started with Sven and his need for domestic elderly care. It will end by presenting some practical implications that might be of interest to Sven and other pensioners, to those who work on a practical level with domestic elderly care, to those who work in other parts of the public sector, and finally to those involved in policy making. The general reader of this thesis is probably interested in what type of control system brings the most effective and efficient delivery of domestic social and health care to the elderly. There are a number of important overarching questions about the structure of the system. First, we have an issue of ownership. Should we have private companies deliver care? Secondly, given that we have some public ownership, is productification desirable in domestic elderly care? Are purchaser/provider split, social care contracts and income statements appropriate means to deliver social services in an efficient and effective way? Maybe flexibility to the pensioners' needs and wishes is a more important element? Maybe a sum of money should be allocated to each home helper unit, and then the home helper unit manager and the home helpers be allowed to decide the appropriate social care for each pensioner? Thirdly, should domestic care of the elderly be divided into two hierarchical organisations, at the county and the municipality levels, or should everything lie under one organisation? And fourthly, the underlying financial problem for domestic elderly care, manifested in the home helper units' not being compensated for annual salary increase, needs to be discussed. What can be done? When should this be taken into account? Should care of the elderly get more money at the expense of other public sector areas?

It is not possible for me, based on my research, to give any concrete advice with respect to these overall systemic questions. There are no easy answers. They boil down to basic values about public sector priorities, financing and organisation. My advice to those who work practically with elderly care is to not forget these overarching system issues when overriding problems of the moment are in focus.

Quality and finances are important aspects of effectiveness and therefore both should be in focus. It has been argued that it is difficult to measure and define quality in a deeper sense in domestic care of the elderly, especially when it comes to the “personal” operational activities. Every pensioner has his/her own experiences and it is not possible to capture what we are really after with quality measures. There is a risk that systematic measuring of quality becomes an end in itself. Given the system with purchaser/provider split and productification through the social care contracts, I therefore raise the question of how to define the “products”. On what level and by whom should it be decided exactly what operational activities are to be performed for the pensioners? A “product” can be defined as either a number of specified operational activities to be performed, or the availability of a number of hours to be used for different tasks, according to the home helper’s judgement and the pensioner’s wishes and needs, or a combination of these two alternatives.

As it is now, there are only specified operational activities in the social care contract. I suggest that the social care service purchasers assign some unspecified time in the contracts. In this way the “product” is adjusted some to the wishes and needs of the individual pensioner in specific care giving situations. The exact number of unspecified hours in the social care contracts is a question for the city districts to decide. The principal point is that I am trying to find a product definition that combines flexibility and standardisation and improves effectiveness in a deeper sense. The home helpers get the message that they can be a little flexible and decide some themselves during task performance.

Another bit of advice is about the importance of acknowledging the difference between “technical” and “personal” operational activities. “Technical” operational activities are performed without interaction with the pensioners. This means that efficiency for “technical” operational activities can be understood and managed in a conventional way. If the home helper unit managers think in terms of “personal” and “technical” tasks, they can concentrate on making the “technical” services more efficient. Geographic scheduling and joint washing of clothes are examples already used by the managers. There are probably many other potential actions. With attention on “technical” tasks in a first “step” towards increased efficiency, and by involving the home helpers in the discussions on potential improvements, time and resources may be saved without doing fewer “personal” care activities.

My last advice concerns the importance of cooperation between the home helper unit and the health centre. There are many uncertainties, for example grey zone activities and the daily coordination of interdependent tasks. It will probably not be possible to eliminate all uncertainties with guidelines and regulations. There will always be grey zones. I therefore point to the need for establishing inter-organisational administrative controls and internal administrative controls for cooperation. Task groups, meetings between home helpers and nurses as well as an emphasis on the importance of cooperation during internal meetings, are examples of controls that do not cost much time and effort but seem to have positive effects on cooperation.

Now this thesis has come to the end. But the basic control problem continues: Sven and other pensioners will continue to need care services and there will continue to be a severely restricted public sector economy.

APPENDIX 1 – INTERVIEWS

	District one	District two	Other
Pre-study			Elderly care strategic planner (1) Elderly care strategic planner (2) Elderly care central controller (1) Elderly care office manager (2) Elderly care researcher (1) Elderly care researcher (1)
Pilot Study	District director (1) District CFO (1) Controller (1) Controller (1) Purchaser manager (2) Assistant purchaser manager (1) Purchaser (1) Purchaser (1) Home helper unit manager (1) Former provider manager (1) Provider manager (2) Home helper (1) Home helper (1) Health centre manager (1) Nursing home manager (1) Private home helper unit manager (1)	Controller (1) Provider manager (2) Private home helper unit manager (1)	

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	District one	District two	Other
Main Study	Purchaser (1) Home helper unit manager (2) Home helper unit manager (2) Medically responsible nurse (1) Home helper (1) Home helper (1) Home helper (1) Home helper (2) Home helper (2) Home helper (1) Home helper (1) Home helper (1) Health centre manager (2) Health centre manager (1) Nurse (2) Nurse (1) Nurse (1) Nurse (1) Assistant nurse (1) Assistant nurse (1) Assistant nurse (1)	Controller (1) Purchaser manager (1) Purchaser (1) Purchaser (1) Purchaser (1) Home helper unit manager (2) Home helper unit manager (2) Home helper unit manager (1) Assistant home helper unit manager (1) Assistant home helper unit manager (1) Home helper (1) Home helper (1) Home helper (2) Home helper (1) Home helper (2) Home helper (1) Home helper (1) Home helper (1) Home helper (1) Home helper (1) Home helper (1) Health centre manager (1) Health centre manager (1) Health centre manager (1) Nurse (1) Nurse (1) Nurse (1) Nurse (2) Assistant nurse (1) Assistant nurse (1) Assistant nurse (1) Assistant nurse (1)	

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