



Contents lists available at SciVerse ScienceDirect

## Critical Perspectives on Accounting

journal homepage: [www.elsevier.com/locate/cpa](http://www.elsevier.com/locate/cpa)



# Conscious practices and purposive action: A qualitative study of accounting and social change

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### ARTICLE INFO

#### Article history:

Received 5 May 2010

Received in revised form 2 September 2011

Accepted 29 September 2011

#### Keywords:

Accounting

Argentina

Social change

Qualitative research

### ABSTRACT

The paper develops a methodology of accounting practices as conscious representations of purposive action, which seeks to build broader insights from qualitative research into the social aspects of accounting change, and how these relate to wider organisational and social transformations. The paper constructs the methodology by linking together and developing interpretive and labour process perspectives through an analysis of ethnographic material drawn from an extensive field study of the *empresas recuperadas* – cooperatives formed by workers during economic and political crisis in Argentina in 2001. The analysis traces the involvement of accounting practices within collaborative dynamics that transformed a hierarchical organisational structure, embedded within accountability systems that manifest prevailing notions of identity and collectivism, into a decentralised organisation that established relations with grass roots societal groups informed by new purposes and values. This perspective develops into a concept of the differentiated and contradictory social aspects of profitability, and highlights a range of potential relations between representations and realities. The final part conceptualises the collective and nuanced conditions through which accounting practices represented individual needs more effectively. The paper concludes by highlighting how its methodology and findings help to understand the conscious, collaborative involvement of accounting practices within social life.

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## 1. Introduction

*"We have to coordinate our efforts better to improve our gross margin, keep up with competitors, be socially responsible. The information in our report illustrates that fact". Carlos, the president of Graficas El Mar, a printer worker cooperative in central Buenos Aires, is speaking in a meeting involving about thirty of its fifty members. "I agree that the report shows what we're achieving through our efforts", says Andrés, a machine operator, "but doesn't that mean we should be thinking about our needs? So we can develop our responsibilities here and in the community". Paulo, also a machine operator, agrees with Andrés, "Making a profit isn't enough. This data can help us plan other activities, I know companies that have opened a cultural centre for example, they want to open their factory to society". "But unless we focus everything on making a profit, we're never going to get free from the politicians, the bribes, and the hand outs". Carlos expresses a concern that seems to resonate with the thoughts of others, as there are signs of agreement. However, Andrés, says, "It's us that makes the profit, not the other way around. That's what the report tells us. So surely we should be focusing on developing ourselves if we really want to be independent?"*

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Accounting is a purposive and internally differentiated social practice, which may represent and constitute diverse goals and values. We can identify and explain the conscious and collective aspects of accounting practices, and therefore how they change over time, by analysing how they are involved within the collaborative and nuanced conditions through which organisational activities generate and realise purposes and rationalities. The paper builds these ideas into a methodology for understanding accounting practices as conscious representations of purposive action, which links together and attempts to extend interpretive and labour process perspectives. It develops the methodology by analysing ethnographic material collected from an extensive qualitative field study of the *empresas recuperadas* (recovered enterprises); worker cooperatives formed as a grass roots response to factory closures during the economic and institutional crisis in Argentina in 2001, within a wider movement in society that sought to establish new social practices and rationalities. The central concern is to draw out the specific importance of the case for enhancing our understanding of the collective, variable, and subjective aspects of accounting practices, and to theorise how these intertwine with broader organisational and social transformations.

The paper therefore seeks to contribute to the emphasis placed by interpretive accounting literature on qualitative research that represents specific meanings, and builds conceptually from these by engaging with wider theoretical concerns (Ahrens and Chapman, 2007; Chua, 1986). In striving to connect social theory to social practices, interpretive scholars highlight that we can understand accounting as a meaningful and differentiated practice, activity, or process, rather than simply as an objective or uniform set of techniques (e.g., Ahrens and Chapman; 2007; Burchell et al., 1985; Chapman, 1998; Hopwood, 1987). Rather than only reflecting a narrow economic reality, accounting practices can constitute as well as represent organisational meanings (Ahrens and Chapman, 2007; Dent, 1991; Hopwood, 1983). These ideas encourage us to analyse how individual practitioners shape accounting transformations consciously as part of broader organisational dynamics (Chapman, 1998; Chua, 1986), thereby questioning the view that accounting change is merely a process of technical innovation.

The paper seeks to extend these ideas by conceptualising the conscious social involvement of accounting practices within collaborative activities, through which organisational members develop values and ambitions in relation to existing social patterns of belief and motivation. Challenging assumptions that accounting is individualistic or narrowly objective, the paper formulates a notion of the social roles of practitioners in shaping practices that represent and rationalise a collective order or reality of individual activity and ambitions. By theorising how accounting represents a social reality through which individuals interact with wider societal and institutional complexes of activity, which are also meaningful and collaborative, the paper answers criticisms that interpretive accounting scholarship neglects extra-organisational activity. Much of the interpretive scholarship conceives of the symbolical aspects of accounting practices as locally specific, ambiguous, or spontaneous effects (e.g., Ahrens and Mollona, 2007; Burchell et al., 1985; McSweeney, 1995). The paper shows, however, that a notion of purposive action helps us to develop qualitative research that offers insights into the historical, social conditions through which accounting can embody diverse and contradictory aims and values.

Labour process perspectives provide a historical concept of accounting as a purposive and socially contradictory practice within hierarchical forms of accountability in capitalist societies (e.g., Armstrong, 1991; Bryer, 2000; Cooper and Sherer, 1984). Labour process literature argues that accounting practices represent and constitute capitalist relations of production, the social conditions under which capital extracts surplus value or profit from labour (e.g., Armstrong, 2008; Bryer, 2006; Toms, 2002). Through this framework, we can develop an understanding of broad social and historical transformations within capitalist societies (e.g., Bryer, 2005; Toms, 2010). Labour process studies highlight the involvement of accounting changes within a general shift towards decentralised control forms, through initiatives such as flexibilisation and participatory management, as part of a systemic search for new methods and ideologies of controlling human activity to maximise profit (e.g., Armstrong, 2002; Hopper and Armstrong, 1991).

Building on this work, the paper develops a concept of the collective, contradictory, and symbolical aspects of accounting representations of profitability by emphasising how they intertwine with the subjectively creative capacities of socially real activities. It shows that theorising accounting practices as conscious representations of purposive realities helps us to identify and explain the diversities and conflicts that may arise through decentralisation initiatives, thereby developing the concept of contradiction. This allows us to conceive of accounting's involvement within collaborative conditions through which individuals may interpret profitability as an aspect, but not the totality of their socially creative capacities. The paper builds this qualitative perspective through a detailed ethnographic analysis, challenging assumptions that accounting change can only embody the need to maximise profit, and highlighting instead a variety of possible relations between representations and realities.

The paper proceeds as follows. Section 2 draws on efforts to link interpretive and labour process perspectives to understand the social involvement of accounting within the dynamics of wider organisational and social life. The paper then delineates the specific organisational and institutional field of the study, and explains the research methods used to study the roles of accounting in representing and constituting this social reality. Section 3, the focus of the paper, develops an analysis of the printing company, Graficas El Mar, the source of the opening vignette, combining ethnographic descriptions of individual interpretations, social dialogues, and interactions, with accounting data and illustrations from the case.

The paper uses this material to analyse the roles of accounting within nuanced, social dynamics that transformed a hierarchical and paternalistic organisation, immersed within prevailing forms of accountability, into a worker cooperative that built relations with grass roots collectives. Decentralised management and accounting practices formed part of the collective efforts of organisational members to reject former identities and social obligations, and bring into being new ways of seeing themselves and their relationships. Using this perspective, the paper formulates a notion of the variable,

social aspects of profitability, and analyses tensions and contradictions between purposive representations and conscious realities. The final part theorises the collective and differentiated conditions through which accounting practices became more representative of the needs and values that informed the activities of organisational members. The paper concludes by highlighting how its methodology and findings encourage critical research into the heterodox, social features of accounting and accounting change within wider organisational and social transformations.

## 2. Accounting and social change

### 2.1. A motivational approach to labour

A central concern of labour process theory in accounting is to identify and explain the contractions and dynamisms of practices of accounting and accountability, understood as part of wider social structures and systems that are not uniform and objective but constituted through human activity (Armstrong, 1991). However, scholars working to develop the perspective and other areas of the critical scholarship recognise a tendency for labour process studies to present an overly uniform, abstract view of the social (e.g., Armstrong, 1991; Hopwood, 1989). A concept of the subjective, nuanced aspects of social structures of action is crucial if we are to challenge the view that accounting change is simply a mechanistic, inevitable process. The historical movement away from physical, hierarchical forms of control over action, identified by the critical literature (e.g., Baxter and Chua, 2003; Bryer, 2006; Hopper and Armstrong, 1991), reveals the pressing need for a qualitative approach to labour – that is, for a methodology that allows us to understand how social control works at the level of human motivation.

Ezzamel et al. (2004) build connections between labour process theory and interpretive accounting perspectives through an ethnographically grounded analysis of the implementation of accounting change and decentralised management within a UK-based manufacturing firm. These authors conceive of “labour’s subjectivity” by drawing on Burawoy’s (1979, 1985) concept of the “ideological and political effects” of labour, often seen as an alternative to Braverman’s (1974) emphasis on the objective determination of labour. However, Burawoy shares Braverman’s notion of labour as a technical material process, understood as the “transformation of raw materials into useful things” (Burawoy, 1985, p. 7, 13). According to Burawoy, managers and workers lose sight of wider goals such as profitability, as they become absorbed in particular struggles over the physical details of work tasks (e.g., 1979, p. 82; 1985, p. 71). Ezzamel et al. (2004) provide qualitative material suggesting that organisational members struggled against accounting change that they perceived to manifest the goal of profit-maximisation, based on understandings and confidences formed through new responsibilities and activities. Yet, drawing on Burawoy’s concept of labour’s subjectivity, these authors conclude by stressing only the ambiguous and locally specific symbolical effects of accounting practice (e.g., Ezzamel et al., 2004, p. 298–9). Interpretive literature recognises that accounting may be involved within organisational learning (e.g., Ahrens and Chapman, 2007; Chapman, 1998). There is a need, however, for a concept of how accounting as a social learning practice relates to the learning and development of goals and values through collective activities and relations, connected to wider dynamics of human sociability.

Scholars adopting a labour process perspective criticise interpretive studies for separating accounting practices from broader social and historical conditions (e.g., Armstrong, 2008; Tinker, 2005). Armstrong (2008), however, calls for an interpretive approach that can recognise social, tacit, forms of knowledge, which pervade the actual practice of accounting, therefore engaging constructively with wider social theories. Such an approach may help critical research to understand the involvement of accounting and accounting change within wider dynamics of social change (Armstrong, 1991, 2008). Consistent with this perspective, Ahrens and Chapman argue that qualitative research should seek to express theoretically the conscious creation of social reality through human interactions (2007, p. 819; see also, Chua, 1986, p. 625).

The qualitative study that follows builds on this work by analysing how accounting consciously and collectively represents purposive action, through which individuals interact with wider external realities, potentially creating new understandings and ambitions (Bryer, 2011). It shows that an expanded view of the creative, motivational capacities of accounting and action enables us to recognise the specific reasoning behind social contradictions and diversities that may emerge within decentralised management, and builds from this a concept of the collective and nuanced aspects of profitability. It traces how accounting’s conscious and collective aspects are involved within the formation of organisational meanings and motivations, which intertwine with wider social and institutional activities that are also subjectively constructive. This motivational perspective helps to challenge assumptions about inevitability or universalism, giving rise instead to a notion of the involvement of accounting change within human, historical dialogues between individual and collective needs.

### 2.2. A field study of the *empresas recuperadas*

The majority of the *empresas recuperadas* (recovered enterprises) developed from hierarchical, family owned, small to medium sized companies. The former companies operated within institutional and patronage-based social networks, manifesting subjectivities and obligations stemming from the Argentinean state. However, with economic crisis in Argentina in 2001, and a fragmentary institutional response, new organisational identities and forms of interchange took shape – neighbourhood assemblies, organisations of unemployed workers, and the *empresas recuperadas* – drawing on collective memories of grass-roots struggles that have historically shaped meaningful connections between state and society (Bryer, 2010; Rodgers, 2005; James, 1988). In the case of the *empresas recuperadas*, thousands of workers occupied and

transformed around 250 bankrupted companies into worker cooperatives that established democratic organisational practices and relations with grass-roots organisations in wider society (Hille, 2008; Howarth, 2007). Many of the *empresas recuperadas* also encouraged the involvement of researchers interested in the possibilities for organisational and social change.

The research project conducted eight case studies of the *empresas recuperadas* in Buenos Aires, the centre of organisational activities, between February 2006 and March 2007. The case studies selected – four printer factories, an editorial firm, an ice-cream factory, a metallurgic factory, and a hotel – approximated the overall spread of the *empresas recuperadas* between manufacturing and service sector companies (Howarth, 2007). Most of the case studies employed between twenty and fifty members, again reflecting the average of the *empresas recuperadas* as collective (Howarth, 2007; Hille, 2008). All of the companies adopted a formal Board of Directors structure, prescribed by cooperative legislation in Argentina, but most developed a highly decentralised management practice by which members throughout the organisation to learn new roles and responsibilities. Through social experiences of reshaping organisational relations, learning new capacities in the organisation and within wider societal activities, many members of the *empresas recuperadas* developed new self-awareness and ambitions for greater levels of autonomy and collectivism. In some cases, accounting practices remained immersed within accountability networks that conveyed prevailing subjectivities and social routines, and were therefore at the centre of tensions and conflicts. However, accounting practices were also involved in the affirmation of new social subjectivities and forms of inter-dependency.

The case study of Graficas El Mar delineates the collaborative and differentiated dynamics within which organisational members drew on accounting ideas and information as part of a language that represented and defined the purposes of their activities. The analysis forms an understanding of the roles of accounting in representing and constituting dynamic social realities by examining data collected through the methods of semi-structured interviews and participant observation. Material drawn from interviews conducted with a range of members, and lasting between one and a half to two and a half hours, allows insights into individual notions of identity and activity. The analysis understands these perceptions socially by drawing on descriptions of dialogues and interactions recorded as field notes through the collective experience of regular participant observation at the factory between March 2006 and January 2007. This meant regular attendance as an observer of social activities, meetings, and informal exchanges between organisational members. Integrated within this analysis are accounting reports and data that recorded the profitability of the company, which members discussed in specific meetings.

Building conceptual findings from this material, the analysis highlights the social role of specific actors in shaping accounting practices that represented profitability as a social rationality for activity, which was more integrative of individual concerns for freedom than institutionalised beliefs. Conceptualising the collective and variable aspects of profitability develops into an understanding of accounting's roles in constituting new ideas and concerns that informed purposive activities. These intertwined with evolving and differing notions of identity and social relations that took shape through the involvement of members in building a Printer Federation, and within wider efforts to construct a social economy – understood as an emerging social reality of conscious activities. The discussion of the case materials develops this qualitative perspective into a concept of the social, differentiated, and purposive, features of accounting change in relation to wider organisational and social transformations.

### 3. Graficas El Mar

#### 3.1. Accounting practices and social reality

“Accounting just helped the boss focus on his reality, on their way of doing things. It had nothing to do me, with what we were doing. It was just about politicians, closed doors, bribes, opportunism, all that. The guys here know I was never part of it”.

Carlos, Graficas El Mar's president, described accounting practices in the previous company, which was a hierarchical, family-owned organisation, during one of our first conversations (week 1). He was the only member with previous managerial experience, but differentiated himself through this description of the subjective, social reality that accounting had represented and defined. In rejecting the collective and symbolical features of hierarchical forms of accountability, preserved by the accounting practices of the previous company, Carlos affirmed his identity through shared understandings with other members of Graficas El Mar. He continued,

“The only way to be free from all of that is through working together, being socially responsible. That's why our accounting is so important now, as we can keep track of what's really going on with our activity, information about our profits. So we know if we need to make sacrifices, be responsible”.

The source of independence was social action, an idea Carlos expressed by the notion of social responsibility. Accounting affirmed identity by representing the reality of activity in data on profitability. This idea seemed contradictory, however, as such knowledge could inform decisions that undermined or sacrificed self.

Initial conversations with Carlos conveyed something of the contradictory but interconnected motivations and ideas that underpinned Graficas El Mar's decentralised organisational structure and accounting practices. Carlos kept daily accounting records, while members engaged in graphics design, paper cutting, printing, binding, and delivery, regularly provided cost

data that enabled him to calculate what members referred to as the “budgeted” and “actual profitability” of different jobs. For example, when we were talking in the office one morning in week 3, Rodrigo, from paper cutting, came in:

Rodrigo: “Carlos, we’ve worked out we can reduce budgeted costs. We’re working more cohesively, everyone is getting more socially responsible. A better budgeted profitability means everyone will have even more confidence”.

Carlos: “Great, well done, yes, the budget data we’re building shows that everyone is aware of social responsibility, that it’s our cooperation and dedication that will keep us profitable and independent”.

Both Rodrigo and Carlos appeared to understand reductions in cost data as a visual representation of improved cooperation between members. They emphasised profitability as a goal of their activity, but also independence and confidence, ideas combined within a narrative of social responsibility. Rodrigo added further dimensions of meaning to this through a conversation during a break later that week:

“Learning new responsibilities in the factory has given me a lot more confidence. Knowing accounting information helps too as it shows what we’ve achieved, and helps us plan for the future. Cooperating we can make a profit, and build a social economy that will help us be more independent”.

Decentralised management in Graficas El Mar was a social experience that fostered individual self-confidence. By visualising the achievements of collective activity through accounting, individuals could gain further confidence and build on this through planning future development. For Rodrigo, profit-growth was a collective feature of a broader vision of self-development through activity, was part of a social economy.

During fieldwork, members often drew on the idea of a social economy as a way of rationalising how their organisational activity related to wider social life. Many were involved within wider social and political activities, ranging from editing a local newsletter or organising events at a cultural centre, to participating in political demonstrations and meetings. As an organisation, they were promoting the formation of a new Printer Federation of *empresas recuperadas*, generally understood as part of a social economy. When talking together about these activities through everyday exchanges, on several occasions members interrupted the flow of conversation by citing accounting data to remind themselves or others of the need for sacrifice. In week 6, for example, Maria and Bertha from paper cutting were talking during a morning tea break:

Maria: “The media centre has been going really well, I’m learning a lot and we’ve brought a lot of people together, it’ll be important to share information in the social economy. But I think I’m going to have to stop going so much so we can meet our targets”.

Bertha: “I had to sacrifice my meetings with the neighbourhood assembly, it’s hard. Carlos is right that we need to keep aware of our profit through our accounts, but a lot of the time I feel like profit controls us. It doesn’t seem right that we don’t plan our social economy activities through our accounting”.

Despite non-hierarchical appearances, accounting practices conveyed a prescriptive order of activity and ambitions, which brought individual feelings of uncertainty and frustration. However, through their exchange, Bertha and Maria shared common understandings about their activity, expressed as part of a social economy. Bertha’s comment suggested Carlos’ role in reducing tensions between accounting representations of activity and members’ own understandings. Yet, she also recognised her own capacity to shape accounting practices as a deliberate representation of their action.

Throughout the period of fieldwork, Graficas El Mar’s accounting practices took shape in monthly assembly meetings involving all members of the company, and incorporating what members generally referred to as Progress Reports. Carlos compiled the Progress Reports, which summarised data provided by members in the different sectors throughout the month into expected and actual “total costs”, “total revenues”, and “gross margin”. Within the collaborative learning dynamics that arose through the assembly meetings, there were prescriptive but also intensely descriptive moments.

### 3.2. Making sense of reality

“We can feel good about this report, it shows we were working well together. We’ve reduced our costs even more than expected, and these revenues are a demonstration that people are recognising what we’re doing”.

Understood from this perspective, information presented in the accounting report illustrated cooperation between organisational members, and the impact this was having on wider social life. Marcos, a treasurer in Graficas El Mar, made this assertion as he opened a meeting held by members during week 12, which included a Progress Report for the previous month (Exhibit a).

Marcos was the only member other than Carlos with any previous knowledge of accounting, having done a Business Studies course at college. He continued,

“To me the report also says that we should think about aiming to raise our margin more, keep up with our competitors. I know that Ghelco printers are achieving margins of thirty five percent or more. We might need to make sacrifices but that’s how we can gain true independence from the same old politics”.

## Exhibit a.

Progress Report May 2006	Budgeted (Pesos)	Actual (Pesos)
Total costs	215,100	205,500
Total revenues	280,000	290,800
Gross margin	64,900	85,300
Gross margin percentage	23	29

Profit maximisation was the underlying rationality of their collective activity, yet intermingled with this were individual needs to gain freedom from prevailing social obligations. Marcos' interpretation of the report expressed a social reality that he reinforced through his awareness of the profit-maximising behaviour of other companies. Again, it seemed that consolidating this collectivism required people to sacrifice themselves. However, Marta, from the graphics sector, responded,

"I agree we're working well together, and you can see that in the report. Seeing constant improvements in the profit that we've achieved gives us all confidence, I think, we've learnt a lot. So I'm not sure we need to make sacrifices".

Working together to make improvements in profitability, and perceiving these in representation, fostered new confidence and ambitions amongst members to develop socially rather than sacrifice self. Marta's notable presence in the organisation appeared to come through her ability to express ideas and needs that other felt perhaps more inchoately. She added,

"I don't think its enough for us just to make a profit, we could be developing ourselves more, learning new skills in the organisation and in society. I think a lot of us are getting more ambitious, we want to build something new, a social economy. So why can't this profit data help us to put these ideas into practice?"

Here Marta proposed that accounting data on the profitability of their activity could help them to imagine and realise activities informed by an alternative rationality for explaining their relation to others. There were signs of agreement from others in the meeting but also uncertainty and a feeling of tensions in the wake of the different opinions expressed. Responding to and partly resolving these tensions, Carlos proposed,

"I think we need to find a balance between what we want as individuals, and being realistic about our profit margins. We should recognise that we are a role model to the Printer Federation. Being profitable is how we'll all be independent".

Carlos mediated between members' needs and profit growth as a collective goal that expanded beyond individuals and intertwined with an emerging institutional rationality. He recognised that purposive action could create a Printer Federation and enable independence, but portrayed profit as the defining characteristic of this emerging social reality. Angel, a machine operator, offered an alternative interpretation of autonomy and collectivism:

"It's definitely important that we strengthen our links with other *empresas recuperadas* and groups in society. That's the basis of a social economy. I think we could improve coordination and plan our activities better if we bought other groups into our accounting".

Independence was achievable through combining their activities with other organisations as part of a social economy. Building social cohesion was therefore an aim in itself, which accounting practices could represent and structure. Angel's proposal developed Marta's view, but Paolo, who worked in graphics, responded,

"Ok, connecting with other printers will help us reduce our costs and be more profitable. We have to focus and prioritise through our accounting. Involving others in our management would take too much time".

Profitability seemed a rigid and prescriptive explanation for social action, which, contradictorily, problematised innovations that would expand the scope for cooperation and independence. Accounting practices therefore focused members on an internally contradictory social reality.

Through the social dynamics of the assembly meeting, accounting represented and affirmed differing and evolving notions of identity and activity. This differentiated dialogue was also creative of new understandings and unities. The discussion about the development of the Printer Federation through activity as part of a wider social economy was particularly expressive of internal differences. One of the few resolutions of the meeting, however, was to organise and host an accounting training session for members from other *empresas recuperadas* grouped within this emerging social entity.

### 3.3. Accounting and social learning

"Under the pressure of politicians and the usual routines, people think they're dependent. But if you can see the power of your activities, the resources you're generating, then you can take back control; make new plans, new ambitions".

Angel made the above comment as he described Graficas El Mar's training sessions to me during a break in week 18. He had a background of activism in left wing and grass roots organisations, and his comments suggested that accounting knowledge could build on these experiences as a symbolical structure of collective action. Angel added,

“We met a lot of people at the session who agree we need to be more ambitious about how we organise our resources and energy in accounting. People were really creative and energised about possibilities – it’s like we can truly see a social economy take shape”.

The training session was a space to combine energies, ideas, and ambitions. Accounting could facilitate creativity and collectivism as a social and subjective practice for organising action and aspirations. Talking with other members about the training session, several placed a similar emphasis on the collectivism developed through the activity, new connections, and common understandings. The notion of building a social economy provided an explanatory narrative for such activities, which integrated profit-growth into a diverse matrix of individual ambitions for self-development. A comment from Graciela, who worked in paper cutting, summed up another interpretation of the training session:

“I think we helped people to see that only way get independence is through your own activity, our destiny is not some boss or politician. We helped them understand how accounting can make everyone work collectively to improve profitability”.

Graciela shared the notion of achieving independence through the collective activity that accounting made visible. Where Angel had seen creativity springing from this collectivism, which would give substance to a social economy, Graciela represented the end goal of profit growth as encompassing and determining individual aspirations. This was not a definitive interpretation, however, and she added,

“It’s a struggle trying to do things differently, and make sense of what we’re doing. At least if you have a profit, and you can see it in your accounts, well you can feel more confident and start to look around you I guess”.

This expressed something of the uncertainty people could feel when searching for a collective rationality that described rather than prescribed the ambitions and values of their activity. Graciela conceived of profit not as the sole purpose of her actions, but as a symbolical base that gained social substance through accounting, from which she could potentially broaden her horizons.

In the weeks following the training session, discussions amongst members, often during breaks or after work, conveyed differing but intertwining interpretations of their activity, uncertainties, and tensions. During a tea break in week 24, Mariela, from binding, recognised,

“Sometimes I wish I was content with behaving like an ‘ordinary’ manager. No, I don’t mean that, I could never go back to having a boss or being one! But sometimes there are so many possibilities it’s too much for me – especially when we keep arguing”.

Mariela had learnt new ambitions and ideas that meant she could not return to her former self, or be contented with conventional managerial subjectivities. However, she felt daunted by the seeming expanse of possibilities and ambitions that lay before her. Facing these possibilities as a potentially free individual required some kind of meaningful unity.

Through the collective dynamics of the accounting meetings there remained some agreement around profitability as a social goal that encompassed at least some of members’ own aspirations. During week 30, members decided to extend their hours from 10 to 12 h, and to employ “non-members” – temporary workers who earned a monthly salary and were not included in the assembly meetings. This reorganisation of activity was represented through an increase in budgeted gross margin percentage. However, while the subsequent Progress Report showed that members had met this expectation, their conversations and exchanges expressed feelings of dissatisfaction and frustration. For example, leaving work one evening in week 33, Maria Teresa said to Jorge,

“It’s hard to get motivated in our meetings when all we speak about is making a profit. I agree with Angel, we should be talking about the responsibility this implies; how to develop ourselves as people”.

Jorge nodded, adding, “Employing non-members goes against who we are. Angel is right, we need to stop just focusing on our gross margins and be conscious of how we’re acting in society”. Accounting data represented a distorted image of activity, which obscured individual senses of identity and reduced the expressiveness of organisational communication. Yet, through the social role of individual actors, accounting practices could help to build a language that was more descriptive of activity, conceiving of profit as a social responsibility that supported rather than fragmented self-development.

### 3.4. *Constituting a social economy*

“I think we stopped seeing who we were, what our goals really are. You forget that profit is part of us, what we’re doing, not something that can give you freedom on its own. I think it’s time to work out what we’re really capable of”.

Carlos was contemplating a summarised Progress Report he had compiled for December, which showed that Graficas El Mar had missed its budgeted gross margin. His interpretation expressed a feeling of loss as he recognised profit as an element of his social being. However, rather than simply impress the need to find ways to improve profitability, the report seemed to trigger a conscious re-evaluation of himself and his relations. Carlos interpreted the report within a social environment of ideas and concerns, interwoven with knowledge and beliefs formed through wider activities and movements. In highlighting

## Exhibit b.

Progress Report December 2006	Budgeted (Pesos)	Actual (Pesos)
Total costs	190,100	250,500
Total revenues	310,000	300,160
Gross margin	119,900	49,660
Gross margin percentage	39	16

a difference between budgeted and actual gross margin, Carlos expressed a need to discern the true potential of their activity. A description of this potential took shape through a meeting integrating the report held by members during week 45 (Exhibit b).

Angel opened the meeting with the following interpretation of the report:

“To me this data says that we need to focus on working together to develop our capacities, and fulfil our ambitions as real people, not just focus on improving this ‘thing’ called profit”.

This built on Carlos’ interpretation, drawing from the report a concept of the potential for individual ambitions to be satisfied through their real social action, rather than through profit, as an abstract and seemingly alien being. Angel’s assertion connected with others in the meeting, and Paolo responded supportively:

“Exactly, I feel like need to develop what I’m doing with the neighbourhood assembly for example. My learning and the relations I build there feed back into what we do here, into the social economy, it’s all connected – we need to recognise this in our accounts”.

Paolo highlighted a need for accounting change that made visible a mutually constitutive relation between his wider social activities and his daily work activities, conceived of as part an evolving social economy. Carlos expressed doubts however:

“Aren’t we being unrealistic? I agree we should be thinking about how to develop ourselves, but we can’t just forget about making a profit”.

Profit remained a central element of their real activity, which needed to form part of their thinking about self-development. This seemed to capture doubts felt by others in the meeting. Attempting to resolve these, Rodrigo, a machine operative, suggested,

“Developing who we are means creating the kind of society we want to be part of. I think we can organise ourselves, and our resources so we cooperate more, create more”.

Rodrigo described a practice that developed and created identity by enabling members to shape society purposively through their resources and activity. Through the subsequent discussion, this idea developed into a proposal to integrate non-members as new members into the organisation. Adriana rationalised this decision:

“El Mar symbolises independence to a lot of people, that’s why I wanted to be part of what we’re doing. But to be true to ourselves, what we do has to make a difference outside of this meeting, outside of the thinking and talking, you know?”

Members could recognise their true selves by transforming their talk into social change, linking their organisation to wider social realities through their conscious actions. Following this point, Graciela and Jorge made suggestions about sub-contracting with other *empresas recuperadas* and grass roots collectives that they felt would foster common aims and reduce costs, and could be coordinated through the budget. Other members shared their experiences of activities emerging through the construction of a social economy. Angel, for example, described a recent forum that brought together *empresas recuperadas*, grass-roots micro-enterprises, and community organisations, held at the *empresas recuperada* Hotel Corrientes:

“I think the social economy is about people taking control of their lives. There were people from the neighbourhood assemblies talking about participatory budgeting for example. It’s about creating a system that represents our needs, to be ourselves”.

The social economy was a growing complex of purposive activity, an emerging dialogue between individualism and collectivism. Participatory budgeting of local government resources could help to represent such a reality. Implicit was also the idea that accounting practices could represent a social cohesion that realised individual ambitions. Building on Angel’s description, Marta suggested,

“Why don’t we open up the accounting training we do with the Printer Federation to other organisations in the social economy? I think we could make a way of accounting that would recognise our different activities, coordinate our resources and our aims better – build a real social economy”.

#### 4. Conclusion: representing social reality

##### 4.1. Discussion

Through a methodology for understanding accounting practices as purposive representations of conscious action, the paper seeks to build from ethnographic material wider insights into the nuanced, social aspects of accounting and accounting change, and to theorise how these connect to broader organisational and social transformations. The *empresas recuperadas* took shape within a societal movement that responded to institutional and economic crisis by creating new organisational and institutional forms. Evolving social activities and relations manifested collective memories of a grass roots form of citizenship, and generated new ambitions for autonomy and sociability. We can therefore conceive of the contradictory, collective aspects of accounting practices in some companies as manifesting prevailing subjectivities and social obligations conveyed through hierarchical forms of accountability. This notion allows us to perceive the possibilities for accounting practices to represent alternative ways of understanding the self and others. Linking together and extending interpretive and labour process perspectives, we can draw out the specific importance of the case of Graficas El Mar for understanding the collaborative, variable, and conscious aspects of accounting practices within organisational and social life.

The analysis builds on labour process ideas of accounting and accountability by recognising that accounting practices in the former company, immersed within hierarchical forms of accountability, manifest institutionally and socially specific identities and routines rather than only replicating a rationality of profit-maximisation. Members of Graficas El Mar asserted their independence from this social world by drawing on alternative understandings and ambitions, learnt through organisational activities and involvement within emerging grass-roots organisational and institutional activities – a perspective that develops interpretive notions of accounting's symbolical diversity. As a language that expressed and defined the purposefulness of action, accounting was not simply spontaneous, ambiguous, or locally specific. Graficas El Mar's accounting was a medium through which members identified themselves with profitability, and built on understandings and objectives as individuals relating to an evolving social complex of activity.

This anthropological perspective draws our attention to the collective and differentiated features of accounting representations of profitability, understood as a social rationality for ordering the activities and ambitions of individuals. Profitability does not emerge from the analysis as the full expression of the creative potentials of human action, a perspective that supports labour process theory. We can form an understanding of the dynamic relation between representations and purposive realities by recognising the social role of individual actors, building on interpretive notions of the individual practitioner. The case of Graficas El Mar highlighted Carlos's role in implementing decentralised accounting practices through which members understood their needs for freedom from institutional power as realisable through collaborative activity to achieve a profit. This was a conscious and collective practice of meshing representation and reality, rather than being a mechanistic or individualistic process, which generated ambitions amongst many members for greater levels of autonomy and collectivism.

Theorising how accounting practices consciously represent purposive realities allows us to recognise their constitutive capacities, and to perceive how these relate in potentially contradictory and diverse ways to the creative aspects of organisations, embedded in wider forms of social life. Building on labour process notions of decentralisation, the case highlights how accounting was involved in consolidating human action to maximise profit, and how the collectivism this implied fostered alternative ideas and needs amongst members. A motivational concept of contradictions and diversities that may emerge through decentralised management control extends interpretive notions of accounting's ambiguous and contradictory, subjective effects. We can develop this further by recognising that the divergent purposes and values that dynamically informed the activities of the members of Graficas El Mar connected to wider social and institutional networks and activities.

A concept of purposive action may therefore enable interpretive and labour process scholarship to identify and explain the involvement of accounting practices within institutional and societal forms of human sociability. In the case of Graficas El Mar, accounting data on profitability provided a symbolical basis from which organisational members projected the construction of a Printer Federation – activity that responded both to the rationality of profit growth, and to individual concerns to develop as actors within society. This expands our concept of the constructive roles of accounting, and allows a complex understanding of accounting training courses within the Printer Federation, which prescribed the goal of maximising profit as governing individual development, but also created social space for organisational members to develop more descriptive ways of thinking about their activity.

The relation between accounting and organisational change is not a movement from the idea to reality or from reality to the idea, but takes shape through mutually constitutive interactions between purposive representations and conscious realities. This perspective allows us to conceive of practice implementation as a collaborative action that aims to weave together the meaningful textures of accounting and organisational activities. The concept of contradiction develops to engage with the anthropological question of change and insecurity, highlighting the roles of accounting within the human search for a social narrative that can describe the values and motives that inform individual activities. By breaking out of an individualistic concept of practice, we recognise that internal conflicts and feelings of insecurity are not simply consequences, but are integral to a broader, relational intercourse between individual and collective needs. The notion of practitioners as social actors helps to delineate potential transformations within this dialogue. In Graficas El Mar, Angel helped other members to distinguish their needs to grow as actors in society from profit growth. The case highlights possibilities for accounting practices to expand and become more complex by purposively representing an order of activity underpinned by diverse ambitions for self-development. We can conclude that accounting practices may form part of contradictory,

collective conditions that separate individuals from their creative potentials, but they can also be integral to social dynamics through which individuals gain greater control of their activity and its purposes.

#### 4.2. Concluding comments

By learning more about the collaborative, subjective, and variable aspects of accounting practices within organisations and institutions, which are also variable and social, critical research challenges assumptions of objectivity or uniformity. A concept of the social roles of practitioners in shaping practices that represent and rationalise a specific order of individual activities and aims, helps us to problematise the view that accounting change is an individualistic process of technical innovation. Understanding the meaningful social order that accounting symbolises requires us to look beyond the boundaries conventionally drawn around organisations, tracing the involvement of accounting practices within broader social structures of behaviour and belief. The variable, social features of hierarchical accountability systems emerge through an approach that recognises the possibilities for individuals to reshape their needs and values through activities, which shape wider social and institutional realities. Rather than see the relation between accountability and accounting practices in simple causal terms, the approach emphasises accounting's constitutive capabilities by expanding our view of the subjectively constructive capabilities of organisational activities, connected to wider sociality. Conceptualising a mutually constitutive relation between purposive representations and conscious realities develops our understanding of social contradictions, diversities, and transformations, which may take shape through historical movements towards decentralised forms of accounting and accountability.

Responding to calls for a qualitative framework that links tacit social knowledge with concerns in social theory, the paper offers a motivational approach to labour that helps to gain insights into the historical, social conditions through which accounting practices embody and express diverse purposes and values. Through the case of the *empresas recuperadas*, the paper recognises social responsibility as a narrative to express individual ambitions to constitute society, which helps us to perceive the differentiated social features of profitability. It highlights the social economy as an evolving complex of purposive action, informed by an emergent rationality of the relation between individualism and collectivism, a perspective that contributes to a growing body of interdisciplinary research on the subject (e.g., Laville, 2003; Montolio, 2002; Toia, 2008). The paper's findings and methodology provide a basis for future accounting research that may develop our understanding of the roles of accounting change in representing and potentially enriching the motivational fabrics of human interchange.

#### Acknowledgement

I am grateful for the helpful comments and suggestions of the two anonymous reviewers.

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