How to construct an actor-network: Management accounting from idea to practice

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ABSTRACT

This paper reports attempts to introduce management accounting in the Italian Ministry of Finance, in the Municipality of Genua and in the Province of Perugia. The report frames the developments as construction of actor-networks, where local translations of a general idea lead to local variations in practice.

This framing reveals that the traditional account of implementation is too simple to grasp all the complexity of introducing new technologies and practices. The actor-network perspective shows also why there cannot exist a prescription for a successful implementation. In all cases under reviews, the actors tried to achieve the same results, mobilizing resources locally accessible to them. The results inevitably differed.

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1. The translation of an idea called management accounting

The moment any new idea arrives at a place where it was not known before, a process of translation begins, in which A, a translator, transforms B, a thing to translate by defining it, or even by explaining it to itself (Latour, 1986). A may be a person, but might also be a translation machine, whereas B could be a person, an object, an idea, or a picture. It is not important whether A or B are human or non-human, collectives or individuals. It is important that during the process of translation they both become equipped with new interests, projects, desires and strategies. Thus A transforms B during the course of translation, but this very process transforms A itself, as was noted long ago by such students of linguistic translation as Steiner (1992).

This paper recounts stories of such translation processes that occurred in the Italian Ministry of Finance, in the Municipality of Genua and in the Province of Perugia, all of which had become interested in the idea of management accounting. This interest took on the form of various translations that created new ideas, new objects, and new actions. When such a translation was at its most successful, the translators, ideas, actions and objects became connected into one network, so well connected, in fact, that it was perceived as an entity in its own right, a single actor, indeed an actor-network (Callon, 1986; Czarniawska and Hernes, 2005; Clegg, 2006).

At times, the translation was so advanced that the actor-network acquired different names in the process. However, the most common name given to this actor-network was Management Accounting, or MA, which is how this entity will be referred to throughout this text, in contrast to management accounting as technology.

Ideas become translated into actions, and new ideas evoke a need for new actions (Czarniawska and Joerges, 1995; Carter and Mueller, 2006). This does not mean that old action patterns have no impact on on-going translations. The decisions and

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actions of A, however intent on "only" translating B into a local context, are never free, and depend heavily on the history of previous translations. Also, translation is a process which encompasses far more than just a search for semantic equivalents. It engages texts, technical objects, and skills required for translating, not to mention those texts, objects and skills that already existed in any given local context before this particular translation occurred. Thus the process of translation engages and affects both the translator and that which is translated, both the ideas and the inscriptions, and both the content and the form. As will be seen below, the need to translate the idea of management accounting in the Municipality of Genua into the local context led to the creation of a specific network which provided new roles, and also more importance and more visibility to the various actors.

What is more, translations are never final. They continue in time, always changing, as they are subjected to constant negotiation, compromise, revolution and subversion. Even once they have become inscribed in texts and machines – embodied (Callon, 1991, p. 143) – they can still enter into new interactions and reemerge changed. New actions become connected to old actions, thus re-creating action nets that existed before. We are using here the concept of action net (Czarniawska, 2004) rather than organizations, because translations do not respect organizational borders. They happen between and beyond formal organizations, but are connected to what people are trying to do collectively, thus to action nets. It is therefore possible and useful to see such action nets as forming arenas where human and non-human actors interact, negotiate, enter into conflicts and seek resolutions.

Along with these interactions and negotiations, there is a continuous struggle to stabilize a given translation, against various efforts to destabilize it. If the forces of stabilization win, an idea becomes an object, and an actor-network is created. This means that actors, their identities, actions, patterns, and the connections between all of them can be presented to the outside as one collective actor, an actor-network. When the forces of stabilization lose, the object falls to pieces, and the network character of the actor-network is revealed. Actions become inconsistent and actors change identities at will. In the Province of Perugia, the actors responsible for translating management control into local context decided to seek help from external allies, two consulting organizations. These two, in pursuit of their own self-interests, translated management control into an information system, a translation that proved unattractive to the city managers. The translation was not stable and the network fell into pieces.

One can say, along with Callon (1991, pp. 132–133), that these actors defined "themselves in interactions with one another and with the intermediaries that they themselves put into circulation". Again, these intermediaries can either be human, or non-human: reports, books, disks, scientific instruments, machines, or consumer goods, as well as all the skills and knowledge that they encompass (Lowe, 2004). Their relevance depends on their ability to interact with other actors and other intermediaries. Every actor, human or otherwise, becomes equipped with an individual identity that is made up of interactions and negotiations with other actors. When these identities become stabilized (which means that an ally will not behave like an enemy, that everybody knows the relevant telephone numbers, that the software does not have bugs), and when interactions can be presented to the outside as united, without conflict, then the network can attempt to project an image of being a single actor, an actor-network. Such cases can then be seen as a success story, a story of creation of the actor-network known as Management Accounting, or MA. How can the degree of success be assessed (Robinson, 2003)? The seams must be invisible, at least to the outside. Using the time-sanctioned metaphor, one could say that different actors, or cells, must become members of one body, an organism that can act in a coordinated manner.However, unlike the human body, the parts of such network did not grow together. In this respect, the development of MA can perhaps better likened to the creation of a machine, where the process of translation creates joints that permit the movement of one part to be smoothly coordinated with the action of another, so that various micro-actions become movements of the whole. In such case, one could say that MA springs into action, and while it runs, its existence becomes clearly discernible. Its appearance is stable, and it can be evaluated from the outside.

This article recounts three translation attempts in three places: a department of the central government, a municipality and a province. To begin with, there was considerable ambiguity as to what was actually being translated, and final results varied accordingly. Not all of these were success stories, as evaluated by the actors themselves. In one case, MA became paralyzed in the middle of the translation, revealing faulty joints, internal conflicts, and shifting identities of actors. In another case, the acts of translation led to a creation of a network, but this network did not project an appearance of a coherent identity: its identity shifted and some shapes were refused by the environment. All cases show that it is not easy to construct a network that is stable and convincing enough to present itself to the outside world as one collective actor. However, it is not the aim of this text to present a model for successful translation. Its purpose is to explore various translation processes to reveal its complexity. There are lessons to be learned, but no prescriptions that can be universally applied.

2. The study and its context

The stories reported here are based on field narratives, but the creation of the narratives themselves is not the focus of attention here. We are interested in the process of translating management accounting into local contexts, a process which we see as a chain of translations, and accordingly we realize that we are part of this chain.

Thus, in order to study the translation of management accounting into practice, the researchers had to decide what management accounting is. This particular translation cannot boast superiority over any other, and has no ambition to compete with any other translations that took place in the field of practice. For its own performative uses, however, the