Beyond disciplinary enclosures: Management control in the society of control

Daniel E. Martinez

School of Business, University of Alberta, Edmonton, Alberta, Canada T6G 2R6

ARTICLE INFO

ABSTRACT

This article aims to build on Norman Macintosh's use of eighteen and nineteen century disciplinary practices to analyze contemporary management control systems. The paper proposes, drawing from Gilles Deleuze's concept of the "society of control" (1992, 1995), that institutions are no longer crucial sites of normalization; rather, control is pervasive in the open environment through overlapping digital information systems characterized by speed, ubiquity and heightened accuracy. The article suggests that Macintosh's disciplinary studies of management control systems exclude from the analysis what lies beyond the boundaries that circumscribe the panoptic gaze. The society of control is an attempt to contemporize Foucault's discipline and its inclusion in accounting research may offer another set of conceptual tools to theorize management control systems, normalization and forms of resistance that the disciplinary approach has so far not adequately account for.

> A disciplinary society was what we already no longer were, what we had ceased to be. (Deleuze, 1992, p. 3)

1. Introduction

Norman Macintosh has had an ongoing fascination with technology and the important role it plays in management processes. In Macintosh's (1985) earlier work, technologies are proposed as an important feature of management control systems, since an organization's management accounting and control is contingent on the types of technology implemented by the firm. Technologies are defined as the means of production: as the means by which raw materials are transformed into a final product. By 1993, Macintosh continued his interest in technologies but in a radically different way, as the term included the study of technologies or techniques of discipline such as hierarchical surveillance, normalizing sanction, and examination (Hopper and Macintosh, 1993). That is, taking inspiration from Foucault's *Discipline and Punishment: The Birth of the Prison*, Macintosh has sought to understand management control as a disciplinary technology. In this paper, I explore and question this theorization of management accounting in contemporary firms (Hopper and Macintosh, 1993, 1998; Macintosh, 1994, 2002).[1]

E-mail address: daniel3@ualberta.ca.

[1] Hopper and Macintosh (1993), Macintosh (1994, chapter 13) and Hopper and Macintosh (1998, chapter 8) discuss Foucault's *Discipline and Punishment* and illustrate its features by providing a case history of Harold Geneen "the super accountant" who was CEO of ITT for close to 20 years. In his later book, Macintosh (2002, chapter 5) gives a general introduction to Foucault, emphasizing the general principles of disciplinary control and develops a genealogy of the disciplinary capacity of accounting, starting with the medieval merchant and ending with the decentralized management controls systems practices of Johnson & Johnson.

The disciplinary technologies identified by Foucault in eighteen and nineteen century institutions such as the prison, factory, barracks, schools, and mental asylums have stimulated management accounting researchers to think about, among other things, the interrelationship between accounting, discourses, institutions and mechanisms to monitor and normalize. Specific to Macintosh's work is the study of firms (exemplified by the case studies of ITT and Johnson & Johnson) as disciplinary institutions marked by management accounting systems that create abstract calculable enclosures and facilitate panoptic forms of surveillance. In his work with Hopper, Macintosh does however point out two shortcomings of the approach:

> First, whilst accounting controls in ITT effected a disciplinary gaze upon management, their features did not exactly mirror the principles of discipline and control detailed by Foucault. Moreover, accounting controls evolved and changed in ITT over time: accounting was not always the principal mode of control and it did not take a single form. If accounting is an expression of modernity then Foucault's bi-polar turning point for change of pre- and post-modernity cannot explicate subtle shifts in the means of control within ITT. Second, whilst Foucauldian analysis picked up the significance of discourse and disciplinary power, it failed to encompass other important factors affecting modes of control within ITT, especially financial markets, corporate relations with states and technologies. (Hopper and Macintosh, 1998, pp. 145–6)

The authors also propose the need for an "eclectic and pluralistic" approach to the study of management accounting that may "pave the way . . . for a new social order where institutions such as hospitals, barracks, schools, factories and industrial enterprises no longer resemble prisons" (p. 148). Perhaps both the shortcomings and the hope "for a new social order" are due in part to the authors' use of principles and technologies developed out of the modern[2] "prison-form" to analyze contemporary organizations. That is, although some of Macintosh's work provides insight into some of the dilemmas we face in postmodernity (see Macintosh et al., 2000, 2009) his analysis of ITT and Johnson & Johnson rely almost exclusively on disciplinary technologies identified by Foucault in his study of modern institutions.

In *Discipline and Punishment*, Foucault investigates the movement from sovereign to disciplinary forms of power and the mechanisms through which they are exercised. Foucault's work is mostly historical and remains largely silent on contemporary mechanisms of power (Haggerty and Ericson, 2000, p. 607). Deleuze's work on the "society of control" is an attempt to give some continuity to Foucault's periodization project.[3] Rather than restricting the exercise of disciplinary control within institutional boundaries, control is now flowing throughout the open social landscape. To help problematize the disciplinary approach, this analysis takes some of the features of the society of control as conceptualized by Deleuze: (1) individuals do not necessarily move from confined systems of control to another, but these are interconnected and continuous; (2) an emphasis on communication and information technologies that facilitate instant and continuous tracking of individuals throughout the open environment; and (3) individuals digitized and aggregated into large and multiple banks of information (Deleuze, 1992). Thus, unlike Macintosh's theorization of management control systems as creating abstract calculable enclosures that bound organizations, the contents of which are impervious to the outside,[4] this article proposes management controls as extending beyond the organization: as a component of a network of information and communication technologies that target the individual throughout the open environment instantly, continuously and with heightened accurately.

There has been little use of Deleuze's concepts in accounting research (for exceptions see Bayou and Reinstein, 2001; Harney, 2005; Neu et al., 2009). One of the aims of this essay is to give further justification for the inclusion of Deleuze's work in accounting research. Similar to Neu et al. (2009), it is argued that Deleuze offers a number of concepts that draw our attention to certain properties and connections useful for the study of accounting. Although Neu et al. (2009) introduce a number of Deleuze's concepts (some developed with his co-author Guattari), for the purposes of this article I mainly focus on the society of control. In the surveillance literature, the society of control has served as a conceptual backdrop for some of the recent research on what has been called the "surveillance society" (Lyon, 2001). Within this literature, the work by Haggerty and Ericson (2000) and Haggerty (2006) takes a critical view of panoptic forms of surveillance while offering possible ways forward. The insight garnered from the post-panoptic theorization of surveillance is relevant for the purposes of this article since an important feature of a management control system is the surveillance of employees through accountability systems that include information and communication technologies such as performance measurement (Johnson and Wayland, 2010).

At one level, this article is narrow in scope as it has as its prime target to question and expand Macintosh's disciplinary analysis.[5] Through Deleuze's society of control we can explore Macintosh's use of Foucauldian concepts of discipline, nor-

---

[2] Throughout this essay "modern" refers to the historical period characterized by the emergence of industrial capitalism and the total institutions Foucault based his analysis on.

[3] Although part of the aim of this article is to highlight some of the general features that distinguish disciplinary society and control society, it is however important to also not overstate them. The periods overlap and are far from homogeneous or unproblematic. Disciplinary techniques exercised through enclosures are not completely a thing of the past. The point here is to include what seems to be a general movement towards broadening the domain of control and the role information and communication technologies play in this process.

[4] This may possibly be an overstatement. Commenting on Foucault's work, Deleuze (2006, p. 37) emphasizes: "nothing in Foucault is really closed off". Disciplinary institutions are after all articulations of historically specific assemblages that include exterior components (discourse, technologies . . . forces that were circulating in the 'outside' at the time). That is, discourses in the human sciences gave shape to the techniques employed to normalize the enclosed populations. What the society of control brings forward, however, is that panoptic enclosures have given way to forms of normalization that are no longer restricted to enclosures.

[5] See Cowton and Dopson's (2002) critique of disciplinary analysis of management control systems in contemporary organizations. Although critical of Hopper and Macintosh (1993, 1998), particularly for their broad application of modern techniques of power to contemporary organizations, Cowton