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# Managing *only with* transparency: The strategic functions of ignorance

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## ABSTRACT

This paper offers a supplement or qualification to earlier arguments for the potentials of ‘intelligent accountability’. It explores the genesis and dynamics of its antithesis; a self-conscious choice by managers to focus exclusively on fulfilling, or being seen to fulfil, the demands of external transparency. Whilst ‘decoupling’ was originally conceived as a way for organisations to meet external pressures without compromising operational efficiency, the paper suggests that managing *only with* transparency serves to produce a less happy and more consequential decoupling whose contradictions are focused in management/staff relations. The paper builds on recent discussions of ‘tight coupling’, ‘functional stupidity’ and the importance of ‘spectacle’ in contemporary organisations to explore the dynamics of managing *only with* transparency; an exclusive focus on managing only what is transparent. It suggests that this can prove functional for managers as a way to deny any dependence on local knowledge, and avoid engagement with the complexity of operational interdependencies. However, it leaves staff to manage for themselves the demands of operational integration; a task made more difficult by the contradictions and conflicts created by the intrusion of managerial demands to meet ill-informed and thereby ill-conceived targets and objectives. In this way ignorance is knowingly and actively cultivated by management, whilst intelligence and reflection are self-censored out of organisational processes by subordinates. The analysis serves to further illustrate the power of transparency to play upon and mobilise a narcissistic preoccupation with either the defence or advancement of the self.

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## 1. Introduction

A foundational assumption of much organisational research is that there is at least the potential for managerial practices and organisational functioning to be improved or ameliorated through greater understanding of organisational phenomena. The failures of practice, and the organisational dysfunctions that are traced in such research, are typically assumed to arise from the unacknowledged conditions and unintended consequences of practice, but are thereby open to reform or change as a consequence of the understanding that research offers. The arguments that I want to develop in what follows are more sanguine for they concern something like the self-conscious exploitation of such dysfunctions for managerial purposes.

The context for these reflections is what are now widely acknowledged to be the numerous dysfunctions associated with the reliance on transparency as an instrument of organisational control which I first explored in a 2009 article ‘No-one is perfect; the limits of transparency and an ethic for intelligent accountability’. In this article I suggested that transparency

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is an alluring but deceptive ideal. The widespread allure of transparency as an instrument of control can be traced to its visual metaphor of casting light onto what would otherwise be invisible. Transparency promises to obviate the need for trust in others, or furnish distant others with the basis for such trust, through the simple device of making conduct visible. Transparency thereby becomes the obvious and necessary remedy to all organisational failures, with its enhancement serving as the remedy to problems diagnosed in terms of its absence. However, as Strathern (2000) argues through asking 'what does transparency conceal?' the metaphor of making visible is deceptive. The visibility secured by the numerous instruments of transparency – accounting information, key performance indicators, audits, rankings, etc. – always involves an abstraction from context that masks as much as it reveals of the working of institutions. Such abstraction and de-contextualisation nevertheless then becomes consequential, both individually and organisationally, as transparency is transformed into an instrument of accountability through turning measures into targets/objectives.

The puzzle that pervades the use of transparency as an instrument of accountability is the way in which we collude in treating transparency as if the visual metaphor was real. Strathern gives the following succinct account of this puzzle:-

'to auditor and auditee alike, the language of assessment, in purporting to be a language that makes output transparent, hides many dimensions of the output process; as we have seen, this too is standard (self) criticism. The rhetoric of transparency appears to conceal that very process of concealment, yet in so far as 'everyone knows' this, it would be hard to say it really does so. Realities are knowingly eclipsed' (2000: 315).

The paradox and problem of transparency is that we act *as if* we believe in the adequacy and completeness of what is disclosed through transparency whilst knowing that it is not. In this way, precisely in the name of transparency, organisational realities are 'knowingly eclipsed' as representations and associated accountabilities become increasingly divorced from the operational realities they are used to manage. The 2009 article sought to explain what I termed our 'ambivalent embrace' of transparency in terms of how transparency plays upon my own and others' narcissism. As applied to others we typically welcome transparency; we no longer have to trust distant others directly but can instead trust transparency as a guarantor of their good conduct. Applied to the self, however, transparency is prone to be a source both of frustration and anxiety. The frustration arises because, as an abstraction from context, transparency carries at best a crude approximation of me and the context of my work to distant others. This then becomes a source of anxiety since this partial and de-contextualised representation will typically nevertheless serve as the basis on which I will be known and judged, and decisions made. My transparent 'self' travels beyond my control but nevertheless attracts consequences that I know will affect me. Therefore, I do not even have to believe in the image of self that my transparency offers, as long as I believe that others will believe in what it discloses about me. This then creates strong incentives for us all to manage how we are seen through the indicators, and cumulatively results in what Habermas called 'systematically distorted communication'. We manufacture a world of appearances that gradually becomes cut off from organisational reality. We might wish to blame the boss here but we must also own our own collusion in this manufacture of appearances. In search of the approving gaze of others, particularly if they are hierarchically more powerful than me, I am prone to do all I can to preserve their sense of my own goodness and value, and if that can be done through managing my appearance as disclosed by transparency, even if this is at the expense of the relations in which I am embedded, then this will be done.

Having sought to account for the problem and paradox of transparency in terms of the ways in which transparency plays with and upon my own and others' narcissism, the 2009 paper explored the potential for what, following O'Neill (2002), I termed a more 'intelligent' practice of accountability through which we might better manage the inter-dependencies of work relations. Here I drew on Butler's (2005) *Giving an Account of Oneself* to point to the absolute personal limits of the ideal of transparency, for Butler insists that my conduct can never be transparent, even to myself. On the basis of 'our shared, invariable, and partial blindness about ourselves' Butler points to the potential for a different ethic of accountability based on humility in relation to one's own 'constitutive limitations', and patience and generosity in relation to the limits of others. I argued that whilst in large and complex organisations we cannot manage *without* transparency, we must also recognise that we cannot manage *only with* transparency if we are to use it intelligently. Instead at best transparency furnishes us with indicators that must then be explored and discussed in a way that relates them back to the always more complex and invisible interdependencies of a particular context. This more intelligent use of transparency, I suggested, would allow a form of accountability that was less paranoid and more reflexive, and would create a greater shared resilience based on reciprocal understanding. It would require that we neither demonise nor idealise our leaders and, instead, recognise our own responsibility in sustaining a culture of open communication. The focus of accountability would then be more on learning about the unintended consequences of my conduct for others, rather than a competitive attempt to attract praise to the self and shift all blame to others (Hood, 2007). Accountability could then perhaps regain a proper institutional rather than individual focus, and function as an essential vehicle through which we recognise and manage our responsibilities to and for each other within the complex systems of relations upon which we each depend for success.

This optimistic, if demanding, view of intelligent accountability took as its inspiration Butler's disarming observation that none of us ever quite know what we are doing. Evident as this must always be, if only to others, what follows offers a sort of supplement to these ideas through exploring more thoroughly and seriously the obstacles or resistances that stand in the way of intelligent accountability. The core critique of transparency is that its promise of laying bare or making visible is (self) deceptive; that its simplistic abstractions from context always imply an ignorance of invisible operational complexities and interdependencies. The more awkward possibility that I want to explore in what follows involves taking seriously the potential strategic functions of the ignorance that a complete reliance on transparency secures. What if the organisational dysfunctions of transparency are functional for those who manage?

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