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ALL YOUR TIME, ALL THE TIME:

A CRITICAL ETHNOGRAPHY IN A KNOWLEDGE-INTENSIVE FIRM

Puja Devendra Ladva

A thesis submitted in partial fulfilment of the requirements for the degree of Doctor of Philosophy, Discipline of Accounting, University of Sydney Business School, June 2015
STATEMENT OF ORIGINALITY

This is to certify that to the best of my knowledge, the content of this thesis is my own work. This thesis has not been submitted for any degree or other purposes.

I certify that the intellectual content of this thesis is the product of my own work and that all the assistance received in preparing this thesis and sources have been acknowledged.

Puja Ladva
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ABSTRACT

This thesis is a study of management control change within the context of a knowledge-intensive firm (*KnowCo*). Using a critical ethnographic approach – drawing on eight months of fieldwork, interviews, and organisational documents – this thesis examines a management initiative to change the time recording practices of staff within one department of the firm.

Within knowledge-intensive firms, the practice of charging time represents the main financial control through which projects can be costed and clients charged commensurable fees. Despite the importance of time-related cost data to the success of these firms, employees routinely undercharge their time, recording less time on client projects than worked, making it difficult to cost projects and set fees. When client fees are fixed, the undercharging of time artificially inflates the reported profitability of projects making the undercharging of time a widely accepted practice amongst employees within these firms.

To address the undercharging of time, and the artificial inflation of project profitability, *KnowCo* embarked on a mission to change how its staff charged their time. The aim was to ensure that employees charged all of the time that they worked. The initiative, known as ‘All Your Time, All The Time’ (AYTATT), attempted to change time recording practices in order to improve the reliability of *KnowCo*’s cost information and the broader functioning of its financial control systems. The initiative held the potential to impact negatively the profitability of projects and thus affect the perceived performance of employees. This study explores the implementation of AYTATT and its impact on employees within *KnowCo*. 
Through the telling of the story of AYTATT, this ethnography offers new insights into both the undercharging of time and management control change. Clearly, for AYTATT to be successful, the project had to challenge the way management controls associated with time charging practices functioned within the firm. My research suggests that the existing relationships between management controls and the undercharging of time within the firm were poorly understood and, as such, were largely ignored by senior employees as they implemented AYTATT. Instead, much of the project focused on shaping employees’ perceptions of the undercharging of time through the use of rhetoric. Whilst the mobilisation of a range of rhetorical strategies resulted in management control change within KnowCo, there was significant deviation from the stated aims of AYTATT and the outcomes observed over the course of this study.
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<th>Description</th>
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<tbody>
<tr>
<td>AYTATT</td>
<td>All Your Time, All The Time</td>
</tr>
<tr>
<td>BPS</td>
<td>Budget Planning System</td>
</tr>
<tr>
<td>FOMP</td>
<td>Forecasted Margin Percentage</td>
</tr>
<tr>
<td>PAPM</td>
<td>Partners, associate partners, executive managers and managers (as a group)</td>
</tr>
<tr>
<td>GLOSSARY</td>
<td></td>
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<tr>
<td>----------------------------------</td>
<td>-----------------------------------------------------------------</td>
</tr>
<tr>
<td>Budget planning system</td>
<td>The system that ensures that the number of hours in the budget matches the number of hours scheduled in Slate (see below)</td>
</tr>
<tr>
<td>Forecasted margin percentage</td>
<td>The calculation used to monitor the profitability of a project – to simplify, it is calculated as the gross margin percentage.</td>
</tr>
<tr>
<td>Peer group</td>
<td>Each level of the hierarchy – for example, all analysts are one ‘peer group’.</td>
</tr>
<tr>
<td>Slate</td>
<td>The scheduling system used to book staff onto projects</td>
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1 INTRODUCTION

Time is money. We have been socialised to make this connection ever since industrial capitalism joined forces with puritanism (Thompson 1967). Time as money disciplines us to be conscious of our time and to value it primarily because of its equation with money – rather than perhaps valuing time for its own sake. However, Adam (1990) points out that time and money are actually quite dissimilar. For example, whilst money can be saved for future consumption, time generally cannot be saved (Adam 1990). Similarly, a large quantity of money is often desirable yet having ‘too much’ time is usually not perceived in the same way (Adam 1990). Still, the idea that ‘time is money’ has become ubiquitous within Western society (Graham 1981; Loft 1995; Adam 2001), particularly within the organisation.

Considering time’s association with money, suggesting that time is significant in organisational life is neither novel nor extraordinary. Marx (1887), for example, has shown how profit (surplus value) is constituted of appropriated labour time. The concept of efficiency (important for profitability) is predicated on time (Spasich and Day 1994) – at least in service industries where employee time is the main input – as efficiency in this area focuses on producing greater output in a smaller amount of time resulting in higher returns. Given the importance of time for profitability, it is unsurprising that controlling and monitoring the time of employees is a vital aspect of management control. Indeed, management control itself arises because, as Adam (1990) points out, organisations have control over their workers through the purchase not of employees’ labour but of their labour time.

1 Although Adam (1990) gives the example of annual leave as a situation where time can be saved to be used later.
In this thesis, my analysis focuses on one element of management control in knowledge-intensive firms, that is, accounting for employee time. These systems are both complex and confusing because, as McNair (1991) has shown, they require employees to simultaneously increase quality and decrease cost. These goals tend to be at odds with one another because increasing quality generally requires employees to spend more time on work, whilst decreasing costs often necessitates that employees spend less time. These tensions within the management control systems result in a behaviour known as the undercharging of time.\(^2\) The undercharging of time occurs when employees charge less time than they worked in their timesheet (Fleming 1980; Lightner, Leisenring and Winters 1983; McNair 1987; Ponemon 1992; Otley and Pierce 1996a; Pierce and Sweeney 2004; Sikka 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006) so in the system it appears that employees have taken less time to complete their task than is the case. This study focuses on the undercharging of time within one department in a large knowledge-intensive firm that provides professional services – the Project Department in KnowCo (both pseudonyms). To this end this study is oriented around ‘All Your Time, All The Time’ (AYTATT), a change initiative that Project Department\(^3\) management instigated to address the undercharging of time. I provide insight into the practice of management controls in relation to AYTATT: why management established AYTATT; the measures that were taken within the Department to address the undercharging of time; why employees undercharged time; employees’ reactions to these measures; and the outcomes of this project.

In this chapter I provide an overview of the study. Background information about the study is given and the key concepts and ideas within the thesis, including the undercharging of time

\(^2\) The undercharging of time is usually referred to in the literature as the under-reporting of time. I will refer to it as the undercharging of time to be consistent with the language used by the employees in my research setting. As I explain further in Chapter 5, I distinguish between charging and recording time, and undercharging and under-recording of time.

\(^3\) When I refer to the Project Department, I am referring to the Sydney office of the Project Department.
and AYTATT are introduced. I also provide an overview of the critical perspectives and associated philosophical assumptions that underlie the study and inform all aspects of it. I have chosen to explain my paradigmatic choices here because this was the starting point for this study and these choices impact all aspects of this research. I also outline the critical ethnographic methodology that I use in this study and conclude the chapter by setting out the structure of the thesis.

1.1 The undercharging of time and ‘All Your Time, All The Time’

The notion that ‘time is money’ is exemplified in knowledge-intensive firms. Knowledge-intensive firms encompass organisations such as accounting, law, management consulting, IT consulting and engineering firms (Alvesson 1993; Alvesson 2000; Ditillo 2004). These firms provide project-based ‘knowledge’ services to clients, and the key input into providing these services is employees’ knowledge. Yet determining the amount of knowledge used on projects is difficult (McDonald and Stromberger 1969; Starbuck 1992; Yakura 2001), and so instead the time used by employees is measured as a way of quantifying knowledge (Spasich and Day 1994; Grant 1996) and to determine the cost of services to clients using charge-out rates (McDonald and Stromberger 1969; Yakura 2001). Indeed, the different charge-out rates throughout the hierarchy reflect the idea that as an employee progresses through the organisational pyramid, the knowledge of an employee increases. Employee time makes up a significant amount of the cost of a project and firms – and employees – track this time and cost using timesheets. The charging of time via timesheets in knowledge-intensive firms is at the centre of financial control in these organisations. It is through the charging of time that firms can work out how much a project costs and, therefore, charging time is critical to determining – and monitoring – the profitability of projects. Yet interestingly, research has
hed light on an intriguing phenomenon – some researchers would consider it dysfunctional (Fleming 1980; Margheim and Pany 1986; Kelley and Margheim 1987; Kelley and Margheim 1990; Ponemon 1992; Otley and Pierce 1996a; Otley and Pierce 1996b; Kelley, Margheim and Pattison 2000; Buchheit, Pasewark and Strawser 2003; Pierce and Sweeney 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006). This phenomenon is the undercharging of time that takes place in some firms. Whilst there are a number of reasons why employees might undercharge time, fundamentally, the implication of this practice is that the cost of a project appears lower – and so profit seems higher. Yet despite this benefit, extant research into the phenomenon has highlighted several negative consequences for firms and employees from this practice, such as decreased revenue and issues with performance evaluations (Lightner, Adams and Lightner 1982; Lightner, Leisenring et al. 1983; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren and Eaton 1998; Shapeero and Killough 1999). Consequently, researchers have provided advice on how management in these firms can address the undercharging of time, even though Soobaroyen and Chengabroyan (2006) suggest the practice is ‘institutionalised’.

The AYTATT initiative that is at the heart of this study flew in the face of this apparent state of affairs. This initiative was a change effort instigated by management in the Project Department as an attempt to inhibit the undercharging of time. Management tried to transform the departmental culture of undercharging time into a culture where the charging of all time was naturalised and normalised. No other study has captured an attempt by management at curbing the undercharging of time and this cultural change initiative is intriguing because it challenges our understanding of the undercharging of time phenomenon. When I first encountered AYTATT I was curious about why management would embark on
this initiative. If employees charged all of their time this would surely increase the costs of projects, which would decrease profitability within the Department. It seemed unlikely that management would establish AYTATT knowing that profitability would decrease. I wanted to understand why management was instigating AYTATT; how it was going to change undercharging of time that was institutionalised within the culture; and with what consequences. I was also interested in exploring what employees thought about AYTATT and the undercharging of time. Answering these questions would not only provide us with a better understanding of the undercharging of time phenomenon, but it could also elucidate the operation of management control change as well as management control more broadly. As management controls have a material impact on employees’ experiences of organisational life (Schneider and Bowen 1993; Alvehus and Spicer 2012), it is vital to have a deep understanding of how they function and their implications considering the significance of work in today’s society.

In this study I draw on rhetorical theory to understand how AYTATT functioned with particular consequences for management control. Surprisingly, there is little research in management control using concepts from rhetorical theory to understand how control is enacted, even though these concepts can help us to understand how management control is exercised through language. As I elaborate in Chapter 4, I use a ‘synthetic’ approach (Sillince and Brown 2009) to rhetoric and focus my analysis on the rhetorical devices of evasion, repetition and denial.

Given its importance to this study, my research questions revolve around the AYTATT initiative. I articulate them here, however they are explained fully in Chapters 2 and 3:
Research question one: How do management controls enable and constrain change?

Research question two: How is rhetoric mobilised in the enactment of management control change?

Research question three: What is the relationship between bureaucratic and normative controls in relation to employees’ time charging practices?

Research question four: What are the implications of AYTATT for management control?

1.2 A critical perspective on the undercharging of time

Prior research into the undercharging of time has provided us with important insights into the phenomenon. Yet, the paradigmatic and methodological homogeneity within the literature has limited our understanding of the undercharging of time. To illustrate, the vast majority of these studies have viewed the undercharging of time as ‘dysfunctional’ behaviour that requires correction. Yet another perspective would view this dysfunctional behaviour as being indicative of tensions that are endemic to the practice of management control (Hopwood 1987).\(^4\) The purpose and aim of a study is influenced by the paradigmatic choices the researcher makes, and many extant studies use survey methods to examine the undercharging of time phenomenon, but these methods have not been able to provide rich insights into the complex tensions between control practices and the organisational context in which they are embedded. Because studies that employ questionnaires and similar methods

\(^4\) Hopwood (1987) refers to dysfunctional behaviour in accounting here but the same could be said of dysfunctional behaviour in relation to management control more generally.
usually marginalise complexity and context in relation to issues, we still have a relatively superficial understanding of the undercharging of time. The undercharging of time is an organisational practice that emerges in a particular context and the failure of the literature to situate the practice within this context renders the state of knowledge deficient.

Considering the undercharging of time as dysfunctional suggests that the behaviour is an unintended consequence of the management control systems within knowledge-intensive firms. Management control systems are not neutral; rather they further the interests of management within the organisation (Neimark and Tinker 1986). Indeed, the asymmetries of power within organisations mean it is the managers who (attempt to) induce employees to act in a particular way. As will be explained further below, I adopt a critical perspective in this study. Critical studies examine how control is enacted within the organisational context and whose interests are sustained. Critical studies call into question the apparent objectivity and neutrality of management controls (Roberts and Scapens 1985; Neimark and Tinker 1986; Roberts 1991). This contrasts to functionalist research into management control, which attempts to ‘improve’ management control through closer alignment of employees’ interests with those of the organisation (Flamholtz 1996) (or perhaps more accurately, with managerial interests). In line with critical research, the aim of this study is not to better understand the undercharging of time in order to improve management control through determining how management could more effectively align employees’ goals with the organisation’s to ‘correct’ this dysfunctional practice. Instead, this thesis aims to illuminate how management controls function to induce employees to act in particular ways and to what end. For example, I argue below that the undercharging of time is not simply a dysfunctional consequence of a management control system. The pressures experienced by employees to undercharge time appear to partially emerge from the management control systems in place. Indeed, it seems
that the profitability – and by extension, the survival – of the firm is invested in the undercharging of time.

1.2.1 A critical perspective and its philosophical assumptions

As mentioned above, I assume a critical perspective in this study. Although there are many different critical perspectives that researchers can adopt, there are some common themes that underpin these approaches. Specifically, they focus on illuminating inequities within extant social systems that effectively oppress marginal groups, such as workers, women, ethnic people, and the environment (Chua 1986; Dillard 1991; Alvesson and Willmott 1992; Akella 2008). In accounting research, critical studies challenge the conventional notion of accounting as a neutral and value-free activity through providing visibility of how accounting is used to sustain particular interests (Broadbent 2002).

Critical theory initially emerged from the Frankfurt School, and some authors contend that to be ‘critical’, studies must be rooted in the Frankfurt School/Marxist tradition (Thomas 1993; Roslender and Dillard 2003; Tinker 2005). Yet other authors take a broader perspective (Fournier and Grey 2000; Alvesson and Deetz 2006; Alvesson 2008) to incorporate all work taking a basically critical or radical stance on contemporary society with an orientation toward investigating exploitation, repression, unfairness, asymmetrical power relations (generated from class, gender, race or position), distorted communication and false consciousness (Alvesson and Deetz 2006 p256).
This broader conceptualisation of critical recognises that today the critical theory label is generally associated with a pluralistic field containing diverse traditions (Jermier 1998; Fournier and Grey 2000; Akella 2008; Alvesson 2008; Alvesson, Bridgman and Willmott 2009). For example, critical accounting research draws on several theories from social science, such as those from the Frankfurt School, feminist, actor-network, Foucauldian and structuration theories (Gaffikin and Lodh 1997; Broadbent 2002; Carter and Toms 2010).

Whilst there is debate over what is considered as critical research and why (Alvesson 2008), Fournier and Grey (2000) identify three characteristics common to critical studies, specifically non-performativity, denaturalisation and reflexivity. Non-performative research “denies that social relations should (naturally) be thought of as exclusively instrumental – that is, in terms of maximizing output from a given input” (Alvesson, Bridgman et al. 2009 p10). This type of research disputes the way knowledge is valued in performative work: on the basis of efficiency, efficacy and profitability (Fournier and Grey 2000). For example, as I discussed above, performative research in management control could examine ways to improve the efficacy of control systems, whereas non-performative research might provide insight into the totalising aspects of management control (e.g., Willmott 1993). Indeed, performativity is one of the definitive characteristics of mainstream accounting research (Chua 1986). As critical research is non-performative, it questions the performative calculus and aims to denaturalise it as a given (Fournier and Grey 2000; Alvesson, Bridgman et al. 2009).

Another element of critical research that Fournier and Grey (2000) highlight is denaturalisation of the status quo. For example, there are taken-for-granted hierarchies

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5 They refer to critical management studies more broadly here, however, these characteristics certainly are pertinent to critical accounting research.
embedded in contemporary life (Fournier and Grey 2000; Alvesson, Bridgman et al. 2009), including the relationships between genders, races and classes. As Alvesson, Bridgman and Willmott (2009) point out, denaturalisation calls into question these tacit assumptions in organisational life, such as the objectivity of performance evaluation systems (e.g., Fogarty, Parker and Robinson 1998). Critical research works to unmask these problematical assumptions by shedding light on how they maintain certain interests and marginalise others.

Fournier and Grey (2000) identify reflexivity as another attribute of critical research. In some positivist studies, there is often an assumed, unstated philosophical framework and, similarly, the underlying philosophical assumptions are not explored (Fournier and Grey 2000). Critical research challenges positivist ideas of objectivity and neutrality (Alvesson, Bridgman et al. 2009), recognising them as souvenirs of “the expansion and domination of a scientistic and technocratic consciousness” (Alvesson and Willmott 2012 p65). Reflexivity requires the researcher to understand how his or her chosen philosophical framework and its assumptions affect the study (Fournier and Grey 2000; Alvesson, Bridgman et al. 2009). This is why I have set out the critical framework I adopt in this study and the philosophical assumptions in this section. On the basis of Fournier and Grey’s (2000) typology of non-performativity, denaturalisation and reflexivity, in this study I refer to critical in the broader sense.

For a study to be theoretically sound, all of its elements should be consistent with the underlying philosophical assumptions (Zalan and Lewis 2004). The philosophical assumptions include ontology, epistemology and methodology as they provide a particular lens through which the world, knowledge and research is seen (Chua 1986). Whilst there are ontological and epistemological differences between the various critical traditions (Chua
Ontology refers to beliefs regarding the nature of reality (Chua 1986; Dillard 1991). Critical researchers consider reality to be “characterized by objective, real relations which are transformed and reproduced through subjective interpretation” (Chua 1986 p622). Individual actors, therefore, produce and reproduce social structures (Chua 1986); however the actions they take occur within these structures and are constrained by them. Within the structures, real societal inequalities persist, enabled by false consciousness/the naturalised status quo. The naturalised societal inequalities within the social structures restrict the self-understanding of those who are marginalised by these structures, such as workers, women and ethnic persons. In this thesis I explore how, through rhetoric, management control practices in the Project Department functioned to maintain the status quo and constrain employee action.

From these ontological beliefs the epistemological assumption emerges. Epistemology concerns the assessment of knowledge (Chua 1986). For the critical researcher, knowledge is never neutral (Jermier 1998). Instead, it is contextualised as “truth is very much in the process of being hammered out and is grounded in social and historical practices” (Chua 1986 p620). Critical researchers are concerned with understanding these practices and shedding light on how they perpetuate inequality and false consciousness.
The methodology I employ in this study is consistent with these ontological and epistemological assumptions. I introduce the methodology used in this study in the next section, expanding on this discussion in Chapter 4.

1.3 The critical ethnographic methodology used in this study

In an ethnographic study, a researcher is embedded in an organisation over a longer timeframe and the immersion experienced by the researcher helps him or her to gain a deeper understanding of the topic under study. Critical ethnography takes seemingly mundane events, even repulsive ones, and reproduces them in a way that exposes broader social processes of control, taming, power imbalance, and the symbolic mechanisms that impose one set of preferred meanings or behaviors over others (Thomas 1993 p9).

This is what I have attempted to achieve in this study. To illustrate, in Chapter 8 I use concepts from rhetorical theory to explore how senior employees imposed particular meanings onto staff below them. Whilst charging – and undercharging – time may on the surface appear to be a rather unremarkable phenomenon for academic study, it is exactly this ostensive mundaneness that necessitates deeper analysis.

The depth of analysis made possible through an ethnographic study has enabled me to understand, for example, the beliefs, values and meanings that employees held about the
charging and undercharging of time, which I examine in Chapter 6. Knowing how these underlying beliefs, values and meanings then lead to undercharging of time can help us to appreciate more deeply why this phenomenon seems to be embedded within organisational cultures in knowledge-intensive firms even though it is often formally prohibited (McNair 1991; Otley and Pierce 1996b; Akers, Horngren et al. 1998; Sweeney and Pierce 2006; Lewis 2007).

1.4 Structure of this thesis

This thesis is structured as follows. In Chapters 2 and 3 I review the literatures that inform my study and research questions. To give insight into how my study challenges the dominant methodology within the undercharging of time literature, Chapter 4 explains the methodological choices made and how specific methods were used to produce and gather the empirical evidence for this study. In Chapter 5 I set up the organisational context, providing a description of organisational life for employees within the Project Department and illustrating the key bureaucratic management controls in place. At this point I also give an overview of the AYTATT initiative. Chapter 6 explores the reasons why employees undercharged time in the Project Department – that is, the barriers employees experienced when trying to charge all of their time. In Chapter 7 I examine employees’ responses to these barriers. Chapter 8 analyses the consequences of AYTATT for management control within the Department. In that chapter I draw on concepts from the rhetorical literature outlined in Chapter 4 to explain and make sense of these outcomes. In Chapter 9 I review the key findings from this study and discuss their implications for the literature and future research.
1.5 Conclusion

The aim of this chapter has been to provide the reader with a high level introduction of this study. The chapters that follow build on this chapter and extend the ideas mentioned here. I began by situating the core of the study – the AYTATT initiative. Through outlining the undercharging of time literature, it is evident that this program established by Project Department management challenged our knowledge of organisational behaviour, and this is why AYTATT is of academic interest. No study has examined an attempt by management to address this practice and I was determined to illuminate why management would introduce a project that, based on our understanding, would decrease profitability.

I have provided some insight into my adoption of a critical perspective in this study. Conducting a critical study contributes to the undercharging of time literature by providing a deeper analysis of the issue through contextualising the undercharging of time. Some background of critical perspectives and critical research has also been discussed here as these ideas and the underlying philosophical assumptions form the foundation of this study.

To give some understanding of how this study was conducted, the critical ethnographic methodology used in this study has also been introduced. Critical ethnography epitomises critical research methodology because it helps the researcher to uncover taken-for-granted assumptions and emphasise the processes of control.

Finally, I have finished this chapter by putting forward a ‘roadmap’ for this thesis – presenting the structure of the thesis and summarising the contents of each chapter. The next
two chapters elaborate the discussion above regarding the literatures in which the study is situated.
2 MANAGEMENT CONTROL

The purpose of this thesis is to explore the operation of management control in a department of a knowledge-intensive firm. Specifically, I explore control practices in the context of an initiative, AYTATT, undertaken by management within a department of a knowledge-intensive firm (KnowCo) to curb the undercharging of time. There is a considerable amount of research in management control and in this chapter I provide an overview of the management control literatures in which my study is situated. Ultimately, a review of the literature is necessary to locate my contribution to this field (Creswell 2013).

I begin by outlining the concept of management control, differentiating between mainstream research and critical studies in this area. Here I also draw out the distinctions between normative and bureaucratic forms of control that are present within this literature. In order to make sense of knowledge-intensive firms, I develop a definition from the literature and I outline the extant literature on management controls within these organisations. Studies in this area have highlighted the power of normative controls in knowledge-intensive firms because they draw on employees’ existential anxieties and confusion. Given the importance of normative controls in this study, I summarise Ahrens and Mollona’s (2007) approach of control as cultural practice as I use these ideas to examine the functioning of normative controls.

Essentially, AYTATT was a project that aimed to change the way management controls were operating in the Project Department. There is a substantial amount of research into
management control change, and so in this chapter I examine key ideas from this literature that inform this study.

I conclude this chapter by exploring how a rhetorical perspective can be a useful tool for analysing how managers exercise management control. To date, only a small number of studies in the management control literature specifically examine managerial rhetoric in performing management control. In order to shed light on the usefulness of a rhetorical lens when studying management control, I provide an overview of rhetoric and examine rhetorical strategies that have been uncovered in extant studies of management control.

2.1 Defining management control

I began this study with the broad intention of examining management control in the Project Department of KnowCo, a knowledge-intensive firm. Management control is usually defined as the ways managers ensure that employees act in the interest of the organisation so the organisation’s goals can be realised (Otley and Berry 1980; Collins 1982; Merchant 1982; Flamholtz, Das and Tsui 1985; Kunda 1992; Otley, Broadbent and Berry 1995; Flamholtz 1996; Otley 2003; Malmi and Brown 2008; Berry, Coad, Harris, Otley and Stringer 2009). There are many different ways we can think about management control and this is exemplified by the various control typologies and frameworks within the literature that lay out the diverse types of control. For example, we can think of the roles (e.g., Alvesson and Kärreman 2004), the formality (Anthony and Govindarajan 2007) or the visibility of controls to employees (Michel 2011) to delineate between different types of controls.
One important typology within the management control literature is Kunda’s (1992) distinction between bureaucratic and normative controls. He delineates between these controls on the basis of how they affect employee behaviour. The distinction between bureaucratic and normative controls is important in this study as I explore how the normative and bureaucratic aspects of control affect employees’ time charging practices in Chapters 6 and 7.

Kunda (1992) defines bureaucratic control as “the formalization, codification, and enforcement of rules and regulations” (p220). Bureaucratic controls encompass controls such as budgeting systems, performance evaluation systems and hierarchies (Ouchi 1979; Barker 1993; Kärreman and Alvesson 2004; Anderson and Brown 2010). These controls work through directing employee behaviour (Alvesson and Kärreman 2004) and often involve establishing targets and measuring performance against these targets (Langfield-Smith 1997; Alvesson and Kärreman 2004; Kärreman and Alvesson 2004; Malmi and Brown 2008). Whilst we can understand how this works in the context of budgeting and performance evaluation systems, this is less clear in terms of hierarchical control. Yet hierarchy is still a key element of bureaucratic control, as Ouchi (1979) points out,

in a bureaucratic control system … it particularly contains the idea that, in exchange for pay, an employee gives up autonomy in certain areas to his [sic] organizational

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6 Whilst Simons (1995) (and other writers) have included cultural aspects of control in their control frameworks, I have used Kunda’s (1992) typology here. For example, Simons’s (1995) levers of control could be said to consider normative control through belief systems. Yet arguably, his conceptualisation of belief systems is rather narrow, focusing on the codified (and perhaps, idealised) elements of culture such as mission statements and credos. In addition, Simons (1995) is concerned with achieving effective control, so the levers of control typology is more appropriate for functionalist studies (see pages 20 to 22). Kunda’s (1992) definition of normative control is much broader, and his typology is more concerned with understanding how controls function instead of maximising control, so it is better suited to critical work.

7 I use Kunda’s (1992) terminology here (i.e., bureaucratic and normative control) consistently for readability although some authors cited here use other labels, for example, socio-ideological and technocratic controls (Alvesson and Kärreman 2004) and cultural-ideological and socio-structural controls (Kärreman and Alvesson 2004).
superiors, thus permitting them to direct his work activities and monitor his performance (p388).

Hierarchical control is then necessary for the functioning of other bureaucratic controls that work via hierarchy through supervisors setting targets and measuring performance against these targets.

Normative control instead “attempt[s] to elicit and direct the required efforts of members by controlling the underlying experiences, thoughts and feelings that guide their actions” (Kunda 1992 p11). Examples of normative controls include socialisation, ideological and identity controls (Ouchi 1979; Kunda 1992; Abernethy and Brownell 1997; Alvesson and Kärreman 2004; Kärreman and Alvesson 2004; Thomas 2009; Michel 2011). These controls attempt to convince employees to adopt specific ideas about what they should desire and strive for at work; they are “efforts to persuade people to adapt to certain values, norms and ideas about what is good, important, praiseworthy, etc[.] in terms of work and organizational life” (Alvesson and Kärreman 2004 p426). Normative/cultural aspects of control are sometimes misleadingly referred to as informal controls⁸ (Alvesson and Kärreman 2004). Yet Kunda’s (1992) definition of normative control makes it clear that these controls are concerted efforts to guide employee behaviour via institutionalised values and beliefs (Alvesson and Kärreman 2004). It is perhaps simply that the effect of normative control on employee behaviour is more indirect compared to bureaucratic controls (Alvesson and Kärreman 2004). Alvesson and Kärreman (2004) indicate that delineating between bureaucratic and normative controls is more complex, as these types of control are not mutually exclusive. In their study they

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⁸ For example, Langfield-Smith (1997) claims that “informal controls are not consciously designed … [they] often derive from, or are an artefact of the organizational culture” (p208).
discover that bureaucratic controls are also subtle forms of normative control. Still, distinguishing between normative and bureaucratic controls can help us to understand better the different ways in which controls work to influence employee behaviour, as well as make sense of the extant literature on management control in knowledge-intensive firms (discussed below).

Whilst there is some variability within the field as evidenced by the work of Alvesson and Kärreman (2004), research in management control is dominated by positivist studies. For example, the classic definition of management control (Otley and Berry 1980; Otley, Broadbent et al. 1995) is “the process by which managers assure that resources are obtained and used effectively and efficiently in the accomplishment of the organization’s objectives” (Anthony 1965 p17). This is very much a functionalist conception of management control because it imagines a linear and uncomplicated relationship between doing work in a particular way to achieving a particular outcome. As mentioned in the introduction chapter, mainstream accounting research has traditionally been performative (Chua 1986), valued for the facilitation of efficiency, efficacy and profitability (Fournier and Grey 2000). In the context of management control, Neimark and Tinker (1986 p370) explain that:

the problem of corporate control in this setting becomes one of finding the appropriate matching between the characteristics of the environment and the corporate control system (i.e., the combination of organization structure, technologies and strategies) that achieves the desired performance criteria (e.g., an optimum or satisfactory level of profits, efficiency, cost minimization, viability).
The goal is then to improve management control from a functionalist, performative perspective by enhancing the design of these systems for more effective control (Hopper and Powell 1985; Roberts and Scapens 1985; Chua 1986). This assumption of performative improvement of management control generally underlies management control typologies (Ladva and Andrew 2014). For example, whilst Malmi and Brown (2008) propose studying management control systems as a ‘package’, in justifying this idea they argue that:

gaining a broader understanding of [management control systems] as a package may facilitate the development of better theory of how to design a range of controls to support organisational objectives, control activities, and drive organisational performance (p288).

Similarly, Flamholtz (1996) specifies how controls in his framework should be designed to achieve effective control. Rather than prescribing a stringent scaffold of controls, in relation to their frameworks some authors instead advise which type of control is most effective in different control scenarios. For example, Merchant (1982) advises which controls in his framework are ‘feasible’ based on measurability of results and knowledge of desirable actions. In studies like these (e.g., Ouchi 1979; Merchant 1982; Simons 1995; Flamholtz 1996; Malmi and Brown 2008), the authors are concerned with how to develop control systems that best achieve management control – a key area of positivist management control research (Malmi and Brown 2008). Better aligning employees’ interests with that of the organisation is seen as improving management control by helping the organisation to realise its goals (Flamholtz 1996).
However, the traditional, functionalist conception of management control “obscure[s] the social origins and consequences of corporate control systems” (Neimark and Tinker 1986 p392). As explained in the introduction, I adopt a critical perspective in this study. A more critical definition of management control (compared to Anthony’s (1965) definition above) is provided by Kärreman and Alvesson (2004) as “an activity carried out by a powerful social group that orchestrates and exercises definitional and executive authority over other social groups within an organization” (p152). In this definition, the political aspects of management control are clear. Instead of (performative) improvement of management control, critical perspectives of control focus on “power, domination and emancipation” (Delbridge and Ezzamel 2005 p603), challenging the ostensive neutrality and objectivity of these controls, particularly in relation to accounting (Roberts and Scapens 1985; Neimark and Tinker 1986; Roberts 1991). Neimark and Tinker (1986) note that control systems “are not neutral mechanisms in these struggles but are attached to and legitimate concrete power interests” (Neimark and Tinker 1986 p380). Management controls are thus not neutral; rather they communicate certain ideas to employees (Alvesson and Kärreman 2004), such as norms and values (Brown and Lewis 2011). These ideas are explored further in the next section.

2.2 Management control as cultural practice

In the previous section I delineate between bureaucratic and normative forms of control. Again, this difference is important to this study because in Chapters 6 and 7 I shed light on how these different elements of control affect time charging practices in the Project Department. In drawing out the differences between bureaucratic and normative controls, I have explained how normative control efforts target the values and assumptions of
employees. To explore how normative controls functioned in the Department, in Chapters 6 and 7 I draw on Ahrens and Mollona’s (2007) notion of control as cultural practice.

Ahrens and Mollona (2007) suggest a novel method of studying management control. They review several areas of research in management control that explore the role accounting plays in organisational and social processes and propose another strand – the study of control as cultural practice. They argue that culture is entrenched within management control systems – that management control technologies rely on culture – indeed, without ‘shared meanings’ (Smircich 1983; Allaire and Firsirotu 1984) management control systems would not be able to function. As Ahrens and Mollona (2007) argue (p309):

Culture is practical and ideational at the same time because meanings do not exist independent of practices. Meanings can neither determine activities nor can they simply be “attached” to them because meanings and practices are co-produced.

Examining control as cultural practice provides insight into understanding the meanings these practices have for employees. For example, Ahrens and Mollona’s (2007) study within a steel mill explores how various employees enacted their subcultures through control practices and highlights interrelationships between various elements of control. Awareness of the meanings and symbols at the heart of technologies of control can thus deepen our understanding of management control technologies and how they become normalised and

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9 Namely, governmentality, actor–network theory and accountability.
10 Which they define as symbolic systems.
11 They cite Rosaldo (1993) here.
12 Such as the interrelationships between the “formal and informal, practical and conceptual, human and non-human elements of control” (Ahrens and Mollona 2007 p328).
taken-for-granted (Ahrens and Mollona 2007). Control technologies play a role in reproducing and circulating meanings within the organisation – so studying control as cultural practice gives us insight into the broader effects of management control in the organisation and this can be done most appropriately through an ethnography.

Ahrens and Mollona (2007) advocate a different approach to prior research in management control in order to study control as cultural practice. First of all, they emphasise the use of observation to understand control as cultural practice, given the gap between what participants say and what they do. Observation, therefore, allows the researcher to see first-hand how controls (and culture) work in practice. Second, Ahrens and Mollona (2007) argue that extant practice studies on control seem to focus on management action, whereas they recognise how control is affected by the beliefs and practices of employees as well as those of management. The authors highlight the importance of capturing the experiences of employees beyond management to study control as cultural practice, which allows us to better understand the diffusion of power within the organisation. Third, they maintain that studies looking at culture and control tend to analyse organisational change. They suggest that examining ‘steady state’ organisations may broaden our understanding of control practices. However, they clarify that the study of organisational change should not be excluded; rather it should not be prioritised. My study of the AYTATT initiative (an attempt at management control change) is clearly an analysis of an organisational change effort. Although I do not

13 According to Ahrens and Mollona (2007), even Dent’s (1991) classic study of management control and organisational culture does not examine ‘control as cultural practice’ as his study was not conducted in line with the criteria that Ahrens and Mollona (2007) propose. Even other studies that seem to provide a cultural perspective of control, such as Alvesson and Kärreman (2004) and Munro (1999), do not meet Ahrens and Mollona’s (2007) criteria for looking at control as cultural practice. Whilst Hawkins (2008) appears to meet their criteria, she focuses on cultural control. This is why in much of this section the discussion is based only on Ahrens and Mollona (2007).

14 For this reason they refer to ‘organisational control’ rather than management control.
strictly follow the approach laid out by Ahrens and Mollona (2007), my study still draws on some of their ideas but with a critical interpretation.

It is worth noting that few studies have provided a cultural perspective of control (Smircich 1983; Munro 1999; Alvesson 2002; Ahrens and Mollona 2007; Hawkins 2008). Flamholtz (1983) contends that control systems “must be viewed more as a component of a socio-technical system rather than merely as a technological control mechanism that operates in isolation of an organization’s particular values, beliefs and norms” (p165). Whilst he is specifically referring to the accounting control system, arguably, the same could be said of other elements of management control systems. As Alvesson and Kärreman (2004) suggest from an anthropological perspective, “structural forms of control are cultural phenomena themselves, that have and take on specific meaning depending on cultural contexts” (p424). They also argue for the need to look at the ideas communicated to employees through management controls and the meanings employees ascribe to controls. Using a cultural perspective to analyse control systems is especially useful as Smircich (1983 p355, emphasis added) writes:

>a cultural analysis moves us in the direction of questioning taken-for-granted assumptions, raising issues of context and meaning, and bringing to the surface underlying values … a cultural framework for analysis encourages us to see that an important role for both those who study and manage organizations is not to celebrate organization as a value, but to question the ends it serves.

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15 Here I mean using looking at management control through a cultural lens, that is, “to interpret the dimension of meaning and symbols shared by a collective” (Alvesson 2002 p186).
Cultural analysis is, therefore, especially useful for research from a critical perspective as it highlights and facilitates the questioning of values and assumptions that are taken-for-granted within a cultural system. In this study I draw on these ideas to explore the normative facets of control. Whilst Ahrens and Mollona (2007) are more concerned with understanding control as cultural practice, this study goes beyond understanding the taken-for-granted assumptions within control practices in a knowledge-intensive firm to not only question these assumptions and practices but also their implications – especially whose interests they sustain.

2.3 Management control in knowledge-intensive firms

The current study takes place in the Project Department of KnowCo, a knowledge-intensive firm that provides professional services. Knowledge-intensive firms\textsuperscript{16} include management, engineering and IT consultancies, accounting and law firms, advertising agencies, research and development and high-tech companies (Alvesson 1993; Alvesson 2000; Ditillo 2004). These firms have a large number of knowledge workers who rely on their intellectual capabilities for work (Davenport 2005). Economic trends have resulted in the growth of knowledge work with knowledge becoming more and more important for the wealth creation and competitive advantage of organisations (Donaldson 2001; Davenport 2005). These trends include the shift away from production to service provision, advancements in information technology and relative growth in knowledge-based occupations (Frenkel, Korczynski, Donoghue and Shire 1995). The growth in knowledge work has implications for management control (Frenkel, Korczynski et al. 1995; Sewell 2005) in relation to how management control is enacted given the (apparent) relative autonomy of knowledge workers (Starbuck 1992; Davenport 2005) with respect to how they carry out their work tasks (Frenkel, 1993; 2000; 2001; 2011) points out that the terms ‘knowledge’, ‘knowledge-intensive’ and ‘knowledge workers’ are problematic and provides insight into their social construction.
Korczynski et al. 1995; Davenport 2005). As such, research on management control in knowledge-intensive firms has burgeoned over the last few years.

Autonomy and bureaucratic control are often seen to be at odds (Scarbrough 1999; Robertson and Swan 2003; Løwendahl 2005) and normative control is believed to resolve these tensions (Friedman 1977; Kunda 1992; Starbuck 1992; Scarbrough 1999). Several authors note the strong use of normative controls in knowledge-intensive organisations (Kunda 1992; Alvesson 2001; Robertson and Swan 2003; Kärreman and Alvesson 2004; Granlund and Taipaleenmäki 2005) with respect to the management control dilemma, which – in the context of knowledge work – becomes: “how do we ensure that employees realize the full fruits of their own expertise and ingenuity for the purposes of the organization?” (Sewell 2005 p688). Normative controls address this because they transcend management's efforts to control employee behaviour (i.e., bureaucratic controls) with attempts to control their minds (Alvesson and Kärreman 2004; Kärreman and Alvesson 2004) by persuading employees to buy into organisational value and belief systems.

Studies have highlighted that these controls are powerful because they draw on employees’ subjectivities, enabling employees to address their existential concerns by securing their identities through work (Kunda 1992; Willmott 1993; Alvesson 2001; Robertson and Swan 2003; Alvesson and Kärreman 2004; Alvesson and Robertson 2006; Bergström, Hasselbladh and Kärreman 2009). As Kunda (1992) notes, “under normative control it is the employee's self – that ineffable source of subjective experience – that is claimed in the name of the corporate interest” (Kunda 1992 p11). When these control mechanisms become a means of securing a sense of self, research demonstrates that employees internalise them, rendering the
control systems highly effective (Grey 1994; Covaleski, Dirsmith, Heian and Samuel 1998; Anderson-Gough, Grey and Robson 2000; Alvesson and Kårreman 2004; Alvesson and Robertson 2006; Brown and Lewis 2011; Ladva and Andrew 2014). Existential anxieties and confusions thus render management controls considerable power as these controls can become mechanisms for overcoming these sorts of concerns because they provide an objective confirmation of a ‘successful’ identity (Roberts 1991). However, in doing so, management controls that especially draw on identity simultaneously create employee anxiety about meeting these ‘objective’ indicators of competence, as meeting these indicators is vital to provide a sense of security to the employee’s fragile identity (Collinson 2003; Alvesson and Kårreman 2004; Ladva and Andrew 2014) whilst maintaining the fragility. For example, employee concern about looking ‘good’ can be seen in Alvesson and Kårreman (2004). Recognising that employees in the consultancy they study (Global) are highly educated, the authors point out that the strong obedience they see in Global’s employees contradicts the internal rhetoric of an elite workforce. Yet the control systems help to produce compliant employees, primarily through feeding on the questions of employees regarding identity:

There are uncertainties and tensions around worth, leading to a strong inclination to draw upon resources for securing a stable sense of self, such as receiving promotion before one’s peer group and look good in all assessments. Self, socio-ideological [normative] and technocratic [bureaucratic] control thus go together (Alvesson and Kårreman (2004) p438).
As Alvesson and Kärreman (2004) demonstrate, the control systems in Global provide a means through which employees can achieve some “ontological security” (Alvesson and Robertson 2006 p195) to overcome their anxieties about identity.

Given that knowledge-intensive firms are constituted by the knowledge work of their employees (rather than material production etc.) the management control systems within these firms are unique. The above discussion has provided some insight into research examining management control in knowledge-intensive firms. I have highlighted how management controls that provide a means for employees to secure their identity as a ‘knowledge worker’ can also foster anxiety about identity as employees become preoccupied with meeting the standards within management control systems. By playing on employees’ identities, the strong normative controls within these firms function alongside bureaucratic aspects of control to maximise effectively the contribution the knowledge worker makes to the organisation. The next section explains the specific literature on management control change.

### 2.4 Management control and change

As this study explores an attempt at management control change within a large knowledge-intensive firm, it is important to engage directly with literature that has concerned itself with management control change but very little of it engages directly with the experiences within knowledge-intensive firms. There is a considerable literature exploring management control change and here I provide a brief overview as the current study uses concepts from this literature. I draw on Hopwood’s definition of management control change as management
controls “becoming … what they were not” (Hopwood 1987 p225).\footnote{To be clear, Hopwood (1987) was referring specifically to accounting systems but the same could be said of management control systems more broadly.} The examination of management control change is itself a complex endeavour and researchers have provided insight into the challenges of analysing management control change due to the inherent ambiguity in the phenomenon (Hopwood 1990). For example, from an epistemological point of view, establishing whether a change has actually occurred can be difficult (Burns and Vaivio 2001). Similarly, determining whether a change has been successful or not may not be straightforward (Briers and Chua 2001; Siti-Nabiha and Scapens 2005).

Putting these complexities aside, previous research has challenged the notion of management control change as a phenomenon that is systematically designed, managed and executed according to plan (Burns and Vaivio 2001). Studies have shown how management control change does not follow a linear process (Hopwood 1987; Burns and Vaivio 2001; Quattrone and Hopper 2001; Baxter and Chua 2003; Busco, Quattrone and Riccaboni 2007; Chenhall and Euske 2007; Dambrin, Lambert and Sponem 2007; Thrane 2007). Instead, change is often ‘messy’. For the most part, management control change occurs in an unpredictable organisational environment and is shaped by the dynamism of that context. Change projects mediate – and are mediated by – the organisational environment in which they emerge. To illustrate, studies have shown how new organisational logics have been embedded via new management controls (Dent 1991; Abernethy and Chua 1996; Chenhall and Euske 2007; Dambrin, Lambert et al. 2007), whilst others have explored how management control change projects that aimed to challenge strong beliefs and values within organisations were co-opted by these same beliefs and values, debilitating and sometimes even completely derailing change projects (Scapens and Roberts 1993; Vaivio 1999; Siti-Nabiha and Scapens 2005).
When examining management control change, studies have tended to explore the introduction of new management control techniques and systems (Hopwood 1987; Scapens and Roberts 1993; Miller and O'Leary 1994; Carmona, Ezzamel and Gutiérrez 1997; Vaivio 1999; Burns and Scapens 2000; Quattrone and Hopper 2001; Kasurinen 2002; Major and Hopper 2005; Siti-Nabiha and Scapens 2005; Busco, Quattrone et al. 2007; Chenhall and Euske 2007). Studies have examined the introduction of cost accounting techniques (Hopwood 1987), value-based management (Siti-Nabiha and Scapens 2005), activity-based costing (Chenhall and Euske 2007), the Balanced Scorecard (Kasurinen 2002), and the SAP ERP system (Quattrone and Hopper 2001). Research analysing the implementation of new management control systems has provided us with important insights into how management control change plays out in organisations. For example, some researchers have documented barriers to management control change, such as employee resistance because of a failure to surmount established ways of thinking within the organisational context (Scapens and Roberts 1993; Abernethy and Chua 1996; Vaivio 1999; Dambrin, Lambert et al. 2007). These studies demonstrate how ‘effectively’ implementing new control systems may require a significant disruption in existing organisational practices and taken-for-granted assumptions and values. This is important to the present study because entrenched beliefs and practices regarding the undercharging of time in the Project Department needed to be challenged in order for the AYTATT project to be effective.

The implementation of a management control change – how management ‘does’ change – can provide rather illuminating insights into how management ‘does’ management control. As Dambrin, Lambert et al. (2007) point out, management control is not just the ‘target’ but it can also be the ‘vector’ through which change is accomplished. In their study they argue that the new performance evaluation and remuneration systems that were implemented were the
target of management control change but these systems were also used to enact a broader management control change to produce a more managerially-oriented organisation. Moreover, Dambrin, Lambert et al.’s (2007) idea can be extended beyond the management control systems themselves to also include the strategies used by management to enact a management control change. For example, when management tries to change how management control systems are used, the attempts by managers to convince employees to change their behaviour, values and beliefs are themselves practices of management control. To demonstrate this idea, in Abernethy and Chua’s (1996) study, the resistance of senior medical staff to new structural arrangements that management was trying to impose (which would diminish the senior medical staff’s considerable power) was partly allayed by the new CEO (importantly, a physician) who told them

Well, we have gone this far, we have talked about it so much, how about giving it a go, and I'll guarantee (and I wrote this down) – we'll do it for a year and if it doesn't work, we will review it and we'll get rid of it (Abernethy and Chua 1996 p591).

This promise from a respected colleague enabled management to get senior medical employees to support the new organisational structure. The CEO’s promise facilitated the management control change but we could also view this guarantee as a practice of management control as through it he managed to get employees to act in desirable ways (i.e., support the new organisational structure). The relationship between management control change and management control is of interest in my study as I examine the strategies senior employees used to implement a management control change.
Many studies of management control change have examined how change efforts play out in a variety of contexts. These include, for example, the public sector (Dent 1991; Abernethy and Chua 1996; Chenhall and Euske 2007), manufacturing organisations (Hopwood 1987; Miller and O'Leary 1994), and oil and gas companies (Siti-Nabiha and Scapens 2005; Busco, Quattrone et al. 2007), amongst a wide variety of other organisations such as pharmaceutical (Dambrin, Lambert et al. 2007), consumer goods (Vaivio 1999) and other multinational companies (Scapens and Roberts 1993; Quattrone and Hopper 2001). Yet, even though knowledge-intensive firms have unique control situations (as previously mentioned) and there is a growing literature studying management control (more broadly) within these organisations, there is still little research on management control change within knowledge-intensive firms. Perhaps the closest example of management control change within a knowledge-intensive firm can be found in Mouritsen (2005). The author provides an illustration (which he concedes is an ‘episode’ instead of a case study) within an engineering firm, yet whilst the paper itself discusses change, the author does not use the empirical material to highlight aspects of management control change. Instead, he uses his empirics to distinguish between management control change in the design of systems and management control change in the mobilisation of systems. Studying how management control change occurs in knowledge-intensive firms can provide us with a better understanding of how management control more broadly is exercised within these organisations. My first research question aims to explore the link between management control and change.

**Research question one: How do management controls enable and constrain change?**
The existing literature has provided insight into the challenges that can appear in practice when attempting to implement a management control change. As will become clearer in the next chapter, AYTATT was a rather bold project because in it management was trying to change behaviours and practices that were entrenched within the Department. In its efforts at changing these behaviours management used rhetoric to try to convince employees to discard the previously acceptable ways of acting and to adopt new practices. The following section looks at the literature on management control and rhetoric.

2.5 Management control and rhetoric

Language is integral to how we understand and make sense of the world around us. Indeed, linguistic devices can be used to produce reality (Moch and Huff 1983) as through language we are constantly constructing, shaping and articulating our needs, wants and desires and using language we seek to identify, interpret, and influence the needs, wants and desires of others. In this study I am interested in how rhetoric, a particular aspect of language, is employed in the service of management control (e.g., Anderson-Gough, Grey and Robson 1998; Carter and Jackson 2004; Harrington, Warren and Rayner 2015). Although there is a considerable literature examining discourse and management control, very few studies in management control have explicitly taken up the concept of rhetoric – even though rhetoric can provide us with a means to understand how managers enact management control. Indeed, Carter and Jackson (2004) conceptualise the function of rhetoric “as non-coercive control by gaining consent, which it is hoped will then deliver, seamlessly and automatically, compliance” (p473).
Language is an essential aspect of management control as those with managerial authority employ language to instruct and persuade employees to act for the organisation’s benefit (Smircich and Morgan 1982; Bonet, Jensen and Sauquet 2011). Rhetoric “reconciles opposites through mystification, creating powerful and persuasive associations between contending forces” (Linstead 2001 p218). It can be distinguished from other linguistic approaches (such as discourse analysis and narrative analysis, for example) as whilst they are all “interest[ed] in the role of language in structuring social action … [rhetoric] is distinguished by a very specific focus on suasion and influence” (Suddaby and Greenwood 2005 p39). Rhetoric, in particular, is central to organising; it is through rhetoric that people can work together towards certain ends (Finlayson 2006). Aristotle (1909) described it as the “means of persuasion” (p5), and this persuasive intent is why rhetoric is of interest when examining the operation of management control. Rhetorical strategies encompass techniques used by the speaker (often referred to as the rhetor within the literature on rhetoric) to convince the audience to adopt particular ideas or values or to take a particular action.

Rhetoric is crucial in creating and communicating shared organisational beliefs and strong normative management controls. It impacts not just the communications of people but also their thoughts and acts (Kneupper 1977; Watson 1995; McCloskey 1998; Simpson and Lewis 2005). Whilst it has become associated with emptiness, obfuscation and spin – the triumph of form over substance (Czarniawska-Joerges 1995; Carter and Jackson 2004; Hartelius and Browning 2008; Buchanan 2010; Davison 2014) – by rhetoric I mean strategies to persuade others. Whilst rhetoric can also take the form of non-linguistic devices, for example, the visual (Davison 2008; Hartelius and Browning 2008; Davison 2014), in my analysis I focus on rhetoric in talk and text.
2.5.1 Rhetorical devices used in management control studies

Managers use rhetorical tactics to convince employees to embrace certain beliefs, ideas and values. Whilst employees play a role in circulating and reproducing meanings – and also employ rhetoric in their communications (Hartelius and Browning 2008) – it is important to recognise how those in powerful positions in an organisation are the “meaning makers” (Conger 1991 p44). The imbalance of power in organisations means that those further up the hierarchy can draw on significantly more authoritative power in employing rhetorical techniques to produce, impose and destroy meanings – in Carter and Jackson’s (2004) terms, “the rhetoric of management is underpinned by asymmetries of power that make its voice loudest” (p473). For Hartelius and Browning (2008), “rhetoric is a strategy of the powerful, a form of control” (p33). Researchers have examined how rhetoric has been mobilised by managers in the pursuit of management control. Much of this research has focused on the use of discourse and how discourses are diffused and enacted within organisations (e.g., Grey 1994; Grey 1998; Anderson-Gough, Grey et al. 2000; Kornberger, Carter and Ross-Smith 2010). These discourses are often rhetorical as they are also forms of persuasion. Examples from the literature identify different rhetorical strategies that structure employees’ experiences in organisations – and the implications they have for management control. One example is Anderson-Gough, Grey et al.’s (1998) examination of the rhetorical use of cliché within two international accounting firms. They find that cliché was “simultaneously, a vehicle for organizational sense making and an arena for organizational and managerial control” (p566). For example, the authors argued the cliché ‘work hard, play hard’ structured employees’ experiences by normalising and legitimising the primacy of work in the lives of employees. Similarly, Kornberger, Carter and Ross-Smith (2010) explore how the notion of ‘client service’ functioned as a disciplining device in a Big Four accounting firm. The rhetoric of ‘the client’ constituted how employees made sense of a flexibility initiative, in that
employees felt that working flexible hours was at odds with serving the client. In this way the client normalised the long working hours within the organisation and vitiated the espoused goals of the flexibility initiative. The two ritualistic strategies that Moch and Huff (1983) shed light on in their study in a food production plant demonstrate other ways rhetoric can be used to enact management control. Tactics invoked by managers included familial imagery and an intensive public blaming ritual that participants referred to as ‘chewing ass out’. The authors suggested that these strategies reinforced (but perhaps also contained) power relations and secured employee compliance with managerial directives as employees were anxious about being the subject of the blaming ritual. Given the large and diverse number of rhetorical devices identified in previous work, in Chapter 4 I identify the rhetorical devices I will draw on in my analysis.

In the previous section I mentioned how for management control change to occur management may need to persuade employees to change their existing values, beliefs and behaviour. Indeed, in the AYTATT project, management had to disrupt employees’ taken-for-granted beliefs and existing practices for the project to be successful. In order to convince employees to adopt new beliefs and practices management may draw on rhetorical devices. And so my second research question focuses on how management uses rhetoric to facilitate management control change.

**Research question two: How is rhetoric mobilised in the enactment of management control change?**
2.6 Conclusion

Studies in management control change have explored change in many different organisational contexts, but surprisingly there is very little research on management control change in knowledge-intensive firms. In addition, much of the literature on management control change has not identified how management control is also the conduit through which change is realised – and so how control parameters are changed further illuminates the practice of management control more broadly. Based on the management control literature, this project looks at management control change in the context of an initiative (AYTATT) to curtail the undercharging of time with a focus on rhetoric as a way of making sense of management controls in practice. A study of management control is concerned with how managers convince employees to act in ways that are beneficial to the organisation. In this study I use Kunda’s (1992) terminology of bureaucratic and normative controls to explain how I observed management control functioning in the Project Department. Whilst bureaucratic controls are usually direct efforts to control employee behaviour, I have explained that normative controls tend to have a more indirect – and often more powerful – effect on employees. Normative controls are especially powerful because they often act on employees’ identities, meaning employees look within the organisation to secure a sense of self. Studies exploring management control within knowledge-intensive firms have highlighted the strong influence that normative controls can have over employees in these firms. To examine normative controls in this study, I adopt elements of Ahrens and Mollona’s (2007) notion of control as cultural practice to draw out the meanings and taken-for-granted beliefs that Project Department employees held about management control within the Department.
The literature on management control change indicates that for a change project to be successful it may be necessary to change the entrenched beliefs and practices (culture) of employees in the organisation. Managers can (and do) employ rhetoric to persuade employees to act and think in ways that are advantageous to the organisation – and this can include using rhetoric to convince employees to adopt new ways of acting and thinking to facilitate the implementation of a change program such as AYTATT. Looking at management control from a rhetorical lens can provide insight into the tactics managers use to construct and impose particular meanings and ways of seeing life within the organisation.

In the next chapter I describe the specific management control practice that is examined in this study – the undercharging of time.
Chapter 2 provided an overview of the research in management control. In this chapter I explain the specific management control behaviour that is my focus in this thesis – the undercharging of time. It is important to have some understanding of the existing literature on the undercharging of time because ultimately it is this practice that management was trying to stop through the AYTATT initiative.

This chapter does five things: (1) describes how chargeable hours and time budgets lead to the undercharging of time; (2) outlines the consequences of the undercharging of time for firms and employees; (3) explores the prevalence of the undercharging of time; (4) explains why employees engage in the practice; and (5) summarises researchers’ suggestions for inhibiting the behaviour. It is evident from the literature that many researchers consider the undercharging of time to be dysfunctional behaviour (Fleming 1980; Margheim and Pany 1986; Kelley and Margheim 1987; Kelley and Margheim 1990; Ponemon 1992; Otley and Pierce 1996a; Otley and Pierce 1996b; Kelley, Margheim et al. 2000; Buchheit, Pasewark et al. 2003; Pierce and Sweeney 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006), however I argue that it serves the firms functionally as it appears to secure the completion of knowledge-intensive work at a minimal cost to the firm. No doubt there are a variety of ways to think about the effects of the undercharging of time, and whilst extant research in this field has provided us with some understanding of the practice, the primacy of positivist methodology has narrowed inquiry and as a result we have a limited understanding.

My work contributes to a deeper and richer understanding of practice through an

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18 I am aware that most of the literature talks about the ‘under-reporting’ of time rather than ‘undercharging’. Throughout this thesis I use these terms – and ‘charging’ and ‘recording’ rather than ‘reporting’ as this is consistent with the terminology used in the Project Department at KnowCo. I use charging to refer to the recording of chargeable time and recording to encompass the recording of both chargeable and non-chargeable time. This is explained further in Chapter 5.
ethnographic study that draws on relevant themes from interpretive and critical research to extend the field (e.g., Anderson-Gough, Grey and Robson 2001; Brown and Lewis 2011; Alvehus and Spicer 2012).

3.1 Chargeable hours, timesheets and time budgets

Time is at the core of knowledge work. As a result time budgets and chargeable hours are a central part of the formal bureaucratic controls of these firms but, as previously noted, these also work normatively in an effort to produce outcomes that are desirable to the firm. This becomes particularly clear in Chapters 6 and 7 when I examine how these bureaucratic and normative controls function within the context of the Project Department.

Knowledge-intensive firms use the knowledge of employees to provide services to clients (Ditillo 2004). Yet determining ‘how much’ knowledge these employees have used for client work is difficult (McDonald and Stromberger 1969; Starbuck 1992; Yakura 2001), and so instead time is used as a proxy for knowledge (Spasich and Day 1994; Grant 1996). Consequently, these firms essentially – in the words of one interviewee – “sell time at a price” (Brown and Lewis 2011 p883) in the form of chargeable time, wherein chargeable (or billable) time is that spent by employees on client work (Lightner, Adams et al. 1982; Kubr 2002; Brivot, Lam and Gendron 2014). This expenditure of time is then (theoretically) directly compensated within the contract negotiated between the knowledge-intensive firm and the client. Whilst this process is reasonably well understood at an observational or surface level, it is worth outlining it again because it is a key feature of this study. When

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19 This seemingly reflects Blacker’s (1995) claim that knowledge is not something employees have, but knowing is something employees do.
knowledge workers spend time on a client project, they record the time they spend in timesheets as ‘chargeable time’ and this charged time is then used to determine the cost of the project (McDonald and Stromberger 1969; Yakura 2001) using predetermined charge-out rates. Charge-out rates vary according to seniority in a firm, as employees’ charge-out rates should reflect their level of experience (Yakura 2001; Kubr 2002). The costs of a project are then the sum of these employee costs and other smaller attributable expenses, such as travel (Owen 2003). The profit margin on a project can then be determined by deducting these costs from the fee. Whilst knowledge-intensive firms may use a variety of fee structures (Pellicer 2005; Smets, Morris and Malhotra 2012), this study is concerned with fixed fee billing. When this fee structure is used, the firms’ partners and clients agree to a fixed fee for a set amount of work. It is possible that the fee may be adjusted for unexpected overtime if it has occurred because of some irregularity or time delay for which the client is responsible (Smets, Morris et al. 2012). These adjustments are often referred to as over-runs (e.g., Margheim and Kelley 1992). To monitor costs in these fixed fee arrangements, firms use time budgets and these time budgets estimate the number of hours each team member will spend on the job, multiplied by team members’ respective charge-out rates (Commission on Auditors’ Responsibilities 1978; Fleming 1980). Using the time budget and fixed fee, the firm can calculate a budgeted profit margin for each client. By charging their billable hours, employees help to determine their costs associated with a project. As the costs on a project consist predominantly of the employee costs, this is obviously a crucial aspect of financial control for the organisation.

Research has shed light on how these controls play out in practice. For example, the work of Alvehus and Spicer (2012) indicates that recording time in timesheets may be rather complicated. When employees record time in their timesheets, they must record chargeable
and non-chargeable activities (which encompass administration, training, practice
development and sick leave (Spasich and Day 1994; Sweeney and Pierce 2006)) separately.
Given the importance of recording time in these firms, Alvehus and Spicer (2012) provide
some insight into some methods used by employees in a Big Four accounting firm to keep
track of their time for entry into their timesheets. For example, they mention some employees
keeping track of their time on paper using six minute intervals and others tracking their time
in a spreadsheet. Yet, the following quote from one consultant demonstrates how tracking
time can be difficult for employees:

If I have a five-minute telephone conversation with a client, as a beginner I recorded
five minutes, ‘ok, five minutes telephone call’, but if so, I forget to record the two
minutes it takes to bring out my time report, they should go in there too, and I forget
the ten minutes it takes to open an account if the client isn’t already there … (Alvehus
and Spicer 2012 p501).

These practical difficulties that employees experience when recording their time are
important to this study because to appreciate why employees undercharge their time it is vital
to understand how employees actually record their time in practice. Consequently I
significantly extend the work of Alvehus and Spicer (2012) by providing a detailed account
of employees’ time recording practices in Chapter 6.

Despite these shortcomings with recording time, timesheets are a significant element of
control in knowledge-intensive firms. The timesheet facilitates the calculation of the costs of
a project, and it also renders visible the work of the individual employee in the form of chargeable hours or utilisation figures (e.g., Spasich and Day 1994; Yakura 2001; Brown and Lewis 2011; Ladva and Andrew 2014) – that is, the percentage of chargeable time the employee has documented in his or her timesheet. In knowledge-intensive firms these numbers can be critical in employee performance evaluations (Spasich and Day 1994; Yakura 2001) and promotions (Brivot, Lam et al. 2014). Utilisation represents the value the firm is getting from an employee (Yakura 2001; Alvehus and Spicer 2012), but as Yakura (2001) points out, the number of hours that are charged are seen as indicative of a consultant’s quality of work: “the consultants believed that the better the quality of a consultant’s work the more in demand that consultant would be” (p1090). It seems that employees recognise that chargeable hours and utilisation figures (as determined through the timesheet) can considerably impact their career.

Chargeable hours also constitute time budgets, which are clearly an important aspect of control given the financial implications they can have for the firms. For recurring projects in knowledge work such as audit, the starting point for the time budget is generally based on the actual hours charged in previous years (Fleming 1980). As one interviewee from Kosmala and Herrbach’s (2006 p1404) study of audit firms points out:

Audit firms are not here for philanthropy: they are here to make money. And the money they make is the difference between what is billed to the client and what it costs. And what it costs is the time spent on the engagement.
In addition to enabling cost control, time budgets assist with planning, staffing, monitoring staff performance and the efficiency of the job (Commission on Auditors' Responsibilities 1978; Alderman and Deitrick 1982). One line of research into time budgets (primarily in audit firms) has focused on time budget pressure,\(^ {20}\) and a key source of this pressure is ‘unrealistic’ budgets (Commission on Auditors' Responsibilities 1978; Lightner, Leisenring et al. 1983; Shapeero and Killough 1999; Shapeero, Koh and Killough 2003), where the budget may not reflect the actual amount of work to be done.\(^ {21}\) Much of the research into time budget pressure indicates that as employees (primarily accountants) try to meet these ‘unrealistic’ budgets, time budget pressure leads to dysfunctional behaviour, such as premature signoff and the undercharging of time (e.g., Alderman and Deitrick 1982; McNair 1987; Cook and Kelley 1988; Kelley and Margheim 1990; Otley and Pierce 1996a; Willett and Page 1996; Kelley, Margheim et al. 2000; Pierce and Sweeney 2004).\(^ {22}\) In this study I am concerned with the latter, as I explore how management in a knowledge-intensive firm attempted to inhibit the undercharging of time by employees through the AYTATT project. I explain the undercharging of time in the next section.

Whilst the above discussion demonstrates that employees’ time charging practices are clearly important for bureaucratic control within knowledge-intensive firms, it is also evident that employees hold certain normative beliefs about these controls – for example, the number of hours a knowledge worker charges indicates the demand for his or her work; and the possible consequences of the utilisation rate on performance review and progression. As I mentioned

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\(^{20}\) Time budget pressure refers to the “time constraints that arise, or may arise, in engagements from limitations on the resources allocable to perform tasks” (DeZoort and Lord 1997 p53).

\(^{21}\) Yet the estimation of time budgets may not be objective or straightforward, as Marxen’s (1990) study demonstrates. In a field experiment of 66 auditors, she found that the time budgets set by them varied from 24 hours to 220 hours, with an average of 88.9 hours.

\(^{22}\) Yet Buchheit, Pasewark et al. (2003) find that senior auditors felt budgets are realistic.
in the previous chapter, Alvesson and Kärreman (2004) highlight that the relationship between bureaucratic and normative aspects of control is not clear-cut. To better understand the relationship between these controls in the context of time charging practices my third research question asks:

**Research question three: What is the relationship between bureaucratic and normative controls in relation to employees’ time charging practices?**

### 3.2 Undercharging time

The undercharging of time occurs when an employee charges less time in his or her timesheet than was actually worked (Fleming 1980; Lightner, Leisenring et al. 1983; McNair 1987; Ponemon 1992; Otley and Pierce 1996a; Pierce and Sweeney 2004; Sikka 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006). The undercharging of time is colloquially referred to in different contexts as ‘time stealing’ (Spasich and Day 1994), ‘ghosting’ (Alvesson and Kärreman 2004) and more commonly, ‘eating’ time (Dirsmith and Covaleski 1985; McNair 1991; Smith and Hutton 1995; Hanlon 1996; Buchheit, Pasewark et al. 2003; Sikka 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006). The significance of time within knowledge-intensive firms cannot be overstated. As such, phenomena like the undercharging of time have a significant impact on these firms.

Studies in the extant undercharging of time literature overwhelmingly reflect a functional conception of management control, meaning the undercharging of time is seen as a dysfunctional response to the management controls in these firms. In these studies
researchers aim to provide insight into the ‘dysfunctionality’ so that it may be corrected (Chua 1986). For the most part, the existing studies use questionnaires, and there are three main reasons why this approach has failed to provide us with a more comprehensive understanding of the undercharging of time (Table 1 on pages 48 to 51 provides a summary of the methods and conclusions of extant studies). (1) The research instruments generally specify – and therefore limit – the responses that participants provide (e.g., Akers and Eaton 2003; Shapeero, Koh et al. 2003; Soobaroyen and Chengabroyan 2006),\(^{23}\) so the researcher cannot probe beyond these responses to understand, for example, the strength of these beliefs and how they are shaped. (2) By design, these studies prioritise breadth over depth by surveying participants across many different firms (e.g., Commission on Auditors’ Responsibilities 1978; Margheim and Pany 1986; Smith and Hutton 1995; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Soobaroyen and Chengabroyan 2006), meaning they are unable to provide deep insight into how a specific organisational environment affects, and is in turn affected by, the undercharging of time. (3) The questionnaires often rely on employees self-reporting their undercharging activities (Kelley and Margheim 1987; Kelley and Margheim 1990; Ponemon 1992; Shapeero, Koh et al. 2003), even though what employees say they do (or even what they think they do) may be inconsistent with what they actually do (Ahrens and Mollona 2007).\(^{24}\) In contrast, a critical ethnographic approach is concerned with understanding how meanings are constructed and constrained (Thomas 1993; Madison 2012) – and to this end the researcher may need to probe beyond the response given in an interview (for example). The analysis of meaning is central to an ethnography, which is why a substantial emphasis is placed on “thick” description (Geertz 1973) – that is, depth (rather than breadth). By looking beyond the surface (via observation (Ahrens and Mollona

\(^{23}\) Except for demographic questions, which tend to be open-ended (e.g., Akers and Eaton 2003).

\(^{24}\) It is intriguing that self-reporting is considered appropriate for examining the undercharging of time, given that the undercharging of time is essentially the inaccurate (self-)reporting of time.
2007), and as this study demonstrates, through interviews) ethnographies can reveal how employee talk can be at odds with employee behaviour.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Method</th>
<th>Key findings</th>
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<tr>
<td>The Commission on Auditors’ Responsibilities (1978)</td>
<td>Surveyed 1,526 auditors from national, regional, and local CPA firms as one of several research studies.</td>
<td>Auditors face time budget pressure, with 55% of respondents admitting to undercharging time due to audit time pressures.</td>
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<td>Lightner, Adams and Lightner (1982)</td>
<td>Surveyed 1,016 accountants working in three national CPA firms.</td>
<td>63% of respondents indicated that they undercharge some time. Explanatory factors for the undercharging of time include the feasibility of meeting the budget, supervisor requests (for participants who strongly disapproved of undercharging) and motivational force (for respondents who did not strongly disapprove of undercharging time).</td>
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<tr>
<td>Lightner, Leisenring and Winters (1983)</td>
<td>Surveyed 972 accountants working in three national CPA firms.</td>
<td>67% of respondents reported undercharging time in the previous year, with most respondents indicating between 1 and 9% of chargeable time was undercharged. Over 80% of participants claimed it was very possible or extremely possible to undercharge time successfully in their firm. 51% of participants expressed concern about meeting the budget if they charged 100% of their time.</td>
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<td>Margheim and Pany (1986)</td>
<td>Surveyed 170 members of the American Institute of Certified Public Accountants using a case scenario.</td>
<td>Participants suggested the assistant in the case would charge 3.57 to 3.95 hours of the 7 hour overrun, regardless of whether the overrun was material or not. The existence of a stated quality control did not alter the undercharging of time.</td>
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<td>Kelley and Margheim (1987)</td>
<td>Surveyed 82 staff and senior auditors in two Big Eight accounting firms.</td>
<td>Participants’ responses indicated that more time is undercharged on fixed-fee audits than on nonfixed-fee audits.</td>
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<td>McNair (1987)</td>
<td>Surveyed 152 auditors</td>
<td>93% of participants claimed that employees in</td>
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<td>Study</td>
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<tr>
<td>Kelley and Margheim (1990)</td>
<td>Surveyed 85 matched pairs of staff/seniors from two Big Eight accounting firms.</td>
<td>On average, participants reported that they undercharged 3.2% of time on their last audit. Undercharging decreased when time budgets were considered impossible to achieve. Staff auditors suggested that they were less likely to undercharge time when they were supervised by seniors with lower Type A scores.</td>
</tr>
<tr>
<td>McNair (1991)</td>
<td>Surveyed 102 staff and seniors and 59 managers and partners. Interviewed an unspecified number of study sponsors, academics and practitioner experts.</td>
<td>Accounting firm employees face a double-bind with respect to contradictory goals of decreasing cost and increasing quality (embedded within the time budgets) – however this double-bind is undiscussable, and is dealt with through informal and unspoken norms such as the undercharging of time.</td>
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<td>Ponemon (1992)</td>
<td>Experimental study with 88 recently-hired staff auditors from one national accounting firm.</td>
<td>Participants with lower levels of moral reasoning were observed undercharging more time than those with a higher level, and on average participants were seen undercharging 7.25 minutes on a 60-minute task.</td>
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<tr>
<td>Shapeero and Killough (1993)</td>
<td>Using a case scenario, surveyed 109 senior level accounting students.</td>
<td>50% of respondents indicated that time would be undercharged (on average 8% of time). Organisational sanctions did not significantly alter the reported undercharging of time by participants.</td>
</tr>
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<td>Smith and Hutton (1995)</td>
<td>Surveyed tax professionals in firms in 13 cities.</td>
<td>50% of respondents stated disapproving of undercharging, whilst 89% admitted to undercharging time in the previous year. 48% suggested that undercharging was ‘very easy’ irrespective of the formal policies against the behaviour in all of the respondents’ firms.</td>
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<td>Otley and Pierce (1996a)</td>
<td>Surveyed 260 seniors in three of the Big Six accounting firms.</td>
<td>55% of respondents indicated that they undercharge time at least sometimes, undercharging an average of 10.9% of their firm undercharge time at least occasionally. 74% of respondents suggested that auditors should not undercharge time (although at least 67% of them reported doing so). Participants indicated that they undercharge to appear more competent.</td>
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<td>Authors</td>
<td>Methodology</td>
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<td>Akers, Horngren and Eaton (1998)</td>
<td>Surveyed 224 members of the Wisconsin Institute of Certified Public Accountants.</td>
<td>66% of participants responded that undercharging time was unethical, yet 71% of respondents reported undercharging their time in the previous year. Most respondents admitted undercharging between 1 and 10% of chargeable time. Most participants indicated that they undercharged their time in order to receive better performance evaluations, appear more competent and receive promotion.</td>
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<td>Shapeero and Killough (1999)</td>
<td>Using a case scenario, surveyed 201 accountants attending a continuing education course.</td>
<td>38% of respondents reported that time would be undercharged – on average 7% of time. The existence of a code of conduct and the threat of termination significantly reduced undercharging. More ethical participants were less likely to undercharge time. As budgets became impossible to achieve respondents suggested that they would reduce their undercharging.</td>
</tr>
<tr>
<td>Akers and Eaton (2003)</td>
<td>Surveyed 224 members of the Wisconsin Institute of Certified Public Accountants.</td>
<td>Respondents who admitted to undercharging time were more likely to associate undercharging with job satisfaction, promotion, accomplishment and feeling better about oneself.</td>
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<td>Buchheit, Pasewark and Strawser (2003)</td>
<td>Interviewed 11 ranking auditors from three Big Five firms and surveyed 67 in-charge auditors from two Big Five accounting firms.</td>
<td>The ranking auditors that were interviewed claimed that the undercharging of time was not an issue in their firms and only occurred rarely. In-charge auditors that were surveyed mainly disagreed that staff members on their audit undercharged time.</td>
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<td>Shapeero, Koh and Killough (2003)</td>
<td>Using a case scenario, surveyed 82 accountants across six accounting firms.</td>
<td>97% of respondents suggested that it was somewhat possible to successfully undercharge time. Supervisors and managers are less likely to undercharge time than staff.</td>
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<td>Alvesson and Kärreman (2004)</td>
<td>Case study of a management consultancy (with the pseudonym Global) drawing on 52 interviews with 45 interviewees, observation and internal documents.</td>
<td>Undercharging occurs largely because of the control system in place, in particular the emphasis on the project margin. The authors identify that undercharging is problematic from a moral perspective as it involves lying, yet they note that Global employees did not see it that way and instead challenging the undercharging of time was seen by employees “almost as a sign of stupidity” (p439).</td>
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<td>Soobaroyen and Chengabroyan</td>
<td>Surveyed 52 auditors across audit firms in Budget tightness was not significantly linked to the undercharging of time, with the authors</td>
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Sweeney and Pierce (2006) interviewed 12 audit partners and 25 seniors across the Big Four firms. All seniors that were interviewed indicated that undercharging occurs, and some of them mentioned undercharging their time. Most of the audit partners also admitted that undercharging occurred. Participants suggested that the key reasons for undercharging included inefficiency, requests to undercharge time and pressure from budgets and performance management systems.

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Table 1 Findings from the extant undercharging of time literature

Whilst the existing research into the undercharging of time phenomenon has provided us with some understanding of it, viewing the behaviour as dysfunctional fails to appreciate how the practice emerges from an organisational context. Like any artefact, management controls are not value neutral but reflect and reproduce certain values. The positivist research into the undercharging of time has appeared not to contextualise fully the behaviour (Anderson-Gough, Grey et al. 2001) but critical research can facilitate a deeper and richer understanding of the undercharging of time by situating the practice within the organisation. Yet, after several decades of research in the undercharging of time there is a lack of critical inquiry into the phenomenon. However, some interpretive and critical researchers have examined pertinent themes, providing insight into how employees make sense of aspects of chargeable hours and time budgets. I draw on this related literature in this literature review because these studies examine how meanings of charging time are produced and circulated, and in whose interest.

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25 Alvesson and Kärreman (2004) is a notable exception.
3.2.1 The consequences of undercharging time

Within the extant literature, the undercharging of time is considered problematic mostly because of the consequences it has on firms. Indeed, many authors in the mainstream literature consider the undercharging of time to be dysfunctional behaviour (Fleming 1980; Margheim and Pany 1986; Kelley and Margheim 1987; Kelley and Margheim 1990; Ponemon 1992; Otley and Pierce 1996a; Otley and Pierce 1996b; Kelley, Margheim et al. 2000; Buchheit, Pasewark et al. 2003; Pierce and Sweeney 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006). Given how chargeable hours are used in organisations, researchers have suggested that the undercharging of time can lead to issues with performance evaluations, planning and scheduling, future budgets, staff shortages and quality-reducing behaviours by employees (Commission on Auditors' Responsibilities 1978; Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Shapeero, Koh et al. 2003; Alvesson and Kärreman 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006). The undercharging of time can result in less revenue for firms as the fees may not reflect the actual time (and therefore costs) that employees take to complete projects, and firms may retain clients that appear more profitable than they are (Commission on Auditors' Responsibilities 1978; Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; McNair 1987; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Shapeero, Koh et al. 2003; Alvesson and Kärreman 2004; Sweeney and Pierce 2006).

Smith and Hutton’s (1995) study is unclear regarding whether ‘under-reporting’ refers to chargeable time only or includes non-chargeable time, particularly in relation to the results they show in Tables 1 and 2 regarding quantities of ‘unreported’ time. The authors do not inform us whether the survey instrument referred specifically to the under-reporting of chargeable time, and if they did not it is impossible to know how their participants interpreted ‘under-reporting’ time. However, the perceived benefits of under-reporting shown in Table 4 of their study reflect benefits that appear related to undercharging time. Particularly in audit, where the time charged by employees in the prior year often forms the basis for the fee in the following year (Lightner, Leisenring et al. 1983).
Research in this area also – to a lesser extent – identifies the adverse repercussions of the undercharging of time on employees. Undercharging can lead to high employee turnover and issues with staff satisfaction (Lightner, Adams et al. 1982; Smith and Hutton 1995; Alvesson and Kärreman 2004; Sweeney and Pierce 2006). Sweeney and Pierce (2006) also discover other pressures on employees from undercharging time, including more job bookings, pressure to appear efficient and greater time pressure in the future. They also identify consequences including decreased morale, loss of overtime pay and lower chargeable hours.

However, the benefits of undercharging time for firms are not sufficiently articulated in the literature, whilst the negative consequences mentioned above have received greater attention. Certainly, there is one very clear benefit for firms, which is sometimes hinted at but has not been explained at length within the undercharging of time literature. Undercharging time is favourable for firms because it improves profitability through reduced costs, given that profitability is determined in relation to the number of chargeable hours charged in timesheets. If the number of hours charged drives costs, in the context of fixed fees, decreasing these hours will then increase profitability. Thus, as Akers, Horngren et al. (1998) note, “firms actually benefit [from the undercharging of time] because most fee arrangements are fixed” (p19). Where fees are stagnant or decreasing (McNair 1991; Otley and Pierce 1996a; Willett and Page 1996; Akers, Horngren et al. 1998; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006) increasing profitability of jobs via the undercharging of time allows the firms to maintain their profit levels. The undercharging of time also helps firms to evade “potentially awkward” (Sweeney and Pierce 2006 p880) fee negotiations with the client in attempts to secure over-runs, meaning firms can avoid damaging client relationships (Sweeney and Pierce 2006). Arguably, the ‘improved’ profitability suggests that the undercharging of time is, in fact, beneficial. From a functionalist perspective of
management control, the undercharging of time helps the firms optimise profit. This may explain why the undercharging of time has been found to be ‘institutionalised’ (Soobaroyen and Chengabroyan 2006) and why firms allow the behaviour to continue (Smith and Hutton 1995; Akers, Horngren et al. 1998).

The positive effect on profitability helps to explain why irrespective of the formal policies in the firms that require the charging of all time, there are cultural norms that compel employees to undercharge time (McNair 1991; Otley and Pierce 1996b; Akers, Horngren et al. 1998; Sweeney and Pierce 2006; Lewis 2007). Thus, Alvesson and Kärreman (2004) suggest that the undercharging of time “can be interpreted as a pragmatic response to an obvious problem” (p442). Despite the consequences of undercharging time detailed above, McNair (1991) argues that the ‘undiscussability’ of the ‘double-bind’ is functional for the firm through ‘sociological ambivalence’, whereby the firm can “protect its market reputation for quality service, while informally safeguarding its economic viability” (p645). As she points out, “the firm may mask the economic imperative by embedding it in counternorms and unwritten policies rather than the formal management control system” (McNair 1991 p645). The Commission on Auditors’ Responsibilities (1978) and Lightner, Leisenring et al. (1983) argue that the undercharging of time can be considered ‘conscientious’. Some researchers (Dirsmith and Covaleski 1985; Otley and Pierce 1996a; Otley and Pierce 1996b; Anderson-Gough, Grey et al. 2001) suggest that it can demonstrate commitment and loyalty. If undercharging time can be seen as conscientious or demonstrating commitment and loyalty, there must be a benefit for the firms and for the individual. If there was no benefit to firms, employees who undercharge time would not be seen in this light. As such, when I came

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28 Drawing on Argyris (1977), McNair (1991) describes the double-bind as “when an individual is faced with a ‘lose-lose’ situation, namely the pressures of the control process force them to take actions which are prohibited by the system, yet the situation itself is undiscussable; discussing it would bring to light the inner contradictions of the control process” (p644).
across the AYTATT initiative to address the undercharging of time in the Project Department, I was intrigued as to why management would attempt to curb the undercharging of time when improved profitability from it is clearly beneficial for management. I explore why management established the AYTATT project in Chapters 5 and 8.

3.2.2 The pervasiveness of undercharging time

Much research on the undercharging of time has been done in accounting firms, particularly in the context of audit. Results from most of these studies suggest that the undercharging of time is prevalent in these firms. Research in this area burgeoned after the publication of the Commission on Auditors’ Responsibilities (Commission) (1978) report. The results in this report highlighted the time budget pressures auditors faced, and most respondents admitted to undercharging time due to audit time pressures.

Following the Commission’s (1978) report, a number of studies have provided some insight into the pervasiveness of the undercharging of time and clearly mapped the need for further studies (Lightner, Leisenring et al. 1983; Kelley and Margheim 1987; McNair 1987; Kelley and Margheim 1990; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Soobaroyen and Chengabroyan 2006). The findings of these studies tend to suggest that the majority of respondents felt that they or their colleagues sometimes undercharged time (McNair 1987; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Sweeney and Pierce 2006). In contrast, Buchheit, Pasewark and Strawser (2003) reported that interviewees claimed the undercharging of time was no longer a problem in their firms. Some studies have attempted to quantify the amount of time undercharged, with the findings from these studies generally suggesting that no more
than 12% of time is undercharged (Lightner, Leisenring et al. 1983; McNair 1987; Shapeero and Killough 1993; Otley and Pierce 1996a; Otley and Pierce 1996b; Akers, Horngren et al. 1998; Shapeero and Killough 1999). However, Alvesson and Kärreman (2004) note that whilst the reported overtime in their case organisation (a management consultancy) is 2%, they estimate that ‘actual’ overtime is probably between 30 and 50%, suggesting that a significant amount of overtime is undercharged.

Whilst these firms generally have formal policies against the undercharging of time (Fleming 1980; Akers, Horngren et al. 1998; Sweeney and Pierce 2006; Lewis 2007), research indicates that these are insufficient to prevent the behaviour completely. Studies that have examined how certain controls (such as organisational sanctions) affect the undercharging of time by employees find conflicting results on whether these controls affect the undercharging of time (Margheim and Pany 1986; Shapeero and Killough 1993; Shapeero and Killough 1999). Moreover, other researchers have shown that many respondents believe they can successfully undercharge time in their firms without any repercussions (Lightner, Leisenring et al. 1983; Smith and Hutton 1995; Akers, Horngren et al. 1998). Interestingly, some studies identify that whilst a large number of participants disagreed with undercharging time (McNair 1987; Smith and Hutton 1995; Akers, Horngren et al. 1998), many of those who objected to the undercharging of time still admitted to the behaviour (McNair 1987; Smith and Hutton 1995) – implying that employees may feel quite ambivalent about undercharging.

Overall, studies suggest that irrespective of the formal policies in the firms against the undercharging of time (Fleming 1980; Akers, Horngren et al. 1998; Sweeney and Pierce 2006; Lewis 2007), a significant number of employees engage in the practice – and appear to
find it rather easy to do so. The findings from this literature also indicate that the amount of
time undercharged may be material for the firms in which it takes place. I explore the reasons
why employees undercharge time in the next subsection.

3.2.3 Why employees engage in undercharging time

Many studies of the undercharging of time have looked at why employees engage in the
practice. The key findings from the literature indicate employees undercharge time because
of the perceived benefits of the undercharging of time, supervisor requests or approval to
undercharge time, budget concerns and inefficiency or productivity concerns. I will be
examining the literature based on these findings in this subsection. Whilst these ideas are
explored separately here, they are not disparate and the interconnections between these
explanations for undercharging become clearer when these ideas emerge in Chapter 6 of my
empirical study.

3.2.3.1 Perceived benefits of undercharging time

The extant literature suggests that certain rewards are associated with the undercharging of
time and those who engage in the undercharging of time are more likely to believe in these
rewards (Lightner, Leisenring et al. 1983; McNair 1987; Akers and Eaton 2003). The
findings from some studies indicate that employees believe that by undercharging time they
can receive better performance evaluations, be seen as more competent by supervisors, and
receive promotion and advancement (Lightner, Leisenring et al. 1983; Smith and Hutton
1995; Akers, Horngren et al. 1998; Akers and Eaton 2003; Sweeney and Pierce 2006). The
undercharging of time is also linked with benefits such as job security, better assignments and
job satisfaction (Lightner, Leisenring et al. 1983; Smith and Hutton 1995; Akers, Horngren et
al. 1998; Akers and Eaton 2003; Sweeney and Pierce 2006). However sometimes the ‘rewards’ accompanying the undercharging of time are avoiding negative consequences, such as looking incompetent (Anderson-Gough, Grey et al. 2001; Lewis 2003) for exceeding the budget (Ponemon 1992).

Prior research has also highlighted a key negative consequence that can be avoided by undercharging time – the negative political repercussions in firms that can occur when employees charge all of their time. As Anderson-Gough, Grey et al. (2001) point out, due to political concerns, it may not be ‘prudent’ for an employee to charge all of their time. To illustrate, Ladva and Andrew (2014 p644) report one interviewee’s description of the political need to undercharge time:

So if you do charge your hours and you blow the budget and you do happen to have one of those non-understanding managers, you’ll stop getting booked on jobs basically because word spreads; it’s very political in the place … you stop getting booked and then you don’t meet one of your major KPIs and that’s grounds for not getting promoted and things like that. You can very quickly build a bad reputation because it’s very political and [word] kind of spreads like that.

The amount of time employees charge in their timesheet can have political consequences, as by charging all time and ‘blowing’ the budget, as this interviewee points out, employees can find they are no longer assigned to jobs. As Anderson-Gough, Grey et al. (2001) explain, the intersection of the ‘politics of time’ and the ‘politics of the time-budget’ mean that
knowledge workers need to consider the political aspects of time recording when determining
how much time to charge. Undercharging time can then be a calculated decision by staff to
avoid negative political consequences that may transpire if they charge all of their time.

3.2.3.2 Supervisors’ requests/approval

Another reason why employees undercharge time is supervisor encouragement or request to
undercharge time (Lightner, Leisenring et al. 1983; Smith and Hutton 1995; Otley and Pierce
1996a; Otley and Pierce 1996b; Akers, Horngren et al. 1998; Alvesson and Kärreman 2004;
Sweeney and Pierce 2006). Studies exploring this issue generally note that implicit
directions/instructions are more common than explicit requests to undercharge time
(Lightner, Leisenring et al. 1983; Smith and Hutton 1995; Akers, Horngren et al. 1998;
Sweeney and Pierce 2006). Sweeney and Pierce (2006) distinguish between explicit and
implicit requests by way of examples using interviewee quotes. In their study, for explicit
requests to undercharge, the senior auditor “would get a ring from the manager ... and asked
why we are charging this time” (p869), whereas for implicit requests, the manager indicates
to the senior auditor that “basically the work has to get done but the costs have to stop at this
point” (p869).

The findings of these studies vary, with some suggesting that most participants had never
been asked (either explicitly or implicitly) to undercharge time (Akers, Horngren et al. 1998),
and others indicating that the majority of their participants had been asked to undercharge
their time (Otley and Pierce 1996a; Otley and Pierce 1996b). And some studies find a
correlation between requests to undercharge time (from supervisors) or supervisor approval
and the undercharging of time by participants (McNair 1987; Otley and Pierce 1996a). To
summarise, findings in the extant literature generally indicate that supervisors play a key role in implementing management control practices.

3.2.3.3 *Budget concerns*

Yet some studies suggest that concerns about ‘meeting the budget’ underlie these supervisor requests to undercharge time (Lightner, Leisenring et al. 1983; Alvesson and Kärreman 2004; Sweeney and Pierce 2006) but many of these time budgets can be ‘unrealistic’. As I previously pointed out, for recurring projects, the actual time charged in the previous year is often used as the starting point for the current year’s budget, so if time is undercharged in the previous year this can become an ongoing cycle. Nevertheless, Shapeero and Killough (1999) suggest that to a certain extent, employees perceive budgets to be an accurate measure of the time they should take to complete tasks. Other studies have shown that difficulties meeting the budget are another reason why participants undercharge time (Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Pierce and Sweeney 2004). Some results suggest that about half of all participants were concerned about meeting the budget if they did not undercharge time (Lightner, Leisenring et al. 1983; Otley and Pierce 1996a; Otley and Pierce 1996b). And the vast majority of respondents in Akers, Horngren et al.’s (1998) study suggested that they would at least occasionally meet the budget if they charged all of their time.

A number of authors have examined budget tightness and level of undercharging (Kelley and Margheim 1990; Shapeero and Killough 1993; Otley and Pierce 1996a; Shapeero and Killough 1999; Kelley, Margheim et al. 2000; Soobaroyen and Chengabroyan 2006). Otley and Pierce’s (1996a) findings suggest that as budget pressure increases, the more employees
undercharge time. However, the results of some studies indicate that when participants considered time budgets impossible to achieve, the amount of undercharging decreased (Kelley and Margheim 1990; Shapeero and Killough 1999): in Kelley and Margheim’s (1990) words, this suggests that “a point was reached when the time budget was simply unattainable and the staff auditors did not feel as pressured to engage in dysfunctional acts to meet the budget” (p38). Unlike many of these studies, in Soobaroyen and Chengabroyan’s (2006) study, budget tightness was not significantly linked to the undercharging of time. The authors suggest that the undercharging of time may be less dependent on levels of budget tightness and may have become ‘institutionalised’ within audit firms.

As I previously discussed, extant research conveys pressure to meet time budgets (Commission on Auditors' Responsibilities 1978; McNair 1987). Part of this pressure seems to be due to the implications time budgets can have for performance evaluation, as the ability to meet budget is seen as important for success (Commission on Auditors' Responsibilities 1978; Anderson-Gough, Grey et al. 2001; Sweeney and Pierce 2006). In some knowledge-intensive firms, meeting the budget forms a large part of the manager’s evaluation, whereas a more junior employee is evaluated on his or her chargeability or utilisation (percentage of chargeable hours over total recorded hours) (Ladva and Andrew 2014). So whilst junior employees may want to maximise the time they spend on a job, managers may want to minimise it (Yakura 2001). Indeed, Alvesson and Kärreman (2004) find that ‘ghosting’ is created by “the partner’s hegemonic exercise of control, through choosing to almost exclusively focus on one (of many) key performance indicators: the project margin” (pp435-436). Clearly the time budgeting controls in place in some knowledge-intensive firms seem to encourage the undercharging of time.
An important aspect of the budget that explains the undercharging of time is the cost–quality conflict that is entrenched within the time budget (McNair 1991). Along with Cook and Kelley (1988), McNair (1991) argues that there are conflicting requirements between cost and quality, as generally to increase quality employees need to spend more time on projects, increasing cost. As Alvesson and Kärreman (2004) note, control systems sometimes put employees in situations where they must manage conflicting instructions, and the “paradoxical nature” (Alderman and Deitrick 1982 p54) of the time budgets exemplifies this. McNair (1991) draws on Argyris’ (1977) terms to note a “double-bind” for audit firm staff in terms of how to solve the cost–quality dilemma, as the formal policies in these firms prohibit the undercharging of time, whilst cultural norms suggest employees should undercharge time to meet the budget. Yet, this double-bind is not discussed by management, and “the indiscussable remains undiscussable” (McNair 1991 p635). McNair (1991) notes that audit firms resolve this issue by transferring the problem to the individual staff members who make the compromises, by, for example, undercharging time.

‘Unrealistic’ and ‘tight’ budgets, as well as pressure to meet budgets for performance evaluations seem to be a key aspect of why staff undercharge time. The cost–quality conflict that is embedded within the budgets results in a double-bind for individual employees that is not discussable with management, and so employees then make that decision to undercharge time.

3.2.3.4 Inefficiency/productivity issues

Researchers have found that employees undercharge time if they believe they are inefficient (McNair 1991; Smith and Hutton 1995; Sweeney and Pierce 2006; Ladva and Andrew 2014).
In her study, McNair (1991) finds an expectation of 100% efficiency when charging time. This finding is also reflected in Sweeney and Pierce’s (2006) empirical evidence. They quote one interviewee to illustrate why employees may feel they are not efficient enough to charge all of their time:

Some people are a bit lacking in confidence in their own ability and they kind of feel ... it shouldn’t have taken me that long to do it, it is only because I wasn’t up to speed ... Some people do it [undercharge] because in the prior year, people didn’t charge that amount of time and they don’t want to look stupid compared to the prior person (Sweeney and Pierce 2006 p868).

Here ‘efficiency’ is clearly linked to notions of professional competence, and consequently, as Smith and Hutton (1995) remark, employees seem to blame themselves for undercharging time. These concerns about inefficiency in relation to the undercharging of time are not limited to studies of accountants and can also be seen in studies of lawyers (Brown and Lewis 2011; Campbell and Charlesworth 2012), tax professionals (Smith and Hutton 1995), and IT consultants (Yakura 2001).

Given the performative intent underlying many of these studies of the undercharging of time, some researchers have also provided advice to firms on inhibiting it. This advice is discussed in the next section.
3.2.4 Inhibiting undercharging of time

As many researchers consider undercharging time to be dysfunctional, several of them have provided guidance to firms on how to curb the undercharging of time by employees. This guidance is of particular interest to my study given what I have learned from the AYTATT initiative that lies at its centre. For example, researchers have spoken about openly discussing the undercharging of time in these organisations to help change the behaviour (McNair 1991; Ponemon 1992; Akers, Horngren et al. 1998). To stop the practice some have suggested mechanisms to help firms enforce penalties for the undercharging of time (Kelley and Margheim 1990; Ponemon 1992; Shapeero and Killough 1993; Akers, Horngren et al. 1998), whilst others highlight the role management and other senior staff can play in inhibiting the undercharging of time. Supervisors play a key role as they can encourage staff to charge all of their time (Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983). However Lightner, Adams et al. (1982) point out that supervisors also need to be assured that they themselves would not suffer any negative consequences as a result.

Many researchers put forward changes to the time budgeting process to curb the undercharging of time by staff. Several recommend that firms allow employees to set realistic or reasonable time budgets (Alderman and Deitrick 1982; Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; Kelley and Margheim 1987; Cook and Kelley 1988; Akers, Horngren et al. 1998; Shapeero and Killough 1999) based on the work required (Shapeero and Killough 1993; Otley and Pierce 1996a; Pierce and Sweeney 2004) rather than fees (Kelley and Margheim 1987), even when a firm ‘underbids’ in competitive situations (Cook and Kelley 1988). Lightner, Leisenring et al. (1983) recommend an alternative approach to undercharging, such as urging employees to report issues they have with meeting budgets. However, the authors emphasise that, in doing so, management needs to highlight to staff its
desire to address budget issues. Shapeero and Killough (1999) suggest that partners should take a ‘positive’ approach when budgets are exceeded, by enquiring of staff whether the exceeded time can be charged to the client.

Other researchers question whether meeting the budget should be important for performance evaluations (Lightner, Leisenring et al. 1983; Cook and Kelley 1988; Kelley and Margheim 1990; Otley and Pierce 1996a) and success (Shapeero and Killough 1993; Shapeero and Killough 1999). Lightner, Leisenring et al. (1983) propose flexibility in evaluating performance against the budget, “considering such factors as staff experience and training, unforeseen engagement problems or the implementation of innovative techniques demonstrates concern for the individual and the engagement” (p57). Similarly Pierce and Sweeney (2004) advise that other factors – apart from meeting the budget – should be taken into account when evaluating a staff member’s performance, such as ‘effort’.

Despite these recommendations, some researchers question the extent to which the undercharging of time can be addressed (e.g., McNair 1991; Shapeero and Killough 1993; Smith and Hutton 1995). Given how the firms benefit from the undercharging of time, even despite the associated negative consequences, it is difficult to imagine why a firm would then try to curb the behaviour. To the extent of my research, the current study is the first time a researcher has examined a knowledge-intensive firm attempting to change behaviour around charging time with a view of every worker recording all time worked.29 This attempt

29 Although perhaps a similar initiative was alluded to by one of Sweeney and Pierce’s (2006) interviewees:
We got a little concerned that maybe [undercharging] ... was a bit pervasive ... we did say to people “look be quite clear we want all time recorded accurately” ... there was a noticeable and measurable impact of that particular initiative in that a lot more time started to get recorded and in a sense okay that suddenly made some of the statistics look worse in a way because clearly the fees weren’t changing but at least we were flushing out what I would say probably was incorrectly perceived as constructive behaviour.
challenged the existing normative practice of the undercharging of time in order to improve the operation of financial control in the Department. By reviewing the existing literature on the undercharging of time, I will suggest that AYTATT was an ambitious effort to enact considerable management control change within the Project Department. To fully understand this project it is vital to appreciate its consequences, especially for management control more broadly within the Department. Therefore the final research question focuses on understanding the management control outcomes of AYTATT.

**Research question four: What are the implications of ‘All Your Time, All The Time’ for management control?**

### 3.3 Conclusion

The importance of chargeable hours, timesheets and time budgets in knowledge-intensive firms cannot be underestimated. These form a vital aspect of financial control in these organisations as the time employees document on projects is used to determine – and monitor – the cost and profitability of these projects. Yet whilst these controls are obviously bureaucratic in nature, their functioning also depends on norms that employees share about them. In this study I want to understand how both bureaucratic and normative aspects of control work together in order to better understand employees’ time charging practices – especially the undercharging of time.

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Yet, it is also worth noting that this seems not to have made a significant impact on the authors as they also remark that “even though time record manipulation is officially forbidden there is no evidence that the firms have set new rules or actively sought to reduce the likelihood of the behaviour continuing” (Sweeney and Pierce p883).
The undercharging of time is a practice that may seem innocuous on the surface, but as existing research into the behaviour documents, the undercharging of time can have profound implications for both firms and knowledge workers. Whilst the undercharging of time literature details the negative consequences on firms and employees from the undercharging of time, I have argued how its profitability benefit for firms indicates this behaviour is not as dysfunctional as the extant literature suggests. Research has highlighted that despite the organisational policies prohibiting the undercharging of time, it seems to be quite pervasive in these organisations with a number of studies indicating that the majority of employees appear to be undercharging time to some extent.

Studies have explored the reasons why employees undercharge time, and researchers have discovered that employees believe many benefits flow to them from undercharging time – even though the ‘benefit’ may simply be avoiding the repercussions from not undercharging such as negative performance reviews or being perceived as inefficient. Yet other research demonstrates that employees undercharge time to meet a ‘tight’/‘unrealistic’ budget. Furthermore, some researchers point out that the time budget contains contradictory elements and so undercharging time is a way for employees to deal with these inconsistencies. As much of this research considers the behaviour to be dysfunctional I have also explored the suggestions provided in the literature for curbing the undercharging of time.

Whilst the existing undercharging of time literature provides us with a good understanding of the undercharging of time, these studies predominantly use positivist surveys to explore the practice. Research that asks different questions and draws on other methods can help us to gain a deeper appreciation of this behaviour. The ethnographic nature of my study has
allowed me to explore the undercharging of time from an internal viewpoint and provide new insights into the practice. The following chapter details the methodological choices made in this study in order to gain a richer understanding of the undercharging of time.
4 METHODOLOGY

In the previous chapter I discussed the literature on the undercharging of time by employees in knowledge-intensive firms. From this it is clear that, for the most part, research into the undercharging of time has adopted the lens of positivism. By using an alternate methodology, namely, critical ethnography, I offer an alternate methodological approach to our understanding of the undercharging of time. As a result I am able to provide new insights into the phenomenon.

As Chua (1986) notes, critical researchers generally favour qualitative methods of inquiry and tend to perform research within organisations. Critical ethnographic research is consistent with this methodological preference because it involves the researcher studying a specific culture – in this case, an organisational culture – from an internal vantage point over an extended period of time. The critical ethnographer provides insight into a phenomenon focusing on topics of interest from a critical theoretical perspective such as control. Critical ethnography allows the researcher to uncover and question taken-for-granted assumptions to gain a deeper understanding of organisational practices such as the undercharging of time.

In this chapter my objective is to delineate the study’s methodology. The methodological choices made by a researcher have significant implications, as ultimately it is through these choices that a researcher arrives at his or her findings and conclusions.
In order to clarify the approach adopted in this study, I discuss the use of critical ethnography ‘in action’, explaining how the research setting was identified and the process through which access was secured. I also discuss the methods that were used to produce and collect empirical evidence, the procedures used for analysis and interpretation and the key ethical issues encountered.

Continuing from my discussion of rhetoric in Chapter 2, I describe the rhetorical devices that I employ in this study. These three devices (evasion, repetition and denial) are used in Chapter 8 to explain the outcomes of the project around which this study revolves.

Finally, critical ethnography makes no claims to ‘perfection’, so I conclude this chapter by identifying the key limitations to my study.

4.1 Critical ethnography

I have chosen to conduct a critical ethnography, which is consistent with the assumptions I outlined in the introduction to this thesis. Critical ethnographic research involves the researchers being embedded in a site for a prolonged period of time – allowing us to see how participants reproduce and resist their social structures. We can also understand how participants are restricted by these social structures, as the critical ethnographer “takes us beneath surface appearances, disrupts the status quo, and unsettles both neutrality and taken-for-granted assumptions by bringing to light underlying and obscure operations of power and control” (Madison 2012 p5, emphasis original). Epistemologically, a critical ethnography gives us insight into the social practices of participants, whilst recognising that to shed light
on the processes of social structures it may be necessary to go beyond the perspectives of participants (Chua 1986; Jermier 1998). Critical ethnographers draw on the same methods as contemporary ethnography (Thomas 1993) (discussed below). Whilst there are different types of critical ethnographies, in this study I use empirical description with a critical interpretation (Alvesson and Sköldberg 2009). As Duberley and Johnson (2009) elaborate, critical researchers undertaking this type of ethnography focus on critical topics such as communicative distortion, which is explored in this study through the focus on managerial rhetoric in Chapter 8.30

Critical ethnography is a suitable methodology for this study for several reasons. First, it is in line with the underlying philosophical framework (Zalan and Lewis 2004). Critical ethnography is an ethnography from a critical perspective; an ethnography with an emancipatory intent (Thomas 1993). As Chua (1986) notes, critical researchers favour conducting research using “‘thick’ ethnographic studies of organizational structures and processes which show their societal linkages” (p620). As they focus on illuminating and questioning the tacit assumptions and values (Thomas 1993) within the organisation, critical ethnographies are consistent with a critical perspective and associated philosophical assumptions. This can be particularly useful when studying the undercharging of time to understand the beliefs underlying this practice.

Furthermore, given that I was embedded in the research site for eight months, ethnography allows for in-depth insights into a topic (Creswell 1998; Dey 2002). For critical

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30 It is worth explaining here that my adoption of this particular type of critical ethnography is why, rather than drawing on a specific theorist, I theorise this study by using rhetorical devices (explained in this chapter) which clearly impacted how AYTATT played out in the Project Department.
ethnographies, researchers provide us with a detailed understanding of critical topics, such as control (Alvesson, Bridgman et al. 2009; Madison 2012). At the outset of my study, I was interested in further understanding the operation of management control. As Berry, Coad et al. (2009) argue, there is a need for field studies that examine the operation of management control systems in practice. Ethnography enables the study of everyday accounting practice in its organisational context (Hopwood 1983; Roberts and Scapens 1985; Dey 2002) and provides “deeper and more detailed insights into the ways in which accounting makes possible and, ultimately, constitutes specific forms of organization” (Ahrens and Mollona 2007 p307). The in-depth analysis associated with critical ethnographic research can explore, for example, how management rhetoric and initiatives that seem (on the surface) beneficial to employees (such as those on employee empowerment), can work to intensify management control over them (Duberley and Johnson 2009). So we can see how critical ethnography can be particularly valuable for shedding light on the AYTATT initiative within the Project Department that I explore in this study.

Third, informed by Ahrens and Mollona’s (2007) suggestion of studying ‘control as cultural practice’ (as discussed in Chapter 2), it is reasonable to use ethnographic research because (i) ethnographies are concerned with studying culture (Thomas 1993; Martin and Frost 1996; Dey 2002; Creswell 2013) and this facilitated analysing the normative elements of control and (ii) ethnographies involve extensive observation (Sanday 1979; Alvesson and Sköldberg 2009).
4.1.1 Methodology and the management control change literature

Within the management control literature, researchers have emphasised the importance of studying management control within its organisational context (Hopwood 1983; Roberts and Scapens 1985; Hopwood 1990). This is particularly important for studies of change because, as I mentioned in Chapter 2, change in management control both shapes and is shaped by its broader organisational context and so an appreciation of the context in which management control change occurs is important. Qualitative methods are ideal to contextualise fully and understand management control change as these enable the researcher to have a richer understanding of the complexity and tensions underlying a change project (Burns and Scapens 2000; Burns and Vaivio 2001; Chenhall and Euske 2007; Thrane 2007; Vaivio 2008). The management control change literature explored in Chapter 2 is dominated by studies that examine management control change via a case study (e.g., Scapens and Roberts 1993; Abernethy and Chua 1996; Vaivio 1999; Siti-Nabiha and Scapens 2005; Dambrin, Lambert et al. 2007). Whilst ethnographies capturing management control change are rare (a notable exception is Collier (2001)), some case studies have drawn on the same forms of empirical evidence that I use in this study, including interviews, observations and documents (e.g., Abernethy and Chua 1996; Vaivio 1999).

A number of studies of management control change illustrate the enactment of political tensions and power plays (Scapens and Roberts 1993; Abernethy and Chua 1996; Vaivio 1999). A critical study of management control change brings these issues to the fore. By extension, a critical ethnographic study of management control change can provide deep insights into the tensions and the complexity of change whilst situating the study within the context of power relations.
4.1.2 Methodology and the undercharging of time literature

As mentioned in Chapter 3, the vast majority of research into the undercharging of time has been from the perspective of positivism. The aim of this research has been to provide insights to help ‘fix’ the dysfunction of the undercharging of time. The literature predominantly consists of surveys, and in most of these studies participants are required to choose from a range of given responses. Quantitative research requires a clear answer from respondents, such as the extent to which they agree or disagree with ‘eating’ time, whereas qualitative research can highlight how individuals may oscillate between these positions during interactions (e.g., Ladva and Andrew 2014). It is quite rare for extant studies of the undercharging of time to ask open-ended questions to participants (although exceptions are Cook and Kelley (1988) and Margheim and Kelley (1992)), despite the insights their responses can provide. Thus, as Sweeney and Pierce (2006) point out, these studies “have failed to provide a deeper analysis of the complexity of the issue” (p860). As I have argued in Chapter 3, the extant literature on the undercharging of time has not situated the practice within the organisational context in which it occurs. An ethnography is therefore well placed to contextualise the undercharging of time and provide a deeper understanding of the issue.

4.2 Critical ethnography in action

In this section I describe the choices I made in relation to key aspects of the research process, including the research setting, the production and collection of empirical evidence, analysis and interpretation and ethical issues.

31 Whilst Sweeney and Pierce’s (2006) qualitative study presents some rather illuminating findings, this is still done from a mostly positivist methodological standpoint. For example, they provide a ‘count’ of their findings from interviews in Tables I and II.
4.2.1 The research setting: Identifying KnowCo and ‘getting in’

Given my interest in pursuing an ethnography, my supervisors and I considered potential research sites within our networks. To broaden our options, we met with a university employee within the student careers office and asked her if she knew of any organisations that would be open to fieldwork. She suggested KnowCo, a reputable, large knowledge-intensive firm that provides professional services. The pseudonym ‘KnowCo’ is used to protect the identity of the organisation. In accordance with the agreement reached with KnowCo only limited information can be revealed about the firm.

I thought that KnowCo was a suitable research site for a few reasons. First, given my initial interest (Irvine and Gaffikin 2006) in researching management control systems, this site was considered appropriate based on publicly available information on KnowCo and information I had been told informally about the organisation from present and past employees. Excellence seemed to be important for this organisation, which made me think that there would be management controls in place to ensure employees acted in ways that prioritised excellence, quality and related ideas. In addition, its organisational culture appeared to be celebrated and there seemed to be a focus on supporting employees in their careers. Pragmatically, given the comment of the student careers advisor, there was a good possibility of gaining access (Irvine and Gaffikin 2006).

Through our university contacts we identified and contacted a gatekeeper – a partner in KnowCo. When we met with her several weeks later, it was clear that not only was she interested, more importantly, she understood the flexibility that inductive research requires.

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32 There are additional academic justifications that I have not discussed here as explaining these will compromise the level of anonymity that I agreed with KnowCo.
(Ahrens and Dent 1998; Irvine and Gaffikin 2006). The process of securing access took seven months from initial contact. In return for fieldwork access, I agreed to write a report with my findings for the Project Department.

The research took place within the Sydney office of the Project Department (a pseudonym). The Project Department is a key department within *KnowCo* and in this office there are a few hundred employees. As limited information can be divulged about the exact nature of the work performed by employees, I simply describe it as project work.

### 4.2.2 The production and collection of empirical evidence

An ethnography allows the researcher to uncover empirical evidence by ‘being around’ (Dent 1991) – empirics that may be difficult to obtain solely through interviews. It is especially this observational/‘lived’ empirical material that assists the researcher in obtaining an in-depth understanding. So, in my study, in addition to formal semi-structured interviews, the production\(^{33}\) of empirical data involved “hanging around and listening in” (Anderson-Gough, Grey et al. 2001 p107),\(^{34}\) attending meetings and informal encounters as well as examining organisational documents.\(^{35}\)

At the inaugural stages of negotiation it was agreed with the Project Department that the initial research period would be for three months. In the end my regular observation lasted for eight months, from the beginning of July 2012 until the end of February 2013. During this

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\(^{33}\) I use the term ‘production’ here to emphasise the active role that the critical ethnographer plays in producing some empirical materials (specifically fieldnotes and interviews in the current study) (Madison 2012).

\(^{34}\) Anderson-Gough, Grey and Robson (2001) cite Strauss (1987) with respect to this idea.

\(^{35}\) Human ethics approval has been obtained for this study.
period, I was generally at the research site three days a week. After February 2013 I still continued to conduct interviews up until July 2013, and one final fieldwork observation occurred in June 2013. My (data-producing) interaction with the Project Department therefore spanned one year. There are a variety of views on the length of time required to conduct a ‘good’ ethnography. For example, Sanday (1979) and Putnam, Bantz, Deetz, Mumby and Van Maanan (1993) suggest that the duration of ethnographic observations should be one year. The research context was not completely foreign to me given the organisation is located within my own society, and so as Alvesson and Sköldberg (2009) explain, in such circumstances ethnographic observations can be less than one year. Additionally, Martin and Frost (1996) recognise that purist ethnographers hold the view that ‘true’ ethnographies involve the researcher being immersed in the field for “months or even years” (p606). Therefore my study would still be recognised by purist ethnographers as being a true ethnography.

Given the significant amounts of empirical material associated with ethnographic research, I used Nvivo to organise and manage my material. This allowed me to store my interview transcripts, fieldwork observations and electronic documents in one location (Creswell 2013). To keep track of interview transcripts and fieldwork observations I also kept a spreadsheet with key details such as dates and file names. Password-protected backup copies were made on a weekly basis (Corbin and Strauss 2008) with one copy kept offsite.

4.2.2.1 Observation

As mentioned above, observing participants in situ is vital in an ethnographic study. Being embedded in the world of participants allows the researcher to observe their everyday
practices (Ahrens and Mollona 2007). In the organisational context, as Ahrens and Mollona (2007) identify, observation allows the researcher to examine “taken-for-granted aspects of organisational practices on which organisational members could not report and to exploit the revealing tensions between what organisational members say and do” (p310).

To analyse control as cultural practice, I ‘studied down’, focusing my study more on junior employees. As Ahrens and Mollona (2007) note, many studies of management control focus on managers, and examining the experience of junior employees can “hold the potential of novel insights and a changed research agenda” (p310). Pragmatically, as I discuss below, it was easier for me to ‘blend in’ at the junior levels. Serendipitously, I began my fieldwork at the same time as an intake of graduates and interns into the Project Department. This allowed me to build relationships with them. A few of these new knowledge workers became my guides (Berg 2004) and helped me to establish relationships with other employees. Following the graduate induction, I generally situated myself amongst junior employees and I spent the vast majority of my time in the field observing them.

At times I also participated in KnowCo’s activities, depending on the context in which I was observing. When I attended graduate induction and training with the new graduates, I was very much encouraged by the trainers to participate rather than simply observe. However, in these situations, I tried to balance participating enough to form relationships with the graduates, yet limiting my own involvement so that I could simultaneously observe the participants interacting. In other circumstances, such as when I attended analysts meetings, 36, 37

36 I attended graduate induction as part of my fieldwork to understand the socialisation process in the firm.
37 Graduates and interns are part of the ‘analyst’ level of the hierarchy. The hierarchy is further explained in subsection 5.3.2.
my participation was minimal. I maximised my informal interactions with employees, for example, by having lunch with employees or getting coffee with them. It was through these sorts of interactions that I heard about things like the time off in lieu system and how employees felt about it.

When I began fieldwork, I used a template (see Appendix 1) to assist with taking initial ‘jottings’ (Emerson, Fretz and Shaw 1995) of my perceptions of informal and formal observations. In addition to describing events, these jottings included descriptions of employees and my interpretations (Berg 2004). As much as possible, I jotted as events occurred. Where this was not possible I wrote jottings after the event. I then wrote out the full fieldnotes. I sometimes digitally recorded my full fieldnotes to write out at a later stage. Within these fieldnotes pseudonyms were used to protect the identities of employees (Creswell 2013).

There are some limitations regarding my use of observation. First, I only observed employees working within the KnowCo office. That is, I did not observe employees working at any client sites, where most junior employees generally spent the majority of their time working. In addition, I did not observe the highest levels of the hierarchy interacting together without the junior employees and manager staff levels. This meant I was unable to get further insight into how the most senior staff saw themselves and the employees below them.

38 I use the term ‘perceptions’ here to emphasise my role in producing this data. In positivist epistemology, facts are obtained via observation (Chalmers 1999; Ryan, Scapens and Theobold 2002). As such, ‘observation’ has positivist connotations, giving the impression of objectivity and neutrality. As such, I use ‘perceptions’ to be clear that my ‘observations’ reflect my values and experiences (Creswell 2013). As Rose (1997) writes (p308):

\[\text{critical knowledges work from their situatedness to produce partial perspectives on the world. They see the world from specific locations, embodied and particular, and never innocent; siting is intimately involved in sighting.}\]
4.2.2.2 Interviews

I conducted 62 semi-structured interviews with 46 interviewees. Interviews were conducted over the course of a year, from July 2012 until July 2013. To capture the experiences of employees beyond management (as Ahrens and Mollona (2007) suggested) I used a ‘bottom-up method’ for interviewing and worked my way up the hierarchy. In ascending order, the hierarchy levels consisted of analyst, consultant, manager, executive manager, associate partner and partner. The breakdown of interviews and interviewees throughout the hierarchy is as follows:

<table>
<thead>
<tr>
<th>Level/Area</th>
<th>Interviews</th>
<th>Interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Department staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analysts</td>
<td>32</td>
<td>18</td>
</tr>
<tr>
<td>Consultants</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Managers</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Executive managers</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Associate partners</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Partners</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Business Support staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal assistants</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Human resources employees</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Operations employees</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62</strong></td>
<td><strong>46</strong></td>
</tr>
</tbody>
</table>

Table 2 Numbers of interviews and interviewees across the hierarchy

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39 I interviewed some of the graduates who started at the same time as me two or three times during my fieldwork. This was because initially I was considering revolving my study around their socialisation into the firm and so I interviewed them multiple times to see how their views changed. This also helped me with studying the AYTATT initiative because, as my research topic narrowed, I was able to ask more focused questions in later interviews. I also interviewed key participants multiple times.

40 All but one interview was conducted one on one. When I met one interviewee, their partner (in the sense of personal relationship) – who was also a Project Department employee – was also present in the room. I believed that the interviewee felt comfortable expressing themselves in front of their partner so I had no concerns about this. I had the partner sign a consent form as they also participated.

41 The hierarchy levels are explained in subsection 5.3.2.
In addition to interviewing the (client-serving) Project Department knowledge workers, as Table 2 illustrates, I also interviewed personal assistants and employees from human resources and administration because they play important roles in time charging and other aspects of management control in KnowCo (see Figure 1). To recruit interviewees, the gatekeeper sent an email around to the employee level, requesting that interested employees contact me directly.\textsuperscript{42} Where there were employees with important knowledge who had not responded to the gatekeeper’s email, I approached them directly, emphasising the voluntary nature of participation.

Berg (2004) identifies ten ‘commandments’ for interviewing. These ten rules can be categorised according to purpose: methods focused on making interviewees feel comfortable

\textsuperscript{42} Despite this request, a couple of interviewees carbon copied (‘cc’ed’) the gatekeeper when responding to me, to demonstrate that they were acceding to her request.
(which are further delineated into environmental factors and interview techniques) and those that maximise the interview experience. Dressing appropriately and interviewing participants in a comfortable place are environmental factors that Berg (2004) claims interviewers should consider for the comfort of interviewees. Dressing appropriately requires consideration of the setting and participant, but Berg (2004) advises that usually business attire is the most appropriate. He also suggests that the interview setting should be somewhere the interviewee feels comfortable so that he or she can speak openly.

The interview techniques discussed by Berg (2004) to help interviewees feel at ease include establishing rapport, presenting a natural front, demonstrating sympathetic listening, being respectful and being cordial and appreciative of interviewees. To establish rapport Berg (2004) recommends spending some time making small talk with the interviewees. Presenting a natural front requires memorising the interview questions so that the questions sound natural when they are asked. With regard to sympathetic listening, Berg (2004) advises the interviewer demonstrates interest in the stories of interviewees through appropriate non-verbal reactions. Berg (2004) suggests that being respectful involves assuring interviewees that the interviewer is interested in what they have to say, and being cordial and appreciative of interviewees involves thanking them for their participation.

Three of Berg’s (2004) commandments focus on helping the interviewer to make the most of the interview. These methods include remembering the interview’s purpose, probing interviewees when they give monosyllabic responses and practising. Remembering the

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43 Whilst of course techniques that focus on interviewee comfort are part of getting the most out of the interview, the techniques in the last category are less focused on making interviewees feel comfortable and concentrate more on getting 'quality' empirical material for later use.
purpose involves keeping interviewees on track to get the desired information. Berg (2004) suggests probing interviewees when they give monosyllabic answers by asking questions such as ‘what else happened’ or even pausing to obtain more information from the interviewee. Berg (2004) instructs interviewers to practise interviews to develop proficiency.

I established an interview guide (see Appendix 2), which I refined over the course of my research as my topic was further defined. Question types included experience, opinion, feeling, knowledge and background questions (Patton 1990). I also asked probing questions to elicit further information based on interviewees’ responses. As much as possible, I conducted interviews according to Berg’s (2004) rules, particularly establishing rapport, practising sympathetic listening and appreciating participants. However, rather than keeping participants ‘focused’ as Berg (2004) suggests, I encouraged participants to discuss topics in which they were interested to get some insight into the concerns of employees. I took notes during interviews, and where the participant was willing, I digitally recorded the interview. Two interviewees did not consent to digital recording. After each interview the digital audio recordings were transcribed by a transcription company.

Prior to the interview I provided participants with an information statement and consent form, which I asked them to sign. I explained the purpose of the research and my role in KnowCo. In many cases, because of my immersion in the Project Department, I had already established

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44 For these participants, I typed up notes from their interview to form part of my empirical evidence.
45 I transcribed one interview myself as the participant gave consent for recording the interview on the condition that only I listen to the interview.
46 The transcription company could not transcribe two interviews due to sound issues. Where possible, I transcribed relevant parts of these interviews myself.
47 I chose not to have one interview transcribed after listening to the interview. Prior to the interview I was under the impression the participant’s job involved preparing materials for induction, whereas the participant’s job was to coordinate induction. The interview was also my shortest.
rapport with the participants. For participants with whom I had no prior relationship, I asked
general questions, for example, how long they had been in KnowCo.\footnote{It is important to note that in my interview guide, the first few questions were generally broad to help the participant feel comfortable and also to help me build rapport.} I explained that whatever they said would be confidential. I asked participants to speak truthfully about their experiences\footnote{I did this in the hope they would feel more comfortable speaking about the less pleasant aspects of work. Here Alvesson (2003) makes an important point about understanding the interview as a complex interaction that can involve interviewees constructing identity, using cultural scripts, managing impressions and using the interview for political purposes.} and thanked them for their time.

As I moved up the hierarchy I found it increasingly difficult to get interviews. As I had started with a graduate cohort, I had found it easiest to connect with them and meet other junior employees through them. At the consultant level, I was told there was a staff shortage, something I heard several times during my fieldwork. Managers also seemed very busy. It was difficult for me to ascertain whether my recruitment difficulties were primarily due to a lack of interest or a lack of time.\footnote{Or even, perhaps, simply that my main method of recruitment for interviews required ‘effort’ on behalf of participants. They could not simply reply directly to the recruitment email, but had to compose an email directly to me.} Nevertheless, I still managed to interview six consultants, one manager and four executive managers.

4.2.2.3 Documents

In addition to fieldnotes and interview material, documents form part of my empirical evidence. Yet whilst the researcher produces fieldnotes and interview data, he or she does not produce the documentary material (Bowen 2009). Documents can be significant organisational artefacts (Lee 2012) that can provide more comprehensive insights into the organisation under study (Forster 1994). I collected policy and procedural documents, emails, videos\footnote{The empirical material relating to the videos are my transcriptions of the videos.} and internal news articles. Document collection occurred primarily in one of three
ways. First, some documents, such as policies and procedures, were collected systematically from the KnowCo intranet. I collected other documents selectively. For example, I searched the intranet for relevant documents on time charging given the importance of this to my study. Finally, some document collection occurred fortuitously. To illustrate, because I was not in the KnowCo email system, the emails that I received often depended on employees forwarding those that they considered relevant to me. In total I collected over 1,000 documents. Most of these documents are electronic, but I also collected a small number of manual documents, such as induction materials.

4.2.2.4 Positionality

As illustrated above, in qualitative research, the researcher plays an active role in producing empirical material (Creswell 2013). As such, researchers are encouraged to provide readers with their position and how it affects their interpretations. Particularly for critical research, positionality is important because “it forces us to acknowledge our own power, privilege, and biases just as we are denouncing the power structures that surround our subjects” (Madison 2012 p8).

Personal characteristics of the researcher (such as gender, ethnicity and age) can affect the study through impacting the researcher’s relationship with participants (Hammersley and Atkinson 2007). These characteristics can impact what participants are willing to say to the researcher and in front of the researcher.
I am a female of Indian ethnicity born in Australia. I commenced fieldwork when I was 26 years old. I felt that these characteristics generally worked to my advantage and helped me to become somewhat invisible within the field (Berg 2004). I was occasionally mistaken for being a junior employee, especially by the junior employees themselves. Over time, I felt that many knowledge workers treated me (almost) as ‘one of them’, particularly the cohort I started with. My ethnicity may have also helped me to connect with junior employees, as at the junior levels many participants were from similar ethnic backgrounds. Given that I was keen to study the experiences of employees beyond management (Ahrens and Mollona 2007), I felt my personal characteristics helped me achieve this end. Yet, at the same time, they may have also limited my connection with more senior employees.

In addition to these personal characteristics, Creswell (2013) emphasises the researcher discussing their past experiences with the phenomenon under study. These experiences can encompass work, school and even family. My own experiences relevant to the study include my previous work experience. Prior to my doctoral studies I had worked in a knowledge-intensive firm and it was here that I first encountered the phenomenon of charging time.

Creswell (2013) highlights the importance of discussing how the researcher’s position impacts their interpretation of the phenomenon. Regarding my personal characteristics, I would argue that my interest in the critical perspective stems from the intersectionality (Crenshaw 1989) of belonging to two marginal groups. Thus my critical interpretation of AYTATT is related to these personal characteristics. In terms of my prior work experiences, I had previously experienced similar systems to those within KnowCo. As such, I believe this

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52 I base this assertion on my experiences of junior employees teasing me, saying ‘inappropriate’ things in front of me, complaining to me and asking me for advice.
knowledge helped me to understand KnowCo’s systems and knowledge worker specific language faster than I would have been able to otherwise.

4.2.3 Analysis and interpretation

In this subsection I explore how my focus evolved over the course of the study and the particular analytical and interpretive procedures I employed.

4.2.3.1 Stages in conceptual development

I began my fieldwork with the broad intention of studying management “control as cultural practice” (Ahrens and Mollona 2007). The specific focus of the study become clearer early in the fieldwork when I encountered the AYTATT initiative. The aim of the initiative was to curtail the accepted practice of undercharging time in the Project Department. I was curious about this as although the undercharging of time is well documented within the time charging literature (Commission on Auditors’ Responsibilities 1978; Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; McNair 1991; Ponemon 1992; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Shapeero, Koh et al. 2003; Alvesson and Kärreman 2004; Soobaroyen and Chengabroyan 2006; Sweeney and Pierce 2006), I had not encountered any examples of an organisation trying to stop the practice. On the contrary, as I note in Chapter 3, the practice of undercharging time seems to clearly benefit management from a profitability perspective. I wanted to understand why the organisation was trying to stop the undercharging of time and how it went about doing so. Analysis, interpretation and the act of writing itself further defined the final narrative in Chapters 6, 7 and 8.
4.2.3.2 Analytical and interpretive procedures

I manually coded my interviews and fieldnotes in Nvivo,\(^{53}\) using the coding process primarily to identify themes.\(^{54}\) Due to the large volume of documents, for pragmatic reasons this data was coded specifically to charging time. I used the other documents as supplementary empirical evidence. To better understand some of the issues around charging time I later coded some empirical data more specifically. On the basis of this coding I was able to draw out a narrative around AYTATT. I was also able to pick up on key recurring themes encountered during fieldwork.

Regarding interpretation, as Alvesson and Sköldberg (2009) identify, there are two facets of critical interpretation. The first focuses on analysing the source of a constraining idea whilst the second evaluates the content of that idea (Alvesson and Sköldberg 2009). Examining the source of an idea requires the researcher to study the structures and processes that distort understanding (Alvesson and Sköldberg 2009). As Thomas (1993 p43) points out, the critical researcher

decodes the ways that the symbols of culture create asymmetrical power relations, constraining ideology, beliefs, norms, and other forces that un-equally distribute social rewards, keep some people disadvantaged to the advantage of others, and block fuller participation in or understanding of our social environs.

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\(^{53}\) Rather than using Nvivo’s automatic coding capabilities, I chose to manually code my empirical evidence to ensure a deeper understanding of it, consistent with the underlying philosophical framework.

\(^{54}\) This initial coding was very broad capturing key concepts from the literature, including codes such as charging time, hierarchy, long hours, working conditions, progression, performance review and feedback. In the first coding exercise, additional themes emerged from the data: efficiency and productivity, friendly/nice culture, budgets/FOMP/overruns, booking and scheduling, image/reputation. Each theme was defined with an example in the coding manual and as new themes were identified in this inductive process, earlier interviews were recoded to ensure consistent application of the thematic coding.
In this study, I demonstrate the influence management controls can have over knowledge workers, and how management attempts to impart particular ideas and values to employees (Alvesson and Sköldberg 2009). More specifically, in Chapter 8 I use concepts from rhetoric theory to evaluate the source and content of management’s assertions in relation to AYTATT. For example, whilst the AYTATT project team stressed its ‘positive’ message, this notion is precarious when I explore the anxiety employees feel with respect to charging time in Chapters 6, 7 and 8.

In forming interpretations, the reflexive researcher recognises the complexity of the fieldwork/interview context, and that what they have been told by participants is not necessarily ‘true’ (Alvesson 2003). Given the complexity of fieldwork and interviews, what participants say in these situations may be instigated by identity construction, impression management, political reasons or the use of cultural scripts (Alvesson 2003).\(^{55}\) Indeed, the critical researcher may need to go beyond conveying the world view of his or her participants, who may be unable to articulate how societal structures impact their position and life circumstance\(^{56}\) (Jermier 1998), yet in such a way that meanings are elicited from empirical material, not imposed (Thomas 1993). To this end, in Chapter 8 I draw upon rhetorical theory to assist my interpretations to explain better the operation of control within the Project Department. I provide an overview of this theory in section 4.3.

\(^{55}\) Additional purposes Alvesson (2003) provides include the (interview) interaction, saying what they believe the researcher wants them to say, language as construction and the power of discourse(s).

\(^{56}\) The inability of participants to articulate the impact of social structures may be because they do not perceive these structures; or they perceive these structures but cannot describe them; or they may be socialised to view their position as natural (Jermier 1998).
4.2.4 Ethical issues

In this subsection I discuss two of the key ethical issues that I encountered in my study – building trust with the employees in the Project Department and my experience of almost ‘going native’.

4.2.4.1 Building trust between the researcher and the researched

I implemented safeguards to prevent encroaching too much on the private lives of employees. I agreed with my supervisors not to add participants to my social networking sites. I was also invited by one participant to the graduates’ ‘Whatsapp’\(^{57}\) group but I declined because I was concerned some of the graduates may have felt uncomfortable with my involvement in the group, as I had heard from a few of the graduates that the Whatsapp group was often used to complain about work.

I felt that many participants trusted me. Some of the graduates, for example, would tell me personal ‘gossip’ as they knew because of confidentiality I would not repeat it to others in the organisation.\(^ {58}\) I was also able to form relationships with other employees who I met through the graduates. I was aware that, particularly at the junior levels, some employees would be wary of me and would consider me as management’s ‘spy’. I proactively worked on dissuading this view by clearly labelling myself as a researcher when I met staff members.

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\(^{57}\) Whatsapp is a mobile phone application (with group chat capabilities) that allows users with the application to exchange free messages over an internet connection.

\(^{58}\) I had at least one experience of a participant ‘testing’ my confidentiality. Whilst talking with another participant in front of me, the former contradicted something they had mentioned in an interview, looking at me.
4.2.4.2 Immersing myself

Given my interest in the critical paradigm, and prior work experience in a knowledge-intensive firm, before fieldwork I significantly underestimated the possibility of going native, despite reading about the experience from various researchers (e.g., Thomas 1993; Creswell 2013). When I commenced my fieldwork, I could not imagine not using a critical perspective. Yet during my fieldwork, I became less and less comfortable with my position as a critical researcher. Some employees were extremely nice to me, beyond what was socially ‘necessary’ in their role. I felt as a critical researcher I was betraying them and I began doubting the very critical ideas that inspired the research in the first place. I thought very seriously about using a hermeneutic lens. Yet upon reflection I realised: “how is it that these systems are capable of working on such nice people? What did that say about these systems in place?” I recognised that if the niceness of employees functioned to obscure the effects of management controls to me (a critical researcher with some knowledge of how controls operate), their power for someone without this knowledge is possibly unsurprising. And as I continued my production of empirical evidence and heard more stories about the experiences of employees in the Department, I was able to reaffirm my critical stance. In addition, once I completed my regular observations and was able to gain some distance from the Project Department and KnowCo, I was able to see better how the systems worked.

I believe the experience of almost going native has not, as Zalan and Lewis (2004) suggest, made me less objective. The critical researcher is very much part of the process of producing empirical material (Thomas 1993) and as such they are never objective, nor are they meant to be. Instead, I believe my experience counters some of the critics of critical research who argue that critical researchers impose their agenda on empirical evidence (Thomas 1993) because this experience challenged my use of a critical perspective. Additionally, I believe it
provides some evidence of the degree of immersion I experienced within the Project Department.

4.3 Rhetorical devices explored in this study

During my study it became apparent that language was critical to the way messages were conveyed and resisted within KnowCo. The importance of language within management control systems led me to be interested in rhetoric and the way it functioned in the AYTATT project. In Chapter 8, like Sillince and Brown (2009), I use what the authors term a synthetic approach in relation to rhetoric, as the rhetorical devices that I discuss in this study emerged from a variety of rhetorical traditions that are not incompatible in this context. Senior employees used these devices to persuade knowledge workers to adopt particular viewpoints in relation to the AYTATT project at the core of this study; and it was these rhetorical devices (which I discuss below) that meant the initiative had significant consequences for management control. In the words of McKerrow (1989 p91), I examine rhetorical tactics to “unmask or demystify the discourse of power” – to demonstrate how rhetoric can be used by power holders to justify, sustain and reinforce the status quo. In this study, I am not conducting a ‘rhetorical analysis’ per se; rather I draw on the concept of rhetoric as a vehicle to shed light on why the operation of the initiative functioned as it did.59 The synthetic approach enables me to draw on a variety of rhetorical devices to make sense of the consequences of AYTATT. The three rhetorical devices which I draw on in this study include evasion, repetition and denial. I employ them in Chapter 8 as a way of understanding the management control outcomes of AYTATT. These three devices illuminate how language is

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59 For example, unlike other studies on rhetoric (e.g., Green 2004; Suddaby and Greenwood 2005; Erkama and Vaara 2010; Chanal and Tannery 2011; Brown, Ainsworth and Grant 2012), I did not code my empirical evidence according to Aristotle’s trichotomy of logos, pathos and ethos. Nor do I focus my analysis on the use of literary devices such as metaphors, analogies, stories, anaphora, irony, etc. (e.g., Conger 1991; Watson 1995; Anderson-Gough, Grey et al. 1998; Dent 2003; Czarniawska 2011).
used in the enactment of management control. I will now explore each of these devices in turn.

### 4.3.1 Evasion

The first rhetorical device that I examine is evasion. Evasion as a rhetorical device has not been picked up by the management control or even broader management literature – however, it is employed in the political literature. Evasion involves “circumvention or avoiding answering directly or avoiding facing up to real ‘difficult’ or tricky communicative or discourse issues” (Obeng 1997 p54). It is particularly associated with politicians (Bull 2000; Clayman 2001; Bull 2003; Rasiah 2010) to ‘save face’ (Goffman 1967; Obeng 1997; Bull 2008) – when they are asked a question that they either cannot answer or do not want to answer. For example, Rasiah (2010) provided an example of an evasive answer within Australian parliamentary Hansard:

Crean: When Prime Minister Howard meets President Bush later today in Washington, will he be telling the President that there will be no Australian military participation in any action against Iraq without a second UN resolution?

Anderson: The Prime Minister will be taking this opportunity to express Australia’s strong preference for a new Security Council resolution [. . .]

(House Hansard, 10 February 2003:11242 cited in Rasiah 2010 p670)
As Rasiah (2010) points out, this is evasion because Anderson did not provide an answer to what the question asked – whether the Prime Minister would be informing President Bush that Australia would not participate in military action in Iraq without a second United Nations resolution. Anderson instead evaded the question by commenting that the Prime Minister would be discussing Australia’s preference for a new Security Council resolution. Whilst this is connected to the topic of Crean’s question, Anderson still failed to answer the posed question. Here evasion avoids the issue at hand through a subtle change of topic, demonstrating how evasion can be used as a rhetorical tactic by rhetors to avoid answering questions that they do not want to answer. This example illustrates that whilst rhetoric works by ‘giving presence’ (Carter and Jackson 2004), it can also function by taking presence away – it can be used to change topics or shut down any discussion of them altogether (Billig 1998). Within the organisational context I argue managers can similarly employ evasion to avoid the discussion of particular (negative) aspects of organisational life in efforts to direct employees’ attention away from this part of work.

4.3.2 Repetition

The second rhetorical device that I consider in this study is repetition. Whilst in rhetoric there are different forms of repetition (such as anaphora, symploce, etc.), here I simply refer to repetition as the recurrence of words or phrases in talk or text. Repetition emphasises ideas and helps the reader or listener to remember them (Conger 1991; Brown 1999; Davison 2008; Osma and Guillamón-Saorín 2011; Davison 2014). Certainly, “repeating something calls attention to the prior thing, brings it into the now, claims its relevance; repetition is therefore crucial in establishing discourse coherence” (Brown 1999 p224). Davison (2008) points out how people have a psychological need for reassurance, and that repetition can have a comforting effect on readers (or the audience). In her study, she examines textual and visual
repetition in BT plc’s annual reports and finds that repetition was used to highlight BT’s innovative spirit in the 2000 annual report – for example, the word ‘new’ was mentioned 16 times in the chief executive’s statement. Davison (2008) concludes that repetition highlighted the intangible elements of BT’s business, noting that this report coincided with the peak of the dot-com bubble – when it was especially vital for BT to emphasise its intangible assets. This example demonstrates how repetition as a rhetorical device can be used to stress particular ideas for readers or the audience. I suggest that for managers, repetition can be a powerful device to highlight certain ideas, values and beliefs to employees, facilitating normative control.

4.3.3 Denial

The third rhetorical device I explore is denial. Instead of avoiding an issue, this rhetorical tactic seeks to reject its validity or disown it (Brown and Starkey 2000; Jackson 2006). Whilst denial has varying definitions (Jackson 2006) here it is used to mean when an issue is not acknowledged as such or dismissed as irrelevant (Brown and Starkey 2000; Cheney, Christensen, Conrad and Lair 2004; Cheney, Christensen, Zorn Jr. and Ganesh 2011). Denial as a rhetorical tactic is one of self-defence (Ware and Linkugel 1973). It can also be used to prevent an issue from being addressed or can create new issues (Jackson 2006). However, denial may be ineffective as a rhetorical device if reality is distorted to a great extent or is inconsistent with the beliefs of the audience (Abelson 1959; Ware and Linkugel 1973). Denial can be seen in Harrington, Warren and Rayner’s (2015) article examining how HR practitioners address employees’ claims of bullying against their managers. Although the claims were arguably instances of potential bullying according to the organisations’ anti-bullying policies, the authors discovered that the HR practitioners denied these claims by framing managerial bullying as performance management practices. For example, the authors
quoted one interviewee who told them: “Quite often when someone’s performance is called into question, quite often they will claim that they’re being bullied. That’s quite common” (Harrington, Warren et al. 2015 p377).

In this quote the interviewee rejected the idea that these claims are a bullying issue, and instead she conceived of them as ‘performance’ issues. The authors argue that “constructing manager-to-employee claims as ‘performance-related’ … may be functional for the [HR practitioners], since their constructs and interpretive mechanisms limit their available roles and practices when responding to bullying claims” (Harrington, Warren et al. 2015 p383). By denying the bullying claims, the HR practitioners could restrict the action that they would otherwise be required to take to address instances of bullying. To enable management control, managers could draw on denial as a rhetorical device to frame organisational life in specific ways that normatively influence employees’ views and behaviours.

From the discussion of rhetoric in Chapter 2 we can see how important rhetoric is for management control – after all, it is through rhetoric that managers convince employees to embrace certain ways of acting and thinking. Rhetoric not only functions to amplify meanings; ultimately it attempts to privilege particular meanings over others. Given the critical lens that I assume in this study, analysing rhetoric illustrates how certain meanings are privileged over others and whose interest dominates. There is a broad spectrum of rhetorical devices that researchers can draw on when examining management control, but extant research has tended not to explore (explicitly) how rhetoric plays a role in enacting management control. As I mentioned in Chapter 1, I adopt these three rhetorical devices
(evasion, repetition and denial) in Chapter 8 to explain how the project at the centre of this study functioned to produce particular management control outcomes.

4.4 Limitations of the study

I have selected to tell this story of AYTATT using a small part of my empirical evidence. Whilst other equally important stories could have been told, I have chosen to tell this story to contribute to our knowledge of how management control operates, particularly in relation to charging time. As with all ethnographies, distilling a vast amount of empirical material into a coherent story means only a selective portion of empirical data is used: “in giving voice, [the researcher] is silencing many other voices” (Calás and Smircich 1999 p662). Yet, it is important to remember, as Clifford (1986) notes, “ethnographic truths are … inherently partial – committed and incomplete” (p7, emphasis original).

To be sure, this ethnography is partial as it provides a snapshot of a specific period of time in KnowCo. Indeed, some researchers of management control change advocate using longitudinal studies over a long period of time to analyse change (Aberethy and Chua 1996; Burns and Scapens 2000; Kasurinen 2002; Siti-Nabiha and Scapens 2005; Vaivio 2008). Yet, as I have undertaken this study as part of my doctoral research, for pragmatic reasons I decided not to examine the change effort over many years. I recognise that the narrative and the resulting conclusions could have been very different if my fieldwork had been extended. Perhaps management in the Project Department might have taken further measures to curb the undercharging of time – measures that might have better addressed the issues driving the undercharging of time (as discussed in Chapters 6 and 7).
Another limitation of the study is the researcher. I make no claims to objectivity or neutrality, but it is important to recognise here that the researcher imposes themselves on a study – even when making every effort to be transparent. Undoubtedly, another researcher would have had different perceptions of observations and their own interactions as part of their fieldwork. And even if they had studied the AYTATT initiative, another researcher might have told an alternate story.

Finally, I recognise that the narrative is restricted as I can only provide limited information about the nature of the Project Department’s work. This lack of detail means I am unable to specify the type of knowledge-intensive firm I have studied\footnote{For example, Robertson and Swan (2003) suggest being clear about the type of firm studied in research on knowledge-intensive firms as they recognise the heterogeneity within the category of knowledge-intensive firms. I agree with their argument that there may be key differences between knowledge-intensive firms, however, to secure access I agreed to refer to the broader category of knowledge-intensive firms to assist with protecting the anonymity of the firm.} (Robertson and Swan 2003). Given the notorious difficulties associated with securing access (Broadbent and Laughlin 2004), I compromised this level of detail to gain access.

### 4.5 Conclusion

I began this chapter by explaining the use of a critical ethnographic methodology. Being embedded within the Project Department for some time has allowed me to situate the AYTATT change effort and the undercharging of time within the organisational context – something that, as previously mentioned, is currently lacking in research into the undercharging of time.
I have provided some background information about KnowCo and the Project Department. I was interested in undertaking fieldwork in KnowCo because – from an external point of view – the seeming focus in KnowCo on ‘excellence’ and ‘culture’ suggested that there would be strong management controls in place within the organisation. Indeed, the remaining chapters of this thesis provide some evidence for this conjecture. Once I began my fieldwork, my topic became more defined as I learnt of the AYTATT initiative that is the focal point of this study.

Like any researcher I experienced certain ethical dilemmas as I immersed myself in the fieldwork. I made efforts to prioritise confidentiality of the employees to gain their trust and to make them comfortable with the research process. I have also considered how my experience of (almost) ‘going native’ affected my study by testing the critical beliefs that underlie this study.

The chapter also provided a discussion of the three rhetorical devices that inform the operation of management control in KnowCo – evasion, repetition and denial – which I will be taking up in Chapter 8 of this study to explore the outcomes of the AYTATT project. As will become clearer in that chapter, rhetorical devices like the ones I have set out here do not just emphasise particular meanings, but they attempt to privilege some meanings over others to specific ends.

Finally, limitations cannot be avoided in any study, so in concluding this chapter I have identified the main limitations of this study. Essentially, I have recognised that in this study I am telling a selective story based on empirical material that I produced and collected over a
particular period of time. The next chapter provides some background for the narrative of this study by explaining the context of the Project Department in which AYTATT emerged.
5 THE PROJECT DEPARTMENT

This chapter provides the context for this study of management control change within the Project Department at *KnowCo*. At its core, senior management within the Department instigated AYTATT because they wanted to reduce the undercharging of time and so improve financial control within the Department. In this chapter I provide background information to set the scene in which AYTATT surfaced to facilitate a better understanding of how AYTATT played out (Chapters 6 and 7) and the consequences of this project (Chapter 8).

As I mentioned in Chapter 4, to understand management control change it is important to contextualise it. Management control change initiatives such as AYTATT do not occur in a vacuum but emerge from – and are mediated by – a specific organisational context. In turn, change projects also influence the dynamic organisational environments in which the projects are situated. One objective of this chapter is to illustrate critical aspects of the Project Department context in which the initiative materialised.

I begin by providing insight into the everyday organisational life of staff in the Project Department. Employees’ motivations for working in *KnowCo* are described – the reasons why employees joined the firm and also why employees stayed. I also shed light on the everyday work of staff in the firm. The day-to-day work of employees varied considerably depending on their place in the Departmental hierarchy.
Employees’ experiences of work are influenced by the organisational controls in place (Schneider and Bowen 1993; Alvehus and Spicer 2012) – indeed, through control practices management can attempt to define employees’ work experiences (Alvesson and Willmott 2002; Alvesson and Kärreman 2004; Kärreman and Alvesson 2004). So here I also explore the key bureaucratic management controls in the Project Department. As AYTATT is a management control change project, it is crucial to understand these controls.

Finally, in this chapter I also provide an overview of AYTATT. Here I provide some basic information regarding this initiative, including how the program came about, the main players and the actions they take during the three phases of the initiative that I observed.

5.1 Life in the Project Department

When employees spoke about why they worked in KnowCo, many of them mentioned the career opportunities presented by KnowCo (both internal and external to the organisation) and the people. Internal opportunities generally became available once an employee reached the consultant61 level, and these included working in an overseas office or transferring to another department:

I think it’s (secondment) something I really want to do. I’ve just got such a high interest to go work somewhere else and work for the same firm and that was another reason why I wanted to work here, because it’s an international firm … So I knew I’d be open to those opportunities.

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61 That is, generally after three years of work. The different hierarchical levels are detailed in 5.3.2.
External opportunities were typically well-paying jobs in other organisations, which transpired as a result of working in KnowCo because of the skills and knowledge employees developed. As KnowCo is a prestigious and well-regarded organisation, employees felt that experience in KnowCo provided a strong foundation for their career:

I’m working in this job in order to realise the benefits which exist when you leave the job. So, in order to set me up for a position in project management, or something on those lines, something on that bandwagon … to pursue that as a career option, and this is the best place to start.

(male analyst, interview)

These opportunities were stressed to employees: you get a lot more out of KnowCo than you put into it (male former partner, fieldnotes from observation at analyst training), and KnowCo was often presented as a ‘caring’ organisation that makes these opportunities available for its employees. The emphasis on career success was ubiquitous, and there was much discussion (both verbally and in the organisational literature) about the “high-performance culture” and the focus on helping staff to “reach their potential”:

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62 For interview quotes and fieldnotes excerpts, I refer to the names (pseudonyms) of the key players (discussed in section 5.4), however for confidentiality purposes in other situations I simply refer to their gender and level.
I came back because of the environment and the people that I worked with last time, and I still find it's the same thing, it's really, positive, really, helpful people who are just willing to help you develop, and I think when you're starting off, that's the most important thing for you, just to help you find your feet and move on.

(female analyst, interview).

Employees were certainly keen to ‘move on’, and achievement/success was usually envisaged as progressing through the hierarchy (from the first year to consultant in two or three years’ time, you turn into successful people and this is really rewarding (female executive manager, fieldnotes from observation of panel discussion at graduate induction)).

Many staff members also spoke favourably about the ‘people culture’ in KnowCo. From my observations, typically employees appeared to get along well with one another. Employees often told me that they really liked their colleagues and they often described the people within KnowCo as ‘really friendly’ and ‘nice’. Some graduates even commented on how, during their recruitment interview, the partner made them feel at ease: “everyone was so nice, being in the partner interview, I walked in there like expecting to be terrified and it was really nice, they were really nice” (female analyst, interview).

Part of the people culture involved an emphasis on the social aspects of work. There was a social club at KnowCo that regularly held events, and most employees were social club members. In the Project Department, social events were demarcated in different ways. The Department itself regularly held month-end drinks, and the annual Christmas Party was a
notable event. Divisions planned group activities such as sailing, and project teams held lunches.

As many of the knowledge workers commenced in the Project Department in ‘batches’ at the same time (as graduates), similar ambitions and life circumstances meant they had much in common, and these groups were often close:

I’ve also come to appreciate how close we are as a grad group. So, like, just having talked to other people from different intakes, even going back to, like, some of my consultants, just the fact that we’ve, like, even though we don’t catch up all that often, we still whatsapp (instant message) each other.

(female analyst, interview)

The graduates with whom I attended induction would regularly meet up for Friday night drinks and took a holiday together during my fieldwork. Even staff across hierarchy levels seemed to get along well and it was not uncommon to see, for example, consultants and analysts talking with camaraderie. These peers would often use technology to keep in touch with each other, especially messaging each other using KnowCo’s instant messaging system, Ping (which would often frustrate their supervisors). When they were not ‘under the pump’ employees at the junior levels would joke around and sometimes play pranks on one another. Although not everyone enjoyed these pranks – particularly the victims – they seemed to have little option but to (appear to) take it in their stride.
Even though colleagues were often very good friends, as staff were ambitious high achievers underlying these relationships was a competitiveness that rarely emerged overtly during my observation, but when they did these instances were rather telling. For example, I witnessed the following interaction between two analysts:

**Female analyst 1:** Why are you so free? (laughs)

**Female analyst 2:** I'm not, you're booked and you are more free than me!

(fieldnotes from observation of informal interaction between two female analysts)

As will be explained below, at the junior levels of the hierarchy, being ‘booked’ (i.e., not being ‘free’) was considered an indication of the quality of one’s work. Employees were constantly comparing themselves with their peers and this was obvious during interviews. This competition encompassed more visible aspects of their work like performance ratings (“everyone wants to be, you know, a higher rater than the others” (male analyst, interview)) and utilisation numbers (describing the utilisation graphs, which I explain further below: “It’s column graphs and you’re next to each person, so you see, oh, you know, my mate, [Carl], whatever, he’s got a higher utilisation than me, this month” (male analyst, interview)). Yet staff also compared themselves to their peers in relation to less prominent aspects of work. One example is a situation where two analysts worked on the same task one day after each other. On learning that her ‘successor’ had completed part of the work, the ‘predecessor’ commented to me she finished hers so quickly – I took longer (fieldnotes from informal interaction with female analyst).
5.2 The Project Department in *KnowCo*

The Project Department is a major department within *KnowCo*. In the 2013 financial year, its revenue comprised approximately one third of *KnowCo*’s revenue. The Department performs project work for its clients, and each project has a team of employees assigned to work on it. At the time of fieldwork the Project Department was split into five divisions based on industry, and staff usually worked on projects within their industry division.

The day-to-day work life of (client-serving) employees differed greatly depending on their place in the organisational hierarchy. Junior members of staff (i.e., analysts and consultants) performed the bulk of the project work. They generally only worked on one project at a time, and were normally based at the client’s premises. Working at the client’s office often meant the junior employees had to travel a couple of hours each day and sometimes they even travelled intrastate or interstate. There was much variation in the time junior staff spent on projects, with some spending a year on one, and others changing assignments every week or so. The number of junior employees on client projects deviated, and the smallest projects might consist of only two junior employees (that is, one analyst and one consultant). Managers and executive managers were tasked with managing multiple projects simultaneously. They split their time between different clients and they could work at the client with the team or in the *KnowCo* office. Typically, managers/executive managers also had internal responsibilities, such as assisting with the recruitment of new staff. Associate partners and partners\(^63\) divided their time between working on their client projects (providing guidance to teams and the final review) and other responsibilities, such as acquiring new clients. Usually their day was planned in full in their calendar by their personal assistant.

\(^63\) These groups (analyst and consultant, manager and executive manager, and associate partner and partner) represent one of several ways hierarchy was dissected within the Department.
Given the nature of their work, staff appeared to work long hours. It was not uncommon to hear them discuss working over the weekend. Whilst many employees would complain about the hours, some seemed to see them as a badge of honour. Employees were not paid for overtime but at the junior levels they could sometimes receive time off in lieu. However, this was predominantly regarded as ‘unfair’ by junior staff because the calculation was rather complicated and their overtime entitlement could be reduced due to factors beyond the employees’ control: “apparently some people might like end up with like a few minutes of overtime, like, and they'd just be like, this is like a slap in the face with a dead fish” (female analyst, interview). In addition to these long working hours, during their first two years of work, staff were required to complete internal exams, which involved spending many hours studying on the weekend, after hours and for some even ‘before’ hours.

5.3 Key bureaucratic management controls

Organisational life for staff is mediated by the management controls in place. These controls determine whether someone is employed by the organisation (Alvesson 2002; Anderson-Gough, Grey and Robson 2005), how he or she acts (Alvesson 2002; Alvesson and Kärreman 2004) and his or her progression (Thomas 1996; Anderson-Gough, Grey et al. 2005; Jonnergård, Stafsudd and Elg 2010; Kornberger, Carter et al. 2010). Controls also play a considerable role in shaping internal work processes (Robertson and Swan 2003; Alvesson and Kärreman 2004).

Within the Project Department, organisational controls pervaded each facet of work for employees. The key bureaucratic controls in place include recruitment, hierarchy and progression, performance review and project budgeting, time recording and chargeable hours.
controls. These bureaucratic controls have been discussed in the context of knowledge-intensive firms (e.g., Grey 1994; Anderson-Gough, Grey et al. 2001; Alvesson and Kärreman 2004; Kärreman and Alvesson 2004; Bergström, Hasselbladh et al. 2009; Brown and Lewis 2011; Kornberger, Justesen and Mouritsen 2011; Alvehus and Spicer 2012), and the following will draw on this to explore how they functioned within the Project Department and the unique experiences I observed as management in the Department tried to refine the operation of control. Although here I discuss these controls separately, they are interconnected (Abernethy and Brownell 1997; Otley 1999). I have summarised these controls in Table 3.

<table>
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<th>Recruitment</th>
<th>Interviews; savoir-faire; ‘fit’.</th>
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<tr>
<td>Hierarchy and progression</td>
<td>‘Up-or-out’ structure; general progression timeframe.</td>
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<tr>
<td>Performance review</td>
<td>Self-reviews; mid- and year-end reviews; balanced scorecard; ratings.</td>
</tr>
<tr>
<td>Project budgeting, time recording and chargeable hours process</td>
<td>Timesheets; time charging [recording] 64 guidelines; Budget Planning System; Forecasted Margin Percentage; over-runs; Slate (scheduling).</td>
</tr>
</tbody>
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Table 3 Aspects of the key bureaucratic management controls

5.3.1 Recruitment

Recruitment controls are the first management control encountered by employees in an organisation. Recruitment aims to restrict employees to those with attributes desired by the organisation and attempts to control the knowledge, skills and values of employees. The recruitment process in the Project Department, like in Alvesson and Kärreman’s (2004) study, resulted in a rather homogenous workforce. All client-serving knowledge workers had

64 As recording and charging time are referred to synonymously within the Project Department, I will be using ‘charging time’ to refer to the reporting of chargeable time and ‘recording time’ to indicate all time that is recorded – including non-chargeable time.
tertiary degrees, with the majority of these degrees in the same subject area. Staff were high achievers and considerably ambitious.

Academic achievement aside, one characteristic HR specifically looked for during recruitment (and that almost all employees shared) is best described as savoir-faire. Project Department employees were largely socially adaptable, that is, they knew how to act in different social situations. A graduate recruiter struggled to describe this trait but explained that they were looking for “somebody who’s got the personality” (male graduate recruiter, interview). This characteristic was so vital that potential employees perceived as wanting in savoir-faire could be excluded from the Department. I observed this myself at a ‘roundtable’ for interns. At this roundtable, HR employees and interviewers analysed the performance of applicants to discuss which interviewees should be offered jobs. Despite being described as “great on paper” (male graduate recruiter, interview), one interviewee was not offered a job because he was perceived as being ‘overly familiar’ during the recruitment process, he was *throwing in things you wouldn’t say in a work setting* (fieldnotes from observation of interns roundtable) and so was not considered a *culture fit* (fieldnotes from observation of interns roundtable). Given that the Project Department employees serve clients, the emphasis on savoir-faire to ensure staff can get along with clients is understandable. Yet, as employees performed project work in teams, the collegiality of colleagues was also highlighted here as a reason why that interviewee did not receive an offer of employment: “he would probably rub a few people up the wrong way, and particularly in the teams” (male graduate recruiter, interview). Thus the recruitment process intended that employees would be able to get along well with one another. This explains why many staff often described their colleagues as ‘friendly’ and ‘nice’ – and why a number of graduate analysts felt one reason they got the job was because they were ‘friendly’.
5.3.2 Hierarchy and progression

As mentioned above, an employee’s workday is contingent on their place in the departmental hierarchy. The hierarchical nature of the Project Department became evident to me during my fieldwork. There was predominantly – but not strictly – an ‘up-or-out’ structure for client-serving staff, so if they did not progress through the hierarchy employees generally had to leave the firm. Partners were at the top of the hierarchy, followed by associate partners, executive managers, managers, consultants and analysts (see Figure 2). The general progression in the firm was:

![Diagram of the Project Department hierarchy and the normal progression rate](image)

Figure 2 Project Department hierarchy and the normal progression rate (based on fieldnotes from observation of a graduate induction presentation) in the firm
Progression in the Sydney office of the Project Department varied slightly from the normal progression in the firm.\textsuperscript{65} In the Project Department, analysts were predominantly promoted to consultant after three years rather than two. As such, employees were usually consultants in their fourth to sixth years of experience in the Department. In addition, like in Kärreman and Alvesson’s (2004) study of Big Consulting, \textit{KnowCo}’s hierarchy was further defined. The lower levels, particularly at the analyst level, were labelled as, for example, A1, denoting an analyst in their first year of experience. An employee starting as a university graduate typically progressed through the lower ranks A1 through A3, followed by C1 to C3.\textsuperscript{66} This distinction did not occur after progression to management.\textsuperscript{67} That these denominations were used in the first few years highlights the importance of the precise position in the hierarchy. This meant supervisors typically knew how experienced an employee was when assigning them work. These denominations also meant that junior staff feel they are progressing through the hierarchy even though their title only changes after three years when they become consultants and then after another three years when they become managers.

Progression to manager and beyond was tougher than progression at the junior levels. Becoming a partner was a major milestone and was not only dependent on personal characteristics but ‘space’ at the partner level. During my fieldwork I noticed partners (particularly male senior partners\textsuperscript{68}) acted in an authoritative manner that made it clear they were the owners of the firm. For example, I attended an inter-departmental focus group led by an external consultant on a spatial layout change initiative within the firm. When

\textsuperscript{65} The promotion process changed in early 2012, just prior to my commencement of fieldwork. Previously, employees had two opportunities each year to get promoted – April and October. However following the change knowledge workers could only get promoted (and pay rises) once a year in October. The rationale for the change was to align with \textit{KnowCo} globally.

\textsuperscript{66} Interns who rejoined the firm after completing their degree could begin at the level of A3 and if they were considered a high performer at C1.

\textsuperscript{67} I was told that after progressing to manager level and beyond, these distinctions did occur in ‘theory’ but not in practice.

\textsuperscript{68} That is, divisional partners or the managing partner.
subgroups were presenting their results from a group activity, unlike other participants of the focus group, Don (the managing partner of the Project Department) asked questions and made comments (even an interjection) during these subgroup presentations even though neither he nor the Project Department was ‘in charge’ of the focus group. Following these subgroup discussions, when the external consultant leading the session mentioned that they didn’t debate whether those on a project should sit with the consultants, Don commented I’m hoping they’re at the client, explaining that it was the nature of the work (fieldnotes from observation of an inter-departmental focus group). Similarly, a divisional analysts meeting I observed was run by a rotating meeting ‘chair’ (an analyst) and attended by the divisional partner. Whilst one consultant was presenting on his agenda item (“how not to annoy your consultant” (KnowCo internal document)) several times during this presentation the divisional partner added his own comments and thoughts (some were even attempts at humour, like make the consultant redundant (fieldnotes from observation of a divisional analysts meeting)). Other staff members, rarely, if ever, would comment in a similar manner in these situations. Observations like these suggested that irrespective of the context, as the owners of the business, the partners always had authority. Employees generally (although not always) spoke about partners with trepidation and reverence and in a way that indicated the position was shrouded in a certain mystique.

5.3.3 Performance review

The progression of an employee in the Project Department was dependent on performance, which was formalised via the performance review process. As they worked in teams, each employee was assigned a ‘counsellor’ (a more senior staff member) to monitor their performance management and development. For each project on which junior staff spent more than 50 hours, they were required to complete a self-review within a system called My
Career. The self-review was based on a balanced scorecard, which had four quadrants – work performance, excellence, relationships and growth. Employees were then evaluated by their supervisor in their team for that particular project using the balanced scorecard. Staff were given a rating for each quadrant of the balanced scorecard, as well as an overall rating. The ratings were from ‘A’ to ‘E’, with a rating of ‘E’ indicating the employee had performed significantly below expectations (for their rank), and a rating of ‘A’ indicating the employee had performed significantly above expectations. Expectations for each rank were provided on the KnowCo intranet.

For the mid-year and year-end reviews, a multiple step approach to rate performance applies. (1) An employee’s counsellor collated their project reviews and provided a recommendation for an overall rating with examples as ‘evidence’ for the rating. An ‘E’ was extremely rare, whilst an overall ‘C’ rating was the most common. Staff spoke venerably about ‘A-raters’ and ‘B-raters’, and it seemed that most employees aimed to ‘get a B’. A ‘C’ was necessary to progress to the next level, but ‘A-’ and ‘B-raters’ could experience a faster progression rate, and were given a higher salary by 20% and 10% respectively. Employees knew that “you're supposed to at least get C” (female analyst, interview) and they were anxious if they received a ‘D’: “I’ve seen many people in tears, you know, because they’ve said they got, you know, like, a rating of D” (female personal assistant, interview). ‘D-raters’ could be placed on a performance improvement plan and they were the first to be made redundant during the redundancy rounds just before and during my fieldwork.

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69 This system was introduced into the Project Department just prior to my fieldwork in 2012.
Changes were made to mid-year and year-end review process in the Sydney Project Department in early 2012 to improve ‘consistency and rigour’, “because we saw opportunities for improvement there” (male associate partner, interview). These changes primarily revolved around the introduction of the roles of performance champions and performance leaders, who examined reviews and assessed the appropriateness of the rating put forward by the counsellor. (2) Performance leaders were managers or executive managers who provided the first-level review of the rating that a counsellor had given to an employee. When performance leaders were satisfied the examples were consistent with the rating, these were then passed on to the performance champion. (3) Performance champions were associate partners who compared ratings, first within and then between the divisions. When performance champions compared ratings between divisions, they focused on comparing ratings of D-raters and A- or B-raters (i.e., the tails of the bell curve) and promotion decisions to assess whether the examples provided supported these ratings and whether similar examples had been rated comparably across different divisions. (4) When performance champions were satisfied with the ratings across the divisions they recommended these ratings to the Sydney Project Department Leadership team (discussed below on page 122).

What emerges from here, and will be further illustrated in Chapters 6 and 8, is the in-built hierarchical control due to the power senior staff/supervisors can execute in the performance review process – both towards the reviewed knowledge worker and the subordinate reviewer.

5.3.4 Project budgeting, time recording and chargeable hours

As employees perform project work, a fundamental control in the Project Department was the project budgeting, time recording and chargeable hours process. As mentioned earlier, time is
used as a proxy for knowledge in knowledge-intensive firms (Spasich and Day 1994; Grant 1996) so it is time that these firms are providing to their clients. *KnowCo* predominantly provides services to clients on an agreed fixed fee. When fixed fee billing is used, the fee is determined partly based on an estimate of the time the project team will spend on the project, and the time employees spend make up the most substantial costs of a project and all costs should be attributable to the client. Consequently, managing time in these firms is central to their profitability and a vital aspect of the Department’s financial control. It is this control that the AYTATT initiative was concerned with improving, and so in this section I explain how the Department had set up its internal systems for dealing with time and project work related costs.

First, partners are responsible for securing project work from clients. Projects arise from client needs. For the most part, projects are undertaken over several years, with the same amount of work generally expected each year. When a partner procures the work, he or she agrees the fee for the project with the client. In general, this fee is fixed, however the contract may make exceptions for over-runs (discussed below).

A manager would oversee the project, particularly managing resourcing and budgeting. Prior to the work being performed for the year, the manager would go through the Budget Planning System (BPS), which was introduced into the Sydney Project Department in February 2012. The manager estimated the number of hours each team member would take to complete that year’s portion of the project. This estimate was based on various factors. However, following the first year of a project, the starting point of the time estimate was the

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70 The budgeting and FOMP process (explained below) for a client project is done on an annual basis.
actual time charged in the previous year. The budget was comprised of the estimated time for each team member multiplied by the stipulated charge-out rate (standard cost). The charge-out rates varied according to an employee’s position in the hierarchy, so partners had the highest charge-out rate and analysts (or more specifically, interns) had the lowest. These costs, along with expenses such as travel, accommodation, after hours meals and taxis, made up the costs assigned to projects.

BPS ensured that the number of estimated hours in the budget for any team member was the same as the number of hours in Slate, the scheduling system, for that team member. Based on the budget and the fee\textsuperscript{71}, BPS calculated the Forecasted Margin Percentage (FOMP). To simplify, FOMP was calculated as the gross margin percentage. The FOMP for a project was approved by Don’s personal assistant, Leila. Leila could reject a FOMP if it was too low and ask the manager to redo BPS with an improved FOMP.

As mentioned above, BPS ensured that the expected hours in the budget that were used to calculate FOMP matched the numbers in Slate. Slate was a scheduling system that was used to manage the time of analysts and consultants. There were dedicated scheduling staff who managed Slate. Staff were allocated onto projects in two ways. The consultant or manager could inform scheduling of a ‘need’ for a certain staff level. This need was filled by the scheduling staff according to availability of staff at that level. Alternatively, the consultant/manager could request the scheduling staff to book a specific person onto their project. When analysts worked well with their supervisors, they could find themselves booked by them time and time again. Similarly, after a period of time, analysts (and the other

\textsuperscript{71} The particular fee for that year.
employees) developed reputations and could be booked (or ‘unbooked’, that is, not booked onto a project) on the basis of these reputations: “it implies the demand for your work, for you … if you're always booked …” (female analyst, interview, emphasis added). Being booked was important for junior staff for their utilisation figures (discussed below).

Once work on the project began, team members would charge the time they had spent in their timesheet against a charge code for that project. Team members were required to submit their timesheets on a weekly basis and they faced consequences (such as potentially losing their time off in lieu for junior staff) if they failed to submit a timesheet by the deadline. All time spent working was recorded in the timesheet, with different codes for client work (known as chargeable work) and non-chargeable work such as administration, business development, training or leave, and there were time charging [recording] guidelines that provided some guidance to employees on how to record their time. I will be using ‘charging time’ to refer to the recording of chargeable time and ‘recording time’ to indicate all time that is recorded (that is, chargeable and non-chargeable time). There was a slippage of language in the Department in relation to the recording and charging of time and they are often referred to synonymously, and so I will also indicate where there is slippage of language in my empirical material.

The numbers recorded in the timesheets then had several uses. At an individual level, these numbers were used to calculate a person’s utilisation. This was calculated as chargeable hours (i.e., time spent on chargeable work) divided by available hours. Available hours were calculated as standard hours (usually 37.5 hours but less for part-time employees), less any leave the staff member had taken (except for unpaid leave) such as annual leave and sick
leave. These utilisation numbers were circulated in an email on a weekly basis and during most of my fieldwork, graphs of these numbers were displayed in the photocopying room by employee\textsuperscript{72} (see Figure 3).

\begin{figure}
\centering
\includegraphics[width=\textwidth]{YTD_Utilisation_June_FY_2012.png}
\caption{A fabricated example of the time charging graphs\textsuperscript{73, 74}}
\end{figure}

At the project level, alongside the other costs that are charged to the engagement, the numbers of chargeable hours in the timesheet determined the actual costs for the project and, as mentioned above, these hours were then likely to form the basis for the budget for the following year. At a department level, the chargeable hours were used for forecasting revenue and employee numbers.

\textsuperscript{72} These utilisation graphs were not displayed for partners or associate partners. As will be explained below, these graphs were later replaced by different graphs towards the end of the fieldwork.

\textsuperscript{73} YTD refers to year-to-date and FY refers to financial year.

\textsuperscript{74} Names have been included for illustrative purposes only, to the author’s knowledge, they are not names of actual Project Department employees during fieldwork.
The project manager (typically) monitored the progress of the work against the budget. If the work was taking longer than was estimated, managers would consider whether any of this ‘extra’ time\textsuperscript{75} could be considered over-runs. Over-runs were expenses (that is, time) that were incurred when the project team performed work beyond the scope of the project (based on the contract) or if the client did not meet their obligations in the contract, such as providing the project team with documents by the agreed timeframe. As such, over-runs could be recoverable from clients. If the manager was able to secure the over-run from the client where work had taken longer than expected (i.e., what was budgeted), they could avoid revising FOMP (or decrease the write-down amount).

If the manager and/or partner were unsuccessful in securing an over-run where work had taken longer than the budget, they would need to ‘re-FOMP’ in the system (revise the initial FOMP via a write-down). As the FOMP write-down was calculated based on the percentage of work completed to date,\textsuperscript{76} this created an incentive to re-FOMP sooner rather than later to avoid a larger write-down. If FOMP changed above a certain amount (which one partner told me, you can get to this quite easily (fieldnotes from meeting with a female partner)), even cumulatively, this needed to be approved by Don. FOMP write-ups could occur towards the end of a project if it was clear that the actual costs would be less than the budgeted costs. The ‘actual’ cost of the project would then be used as input for determining future fees. And, of course, all this is contingent on having accurate timesheet records.

\textsuperscript{75} Even when this ‘extra’ time was overtime by employees (which they were not paid for), the same charge-out rate was still used to calculate the cost of the project – even though from a ‘cash flow’ perspective this overtime is ‘free’.

\textsuperscript{76} For the year.
The project budgeting, time recording and chargeable hours process was clearly a vital element of the Project Department’s control system. In particular, the chargeable hours, as one partner told me, were a massive massive massive KPI (fieldnotes from meeting with a female partner). To improve this control, management instigated the AYTATT initiative to curb the undercharging of time. The undercharging of time occurs when the chargeable hours recorded by employees in their timesheet are lower than the actual chargeable time taken (Lightner, Leisenring et al. 1983; Dirsmith and Covaleski 1985; Ponemon 1992; Hanlon 1996; Pierce and Sweeney 2004; Sikka 2004). Formally, the KnowCo code of conduct and time charging policy required employees to charge all of the time they worked. Yet, management in the Project Department recognised that, despite this formal injunction, staff were nevertheless undercharging time (Fleming 1980; Dirsmith and Covaleski 1985; Ponemon 1992; Akers, Horngren et al. 1998). The initiative is interesting because as discussed in Chapter 3, firms clearly benefit from the undercharging of time as this improves profitability through decreasing costs. Undercharging time can, therefore, allow firms to charge less to their clients whilst maintaining their profitability – and this could have been particularly useful to the Project Department because, at the time the initiative began, the environment in which the Department operated was characterised as highly competitive and economically dismal. Yet the initiative challenges our understanding of the benefits of undercharging time as we could assume that management in the Project Department would not have instituted the initiative given their tough operating environment at the time if they thought it would decrease profitability. The next section outlines the AYTATT initiative instituted by management to change the culture of undercharging time within the Department.

77 The chargeable hours figures are used to forecast client-serving employee numbers – not just the total numbers of employees but the numbers of employees at each level – which in turn drives the administrative staff numbers. This can affect promotions, recruitment or can lead to redundancies.
5.4 All Your Time, All The Time

I first came across the AYTATT initiative in its early stages during my first week of fieldwork in July 2012, when I attended a Project Department end of financial year function. During his presentation at the function, Don provided an overview of the financial year that had just ended. In particular, one of his slides comprised a basic budget analysis for the year, including headcount numbers. In his elaboration of the headcount figures, Don mentioned that people had not been charging all of their time and that there would be some initiatives to change this. Thus, whilst at this point there was no initiative per se, it was clear that action of some sort was going to be taken. Furthermore, it seemed that the impetus for this action came from the most senior member(s) of the Department.

Following on from Don’s comment at the end of financial year function, the issue of undercharging time was raised at a Project Department Leadership team meeting in August 2012. The attendees of Leadership team meetings included Don, Bill (the ‘People’ partner), the five divisional partners, and the team leaders. Team leaders were managers or above and were responsible for a particular staff level in their division (such as the analysts), which were referred to as a ‘peer group’.

During this meeting, members of the Leadership team mentioned that the time charging numbers were not accurate (“it came up in that forum … this time charging thing, there’s lots of trends to support that this is going down the toilet, that people are not connecting with it” (Helen (executive manager), interview). The partners asked for volunteers to form a project

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78 I was not in attendance at this meeting, however, Helen (executive manager) informed me of these events during her interview.
79 The partner responsible for looking after HR concerns within the Project Department.
80 That is, the five partners in charge of each of the five divisions.
team with the imperative to improve the time charging numbers by curtailing the accepted practice of undercharging time. A project team was formed, consisting of Helen, Matthew (partner) and Elaine (HR associate partner), three of the main players in the initiative (see Figure 4). The other main players in the initiative were Don, Dominic (divisional partner) and Shahid (associate partner). Dominic and Shahid were two members of the leadership team that assisted with AYTATT.

Figure 4 Main players in the initiative

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81 Dominic and Shahid’s involvement in AYTATT appeared to be due to their roles as team leaders within their division. I am confident that there would have been other team leaders who were involved with AYTATT in the other divisions, however as I did not attend meetings in the other divisions I cannot say who these were.
My empirical data related to the initiative can be placed into three phases – initial education, monitoring and improving time charging, and ‘The Recoveries’. Although these phases are not disparate and there is some timing overlap with the second and third phases, conceptualising the initiative in this way helps us to see the metamorphosis of AYTATT.

5.4.1 Phase One: Initial education

Once the project team was formed, the first phase of the initiative focused on educating employees about the implications of time charging for the Project Department. Helen identified that employees’ views on the significance of time charging was divorced from those of the leadership team:

I think there’s a disconnect between how leadership looks at that specific task, the importance of that and how everyone else sees it, and it’s never been really well educated or explained really why charging time is the backbone of the business.

(Helen, interview)

As their first step, Helen and Matthew produced a brief ‘white paper’ to guide the AYTATT project. Based on consultations, this document provided an overview of the issue of charging time, explained why Project Department knowledge workers undercharge time and set out an action plan to change this behaviour. Information contained in the white paper suggested that the impetus for the initiative was a decrease in the chargeable hours and utilisation statistics between 2011 and 2012. In the white paper the objective of the program was presented as “to
address the factors behind the culture of not charging time. The aim is to change culture so charging time becomes an accepted and natural task” (KnowCo internal document).

The white paper outlined the factors contributing to the undercharging of time by staff. These factors included employee concern regarding FOMP (margin) write-downs, unrealistic FOMP expectations, employee anxiety in relation to appearing inefficient, pressure on staff to constantly improve the efficiency of projects, managerial responsibility to secure over-runs, senior employees not demonstrating the ‘right’ behaviours and employees not understanding the importance of charging time for the business as well as for themselves. The white paper also set out ‘the message’ to be diffused throughout the Department as “all of your time, all the time” (KnowCo internal document).

One aspect of the action plan (in the white paper) required team leaders to raise the issue of time charging with their respective peer groups. I observed Dominic and Shahid discussing this issue with analysts in late August 2012 when I attended a divisional analysts meeting. The analysts, their team leader and the divisional partner (Dominic) attended these meetings. For the analysts, their attendance was encouraged but not mandatory, and these meetings tended not to have full attendance of all analysts in the division. Other staff members attended on an ad hoc basis, ordinarily in relation to a specific agenda item.

During this particular meeting, Shahid was one of the ad hoc attendees. Shahid, along with Dominic, led a discussion on the undercharging of time. This discussion was about helping
analysts to understand the purpose of charging time and to change perceptions around charging time:

Shahid: It’s been very busy and people have been working earlier than 8 and later than 5 but still only 37 ½ hours are being recorded. Are we being honest, are we being fair to ourselves?

Dominic: As a project firm we are paid for the hours that we charge to the client. Management wants everyone to charge all of their time so that they can bill the client.

(fieldnotes from observation at divisional analysts meeting)

Dominic explained that there are concerns and perceptions about charging time and we want to understand perceptions (fieldnotes from observation at divisional analysts meeting), adding I want to know what I can influence about this (fieldnotes from observation at divisional analysts meeting). The analysts raised issues regarding charging time and Shahid and Dominic alleviated their concerns. For example, one employee raised the issue of FOMP adjustments. In response, Shahid explained: you have a discussion with the partner for the reasons – whether it can be billed to the client, or taken as a hit for the relationship, or if it might have been inefficiencies from our side (fieldnotes from observation at divisional analysts meeting). As this demonstrates, in this division, members of the leadership team educated the analysts about the purpose of charging time. Part of this process involved confronting existing (negative) perceptions around time charging.
Another notable event of phase one occurred in mid-September 2012, when I attended a department-wide consultants and analysts (i.e., junior staff) meeting. Following her presentations to the partners and associate partners, executive managers and manager groups earlier in the month, Helen presented on the initiative to the consultants and analysts, effectively ‘launching’ it (for this group) at the meeting. The intention of these presentations was:

just to start to educate, so that was the first plan, to share what it is we're trying to achieve, and what are the benefits to the business, what's the benefit to them, in particular, personal benefit, to be able to make significant changes.

(Helen, interview)

Helen explained to attendees the aim of the initiative, reasons why they should charge their time, barriers to charging time and actions they could take. She emphasised that they wanted to have a ‘positive’ approach and celebrate the right behaviours of charging your time all the time. The rationales for charging all of their time was summarised in a table:
### Benefits to our business

<table>
<thead>
<tr>
<th>Benefits to our business</th>
<th>Benefits to you individually</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia–Pacific leadership can see the real view of our business – just reading the numbers now gives a perception of too many people with low utilisation.</td>
<td>Maximises opportunity for promotions and progressions.</td>
</tr>
<tr>
<td></td>
<td>We can see your real contribution and recognise that.</td>
</tr>
<tr>
<td>Allows better headcount planning for optimal staff leveraging and firm profitability.</td>
<td>The right people at the right staffing level means we get closer to the right workload for everyone.</td>
</tr>
<tr>
<td></td>
<td>Includes the right level of support staff, allowing us to focus on key activities.</td>
</tr>
<tr>
<td>Allows more robust conversations with clients on their inefficiencies and the effect they have on our project work.</td>
<td>Clients can work with us to improve their efficiency and quality, improving our team work flow.</td>
</tr>
<tr>
<td>Allows more accurate information for discussion and recovery of overruns [sic], increasing our profitability.</td>
<td>Maximises our ability to meet financial targets, leading to a better position to justify salary increases and maintain discretionary spend.</td>
</tr>
</tbody>
</table>

Table 4 The benefits of charging time (*KnowCo* internal presentation)

The first phase of the AYTATT initiative thus focused on the initial education of employees. This phase involved explaining to employees the implications of time charging for the Department and themselves. The key players (the project team and other members of the leadership team) identified – and attempted to alleviate – employee concerns with charging all of their time.

### 5.4.2 Phase Two: Monitoring and improving time recording

In Phase Two, after employees had been educated about the function of charging time, the AYTATT project team focused on monitoring time recording in the Department. They also devised new strategies to improve the time recording numbers.
When I met with Helen for our first interview, she explained the measure she was using to determine the success of the initiative. She told me she was focusing on the total hours – rather than simply chargeable hours – recorded in employees’ timesheets. More specifically, she was examining the percentage of employees recording 37.5 hours (the ‘standard’ hours and the minimum required to submit a timesheet), and those recording greater than 37.5. Her rationale was that as the percentage of employees recording more than 37.5 hours increased, as staff were recording more of the time they had worked, this would indicate the program had made an impact.

In January 2013 Helen collected the data on recording time. She saw that they had achieved some success after implementing the initiative, that is, the percentage of employees recording greater than 37.5 hours in the timesheets had increased (see Table 5). In Helen’s terms:

when you look at July, August this year … and you look at the proportions there of above and below, and you compare that with January and February, you can see a distinct increase, at every level, people charging [recording] more than 37.5 … And July, August is a good measure, in a way, because we didn’t launch this until September, and so we captured let’s call it like a control data, of what was happening, let’s call it pure, and then since then a lot of conversations have started, and we can see that it’s moving up … And so what it was telling me was, even in a quiet November December, we had some success in capturing true time compared to July August. And it looks like people were just putting in the minimal, minimal hours.

(Helen, interview)
In early February, Matthew (the partner in the AYTATT project team) sent out an email to all Project Department employees informing them that the project team had put up new time charging [recording] graphs in the photocopying rooms, “to assist you in getting stronger visibility of the time that is charged [recorded]” (KnowCo internal email). These graphs are remarkably different from the utilisation graphs (based on chargeable time) they replaced.

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82 Helen had these figures by week but for display purposes I use the average of the month.
83 Shown in Figure 3 on page 119.
As Matthew noted in his email, at the time the new graphs were only displayed for the partners and associate partners, executive managers and managers (or PAPM as the collective is termed internally). Matthew emphasised that despite this, all employees should be recording all of their time. He explained that the graphs were only displayed for the PAPM as the data collation was easier for that group, but he indicated that the graphs for consultants and analysts would soon follow. An example of the enhanced graphs can be seen in Figure 5.

In addition, the new graphs included a pie chart for each level, which illustrated the percentage of time employees at that level were recording to the different categories of time (see Figure 6).
Helen explained to me that the intent of the charts was visibility:

You know, it’s really good messaging, so that everyone can see, that shows that this is actually being monitored, in a very gentle way, it’s not being followed up in a nasty way, it’s just being displayed so it’s transparent. So through that visibility we hope that it might encourage people to take on board the messages, the behaviours we’re trying to instil in the business, and make sure that they’re distilling them to what they’re doing.

(Helen, interview)

In early March 2013, I attended a consultants meeting. Helen presented at this meeting alongside another executive manager, Dario. In their presentation to the consultants, Helen indicated that they had some success with charging [recording] time and that the analysts
were watching the consultants. Dario mentioned that they wanted to devise a learning module for all levels of staff. He suggested to the consultants that they understand their clients’ businesses, but not their own. Dario gave the example that BPS was completed on an ‘emergency basis’. From his discussion, it seemed that the purpose of the module was to help change current practices, for example, helping employees understand why completing BPS is important. Dario mentioned needing help with developing the module and he asked the consultants to get involved.

When Helen explained to me the purpose of the learning module, she told me that:

a lot of the root of the problem, people not charging time, is that they don’t understand how important it is, and we think that there’s, there’s a lot of scope for us to be able to explain that context. And that comes back to what we were just talking about, how does your role, and what your activities are, how does that impact on our business, and what the key drivers of our business are … so we’re really aiming to demystify a little bit our business and how it runs.

In early March 2013 I observed a meeting between Helen and Dalia, a manager and team leader for analysts in one division. They discussed barriers to charging time throughout the hierarchy, examining the barriers around four staff groups – partners and associate partners, executive managers and managers, consultants, and analysts respectively. The barriers they discussed included pressures regarding profitability, efficiency, unrealistic FOMP expectations, the likelihood of the client paying over-runs, admitting mistakes and partner buy-in. Helen and Dalia noted that the partners and managers control most of these barriers.
They mentioned circulating bullet points of these barriers to charging time but they did not specify to whom or why.

In the second phase, the project team monitored time recording information, and found that the figures had improved following their education efforts in the first phase. They proposed new strategies to encourage employees to record all of their time, such as the new graphs in the photocopying rooms and the learning module.

5.4.3 Phase Three: ‘The Recoveries’

‘The Recoveries’ was another strategy developed and implemented by the project team members to encourage staff to charge all of their time by reinforcing the benefits to the business and individual knowledge worker. In early February 2013, in Matthew’s (partner) email about the time charging [recording] graphs, he mentioned that the project team would soon launch a plan to “celebrate our efforts in securing overruns” (KnowCo internal email). Certainly, a couple of weeks later, Matthew sent out another email to staff to introduce The Recoveries awards – named after the desired recoveries of cost from clients. He stated the five different categories of the awards for which teams could nominate themselves, using a nomination form attached in the email. The categories included best financial outcome, best team effort to chase an over-run, rookie award, best practice award and a ‘wooden spoon’ award. To explain these categories: best financial outcome included the over-run amount in dollars or as a percentage of the project fee; best team effort meant the entire team assisted in securing the over-run; rookie award was for a junior employee who keenly attempted to recover an over-run; best practice award was for employees to discuss what they saw as ‘best practice’ in securing over-runs; and the ‘wooden spoon’ award was described in the
nomination form as “for a gallant effort, but not a great outcome!” (KnowCo internal document). The winners received $200 per team member with a maximum of $1,000 per team. Matthew mentioned that The Recoveries would be awarded on a semi-annual basis. Although he stated that the first awarding of The Recoveries would occur in May, it actually occurred in June 2013.

When I spoke to Helen about The Recoveries, she explained to me the reasoning behind them:

the idea is that it’s not about whether you are successful or not, in the over-run, it’s about behaviours that you’re exhibiting to get to that point. Does that make sense? Like, whether or not you get the money from the client or not is not, it’s not the important fact. It’s how did your whole team contribute to collecting the time accurately, so you could then go and have that discussion with your client.

(Helen, interview)

Essentially, The Recoveries attempted to encourage employees to charge all of their time by rewarding them for recovering (or trying to recover) over-runs from clients as a result of charging all of their time. Helen explained that they would draw on an existing awards committee to sort through the nominations, with input from herself and Matthew. She was rather apprehensive about whether The Recoveries would be successful, or whether they would be a “fantastic flop” (Helen, interview). When I asked her about the best case scenario, she told me:

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The ideal is loads of examples, and consistent examples that show how everyone got involved. And the volume is important, the volume of examples, because it can sort of prove a little bit of a point around consistency. And it’s all about celebration, at the end of the day, and the more examples you have, the more … it’s almost like a safety in numbers thing. You’re seeing lots of examples of people, your peers, doing the right thing, you go, oh, that’s safe, I should be doing that as well. And you sort of get on board the journey and you, you start to try and do what they’re doing.

(Helen, interview)

Yet, Helen noted that the message around The Recoveries was not consistent with their overall message in AYTATT. In her words:

But that’s slightly different from the messaging with The Recoveries, because that’s only chargeable time. So we have to be a little bit careful that we’re keeping as consistent as we can. The Recoveries is about, you know, that tag line ‘All Your Time, All The Time’, it is about that, but if you, if you read between the lines, it’s only about your chargeable time.

(Helen, interview)

Whilst here Helen recognised the inconsistency between AYTATT and The Recoveries as The Recoveries focused on chargeable time rather than all time, she went on to explain that,
it (the focus on all time) really has to come from the conversations that you’re having with your partners and your managers, at things like project planning meetings, to really give you to the context about what the expectations are.

(Helen, interview)

In late June 2013 I attended the end of financial year function where The Recoveries were awarded. Each category of the award mostly had four finalists. Helen and another manager took turns in announcing and presenting the awards. The managers of the teams who won collected the awards\(^\text{84}\) (giant novelty cheques). Whilst I did not get a chance to speak to Helen at the event, it seemed from the perspective of the project team, The Recoveries had been successful. When Helen presented the awards, she mentioned they received 35 nominations and the over-runs totalled over a million dollars.

This phase thus involved the establishment of The Recoveries awards to further encourage employees to charge all of their time by introducing a celebratory aspect to AYTATT. The awarding of The Recoveries at the 2013 end of financial year function was the final event I observed in relation to the initiative.

### 5.5 Conclusion

In this chapter, salient aspects of organisational life for knowledge workers in the Project Department are illustrated. I described the main themes employees mentioned when discussing why they work in KnowCo: (1) the opportunities that they felt would arise as a

\(^{84}\) Except for the rookie award, which was awarded to an individual.
consequence of their work in KnowCo; and (2) the people culture that emphasised the social facets of work life. These themes provide insight into cultural values and beliefs within KnowCo with an emphasis on the ambitious and social characteristics of employees. My discussion of the workday of employees in three hierarchical groupings shows how hierarchical position mediated the work life of employees and the strong hierarchical differentiation that occurred within the Department.

I also detailed the key organisational controls in place in the Project Department. These controls include recruitment, hierarchy and progression, performance review, and the project budgeting, time recording and chargeable hours process. The description of these controls helps demonstrate how management control was enacted within the Department. These management controls worked together to produce a powerful management control system with very little overt employee resistance to control.

Of particular interest in this study is the project budgeting, time recording and chargeable hours process. This management control is pivotal to the Department’s financial control and the AYTATT project was instigated to improve this control after management identified that employees were not recording all of their time. The background of the initiative that I provided covers how the initiative came about and the measures taken by the main players during the three phases of the program – initial education, monitoring and improving time recording and The Recoveries. In the next chapter I explore the reasons why staff undercharged time. Understanding why employees did not charge all of their time is vital to changing the culture of undercharging time.
6 THE BARRIERS TO CHARGING TIME

The AYTATT initiative intended to change the culture of undercharging time within the Project Department. The establishment of AYTATT clearly demonstrates that management recognised there was a disconnect between time charging policy and practice in the Department; what employees knew they ‘should’ do was not consistent with what they did. To successfully curb the undercharging of time by employees requires a profound understanding of the reasons why people undercharge time – that is, the barriers to charging time. In this chapter I explore the explanations that employees provided for the undercharging of time. To this aim I examine control as cultural practice (Ahrens and Mollona 2007) to shed light on how the practice of control in the Department led to staff undercharging time.

The relationship between normative and bureaucratic facets of control in the context of employees’ time charging practices is explored here – facilitated by exploring control as cultural practice. Studying control as cultural practice involves exploring the meanings, beliefs and values that employees associated with control practices. The impressions that I detail in this chapter are informed by interviews and observations, and whilst Ahrens and Mollona (2007) specify that examining control as cultural practice should be rooted in observation, I recognise that the quotes herein are predominantly taken from interviews. Despite Ahrens and Mollona’s (2007) advice, I have largely relied on interview data here because – for the reasons I detail in this chapter – “charging time is always a sensitive issue” (female analyst, interview). This sensitivity often required a private setting (more readily available in an interview context) so employees could speak freely about their lived experiences in relation to charging time. Ahrens and Mollona (2007) explain their emphasis
As I describe in this chapter, the practice of control both constitutes, and is constituted by, the meanings employees ascribed to and the beliefs they held about charging – and undercharging – time. Three key ‘control’ related themes emerged from my discussions with staff that helped me to understand why staff undercharged time in the Project Department. These themes include: (1) confusion as control; (2) anxiety as control; and (3) hierarchy as control. The beliefs that employees held in relation to the control practices described in each of these themes illuminate how, rather than promoting time charging, control practices actively discouraged employees from charging all of their time. Confusion, anxiety and hierarchy are normative aspects of control that employees experience as the barriers to charging time. Each of these themes will be explored in turn.

6.1 Confusion as control: “I don’t see that as work, I’m just clearing rubbish”

In Chapter 3, I discussed the importance of time in knowledge-intensive firms. Through providing the knowledge of employees, firms are effectively providing (and selling) employees’ time. We can then presume that a knowledge-intensive firm such as KnowCo would have well-developed systems to ensure that time is accounted for meticulously. Yet my empirical evidence demonstrates that time recording is an inexact science and many
problems can be seen with the systems in place. The way staff spoke about time recording revealed discrepancies between what they should do, what they did and what they said they did, demonstrating confusion in relation to the practice of recording time. Employees knew that they ‘should’ record all of their time, all the time, yet they were confused as to how this imperative translated into practice. This confusion partly stemmed from employees being left to their own devices regarding how to determine the amount of time they worked, rather than receiving explicit instruction on how to provide an account of their time (beyond the technical instruction regarding how to fill out and submit their timesheets). Determining (and then recording) ‘how long’ they worked was considered self-evident; employees ‘simply’ record their work time (“you just charge them whatever you worked, right” (female analyst, interview)). Yet it became apparent that this level of accuracy was illusory when we examine the variation that emerged when employees discussed their time recording practices. Employees used many different ways to determine how much time to record in their timesheets. Their confusion regarding what time had to be accounted for was also evident when they talked about time recording; they were confused about what was ‘work’ that should be recorded. Employees’ confusion regarding time recording meant that they under-recorded time through their practices, with little (if any) awareness they were doing so. The following subsections examine how employees accounted for time, employees’ confusion about ‘work’ time and the inconsistency between what employees thought they did and what they did when recording their time.

6.1.1 Accounting for time: ‘I don’t know how much time I spent on it’

The variation in how employees accounted for their time demonstrates their confusion with respect to the time recording practices in the Department. One partner told me that
whilst we are chargeable, people want to buy us by the hour, we’ve got to be disciplined about you know, people being accurate with, you know, being productive during the time that they’re charging to a client.

(female partner, interview)

But when employees spoke to me about how they recorded their time it was clear that overwhelmingly, they were not ‘disciplined’ in these practices. This was in part because they were confused regarding how to account for their time. Employees were provided with time charging [recording] guidelines, which advised them how to record different types of activities. Employees did not appear to receive direction on the seemingly unambiguous task of determining how much time they had spent on an activity (“there's no, like, formal guidelines on when you should charge, like, your time, like when you should start charging your time … no-one has ever told me anything about that” (female analyst, interview)). In the absence of this guidance, we could perhaps expect that if employees were not confused in their time recording practices, they might keep track of what tasks they were working on regularly throughout the day to later input into their timesheets. This could involve noting what time they started working on a particular task and what time they finished it. Yet only rarely did employees tell me that they kept track of their time regularly throughout the work day in a similarly accurate manner. Indeed, many employees did not keep track of their time on a daily basis and so on Friday afternoon (when they were required to submit their timesheets) they had to (attempt to) remember how they used their time during the week:

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As recording and charging time are referred to synonymously within the Project Department, I will be using ‘charging time’ to refer to the reporting of chargeable time and ‘recording time’ to indicate all time that is recorded – including non-chargeable time.
it’s just a matter of, yes, make sure when you do it on Friday, you really remember your whole week and everything. But usually, when you just remember what you’ve done, it gives you some kind of good feedback, I mean, some good range and between one or two hours, okay, there might be a difference but, I mean, it’s not that huge.

(female consultant, interview)

In completing their timesheets, rather than referring to notes of how long they had spent working, many employees relied on their fallible memories to ‘keep track’ of the time they had worked. They used ‘guesstimates’ to provide an account of their time and used their ‘judgement’ to approximate how much time they had spent on tasks:

it’s generally on Friday, and you’ll think back to the various parts that you did and estimate, well, that was probably about half an hour on that client, and that’s the way I’ll do it.

(male consultant, interview).

As employees predominantly did not note their start and finish time of tasks to calculate how long they spent working with reference to clock time, instead they used different ‘bases’ to estimate and approximate their time. The use of these bases to work out how much time to record in their timesheet further demonstrates the confusion employees experienced in relation to completing an apparently ‘basic’ task – determining how long they had worked. Employees mentioned basing their time recording on the standard hours (7.5 hour days or
37.5 hour weeks), as well as the budget or what had been charged in the previous year: “I would look to compare to last year’s time recorded [charged], I generally say what a consultant recorded [charged], that’s more my guidance of what I should be charging” (female consultant, interview). When junior employees explained how they recorded their time some mentioned ‘basing’ their time on what was charged by the rest of their team, consultant or manager: “so if the whole team’s charging 45 hours for the week, then I’ll charge my actual hours, which’ll probably be about the same, and if not, then I’ll just charge the 37.5” (female analyst, interview).

Most employees worked overtime (more than the ‘standard hours’) each work day – sometimes a substantial amount of overtime. The employees’ use of these bases to estimate how long they worked meant that any time they worked beyond these ‘bases’ – their overtime, time they worked beyond what was budgeted, time they worked in excess of what their team charged – becomes under-recorded. As employees were ‘free’ to determine how long they worked as they saw fit, the use of these ‘bases’ to estimate their work time effectively reduced the time employees recorded – including the time they charged.

Further up the hierarchy, there is another layer to time recording regarding allocating time amongst clients. Knowledge workers who worked on multiple clients at the same time needed to determine not only how long they worked, but also split this time between their clients. For this reason, employees commented that managers would keep track of their time more frequently – that is, not waiting until Friday afternoon when timesheets were due to ‘remember’ what they had done – as they worked on many clients simultaneously, requiring them to be slightly more ‘disciplined’:
When I do my timesheet by the end of day I need to look at my calendar, who I’ve met. What I’ve done, refresh my memory because I deal with emails throughout the day. So if I have ten jobs running I have different questions from different people. So responding one single email takes me maybe ten, 15 minutes, but other follow ups, different jobs, so I feel like I [am] working for maybe two hours and you can’t really articulate or figure out how many minutes I should allocate to each job if I really want to get it accurate. And by the end of day I have to make a judgement, roughly I worked on six jobs today, roughly each job maybe an hour or two, yeah, if I wait until the end of the week (to complete my timesheet) there’s no way I can keep track accurately.86

(female executive manager, interview)

Again, employees appeared not to have received any guidance regarding how to apportion the time they worked between clients. We could imagine that an employee who was not confused about this might take note of not just the time they start and finish a task, but also which client project the task related to – information they could then use to complete their timesheet. Yet the use of different methods by employees to split their time amongst clients shows that there was still confusion regarding how to account for their time as they progressed through the hierarchy – further demonstrating the imprecision with which time was accounted for within the Department. The executive manager quoted above used ‘judgement’, but others mentioned splitting their time between clients based on the budgets. One consultant told me that rather than dividing the time amongst her clients, as consultants

86 This quote has been edited slightly to improve readability.
are usually assigned to one client at a time, any time spent on other clients (for example, time spent answering emails, etc.) would ‘balance’ out:

you cannot keep tracking on, I've answered another email for another client. I’ve been just answering to my executive manager, it took me five minutes, you cannot do that. At the end, I think as you do it for this client when you are with the other client, there is kind of a balance.

(female consultant, interview)

These different techniques used by employees to allocate their time between clients expose a further absence of ‘discipline’, which could clearly lead to time being mischarged. Using ‘rough’ estimates produced by ‘judgement’, or the budget, or a sense of ‘balance’ to apportion time leads to the mischarging of time, as time is overcharged for some clients and undercharged for others.

Even at the highest levels of the hierarchy there appeared to be confusion – and a lack of ‘discipline’ – in relation to accounting for time. The timesheets of partners and associate partners were predominantly completed by their personal assistants. The input for these timesheets could be based on the calendar of the partner/associate partner or information they provide (usually using a spreadsheet) to their personal assistant. Underlying the use of the calendars as a basis for the time recording of partners and associate partners is an assumption that each day transpires as planned in the calendar – ignoring how the ‘actual’ day can turn out very differently to that planned. In organisational life it is rare for a meeting or a task to
take exactly the amount of time that has been allocated in the calendar – meetings can run overtime or finish early, and tasks can take more or less time to complete than is expected. In situations where a timesheet is completed by a personal assistant using a calendar, we could think that a ‘disciplined’ partner or associate partner would update the calendar or perhaps amend the timesheets themselves to reflect what actually happened during the day. Yet even these organisational members were not clear on what practices were required in accounting for (all of) their time:

The personal assistants look at the diaries, you know, they know what the partners are doing. You know, they submit it and, you know, it's mainly accurate but they don't ... you know, partners don't have time to look through their timesheets every week.

(male associate partner, interview)

As a small number of employees commented, in the Project Department, partners and associate partners often completed work outside of their calendars. So if they did not inform their personal assistants of this work – or record it themselves – it remained unrecorded in their timesheets. When I asked the same associate partner quoted above about work completed outside the calendar, he told me:

So ... and that's right ... you should be having a look to record all the stuff that's not in the diary, you know? So yeah lots of things that happen that are not in the diary so ...

(male associate partner, interview)
It is evident that there is a disconnect between what he knew he ‘should’ do and what he did – demonstrating how practice can be muddled in relation to recording time. As the most senior members of the hierarchy, partners and associate partners would be acutely conscious of the importance of time recording in the Department. Yet, the completion of (most) partners’ and associate partners’ timesheets by personal assistants distanced the partners/associate partners from the task and enabled them to frame it as an administrative exercise for which they were ‘too busy’.

Another aspect of employees’ time recording practices that warrants discussion here is how they accounted for breaks. Employees were confused regarding how to take breaks into account when recording their time – and in relation to smaller, ‘micro breaks’ during the work day (Fritz, Ellis, Demsky, Lin and Guros 2013), whether they needed to account for them at all. In relation to the lunch break – the break employees brought up most frequently – employees knew that they needed to subtract their time for the lunch break when they completed their timesheets, and it seemed they had received guidance to this effect. When they discussed their time recording practices, some employees mentioned that they generally ‘took out’ an hour for lunch from their timesheet. It seemed that taking out an hour from their timesheet was rather ingrained as they subtracted this hour irrespective of the ‘actual’ time they took for lunch. They mentioned taking out an hour when they took less than an hour for lunch (sometimes when they took longer), and even when they did not take ‘a break’ as such and ate their lunch at their desk. Again, employees’ normative practices do not reflect the policy, and the inconsistency between what they knew they ‘should’ do (subtract the time they take for lunch in their timesheet) and what they did (take out an hour from the timesheet regardless of ‘actual’ time) led to the misrecording (generally under-recording) of time. Yet the confusion employees felt in taking their breaks into account is even more obvious when
we examine how employees accounted for micro breaks during the work day, such as going to the toilet and getting water. It appeared they had not received direction on how these should be taken into account when they completed their timesheets and they did not know what they should do. Some felt that as they generally took less than an hour for lunch – but still subtracted the full hour from their timesheet – these micro breaks during the day would take up the rest of their ‘lunch’ time. In contrast, some employees thought that these breaks were part of their ‘work’ and so could be included in the time that was recorded:

but if you don’t kind of consider, you know, the toilet time, teatime in, you’ll be busy for the whole day, but you struggle to find chargeable hours for the work you have done, so I do factor it in.

(female executive manager, interview)

This is still another example of how employees were confused in relation to their time recording practices – leading yet again to the misrecording of time. The inconsistency in accounting for micro breaks highlights employees’ confusion regarding whether these activities could be considered part of their ‘work’ time or not. The next subsection provides further insight into employees’ pliable understandings of work and work time.

6.1.2 **Time warps: Work time that is/isn’t (recordable) work time**

In the previous chapter I mentioned the time charging [recording] guidelines that advised employees how to record the time spent on specific activities – including chargeable and non-chargeable tasks. Yet, whilst they were aware that they ‘should’ charge ‘all of their time’,
employees seemed to be confused about what was ‘work’ time, despite guidance provided in
the time charging [recording] guidelines. They informed me of various instances of work
time that was clearly recordable (in many cases chargeable), but provided various
justifications for why they did not record all of their time. These justifications enabled
(recordable) work time to become rather malleable.

Employees demonstrated this confusion in relation to overtime – work that they completed in
the evenings or on the weekend. Overtime is by definition, ‘work’ time. Yet employees
rationalised their undercharging of overtime. Sometimes these rationalisations reflected the
reasons why they undercharged time (more generally):

And there's a lot of, sometimes on the weekend I just open my laptop, do a few things, you know, but most of the time I don’t charge that. I will, if I’m doing a lot of work, if I’m doing seriously intensive work, but sometimes I feel bad, is that if you charge so much, it might trigger the question, oh, why did you spend so long, I thought it was supposed to be one day, why did you spend two days.

(female analyst, interview)

As will be discussed further below, employees explained that they undercharged time to
avoid the questioning they could be subjected to when they charged all of their time.
However, another reason why employees did not charge their overtime was because they did
not consider it to be ‘work’. They provided rationalisations for why this time should not be
recorded. One executive manager explained to me that “I will just jump on at night and
maybe spend two hours on bills and emails and I don’t think to charge [record] that” (female executive manager, interview). Yet, the time charging [recording] guidelines specify that billing is chargeable work. And emails could potentially be chargeable if they related to a client project – and if not chargeable, we could presume time related to emails could be recorded as administration time. The executive manager provides us with insight into why she does not record this time at another point in her interview, when she commented that “you know, just checking emails for ten minutes in between picking kids up from school, whatever, I don’t see that as work, I’m just clearing rubbish” (female executive manager, interview). Viewing the (work) time she spends on emails (recordable, potentially chargeable, work) as time spent on “rubbish” transforms the work time into (unrecordable) ‘worthless’ time. Similarly, one consultant mentioned not charging her time for some work she completed over the weekend to understand the background of clients. This work was also chargeable as it related to a client project. Yet, she rationalised her undercharging by considering the work to be “preparation time … it's just more getting, like, you know, just get a heads-up for yourself to prepare for the week” (female consultant, interview). Instead of seeing this ‘preparation’ as part of ‘work’, the consultant perceived it as a ‘heads-up’ that is beneficial to her – and therefore not chargeable. By not considering these activities as ‘work’, even though they are clearly part of their (recordable) work duties, employees are able to rationalise under-recording overtime.

Employees were also confused regarding how charging time for their work impacted the client. Some employees felt that the time they charged would impact what the client paid. Indeed, the time charged could be used to guide the setting of future fees for the client. However, because the fixed fees on a project were agreed upfront between the client and the partner, time charging by employees is used to calculate the costs (and therefore profitability)
of a project. Time charging could only potentially increase the client’s fees in the case of over-runs – which would include time spent by employees beyond the project’s scope, or delays caused by the client.

Employees’ confusion regarding the consequence of time charging on the client allowed them to rationalise undercharging time spent on (chargeable) work tasks that they felt did not translate into ‘value’ for the client. Examples of these ‘valueless’ tasks that employees mentioned undercharging included on-the-job learning (which one analyst explained as *I don’t like charging clients for L&D (learning and development)*) (fieldnotes from informal interaction with male analyst), client dinners and billing problems (“re-raising that bill over two weeks didn’t add any value to that client at all, and I didn’t charge my time for doing that because, what did the client get from me for that?” (female executive manager, interview)). Yet these are all chargeable activities. The time charging guidelines specify that client-related functions and billing are chargeable activities. The time employees spend learning on-the-job how to complete new tasks is also arguably chargeable, as one analyst explained, “that’s the cost of the engagement because every year they’re going to bring someone on that’s new and they need to learn that” (male analyst, interview). These examples are clearly not potential over-runs, so if these employees had charged their time, it would not have impacted the client but the profitability of these projects and as a result the undercharging of time by these employees helped their projects to appear more profitable. Their confusion about the consequences for the client when they charged their time enabled them to justify undercharging for tasks they perceived as providing little value to the client.
6.1.3 What I say I do, versus what I do: “I’ve been charging my time, like the real time”

During my discussions with them, most employees claimed to record all of their time. Yet, when they explained how they recorded their time it became clear that many of them were under-recording time through their time recording practices. They did not recognise the contradiction between their insistence that they recorded all of their time and their practices – demonstrating their confusion about what they did and what they thought they did. They knew they should record all of their time but their descriptions of their time recording practices made it clear they did not. They were evidently confused about how to record their time so they did record all of their time.

Whilst I did not ask them directly whether they recorded all of their time, many employees insisted that they recorded all of their time. For example, one executive manager told me “I have always charged my time” (female executive manager, interview), yet, as discussed in the previous subsection, when she explained her time recording practices she revealed that she did not record time she spent in the evenings working on bills and emails. Similarly, one consultant I spoke to mentioned that she ‘smoothed’ her time during the week to show the time she worked over the weekend, “basically try to charge the time correctly” (female consultant, interview). Yet at another point in her interview, she told me that:

I would just have a look quickly on the weekend of what is the plan, and I won't be charging that time because it's just for me getting a background about the client, and I can spend, like, two hours on it over the weekend to do that.
Despite employees’ assertions that they charged all of their time, typically when they explained how they recorded their time it became evident that they did not charge all of their time. Yet only on rare occasions did they seem to notice this discrepancy. The lack of awareness of their under-recording practices is particularly problematic in the context of AYTATT. Employees cannot change their behaviour if they do not even know they are undercharging time. For employees to change their practices and charge all of their time they needed to be made aware of how they were under-recording time through their time recording practices.

Employees’ confusion about their time recording practices is also salient in light of the undercharging of time literature. Many of the extant studies within this literature rely on respondents to self-report their undercharging in questionnaires. If these respondents similarly do not recognise how they may be undercharging time through their time recording practices, the results of these studies may understate the extent of undercharging in knowledge-intensive firms.

6.2 Anxiety as control: “They’re going to be pissed off with you”

As part of the project budgeting process, each team member is effectively allocated a portion of the time budget based on the manager’s estimate of how long the work will take to complete. When I asked why employees would under-record time, it was palpable that there was considerable anxiety in the Department about charging time that would exceed budgeted
time – their ‘share’ of the time budget. The way employees spoke about this suggested that going over their budgeted time was overwhelmingly perceived as a ‘bad’ thing – even though some described budgets as ‘unrealistic’. My empirical material demonstrates that throughout the hierarchy, employees were anxious about charging more than their allocated time because of the unpleasant consequences that followed for them – especially when the budget was ‘blown’. For junior employees (analysts and consultants) this ‘unpleasantness’ was having to ‘justify’ to their supervisor why they had exceeded their apportioned time, whereas for senior staff (managers and above) it was attempting to secure over-runs and going through the write-down process if the budget was ‘blown’. Regardless of rank, staff were worried about looking inefficient if they charged above their budgeted time and/or ‘blew’ the budget. These fears were partly driven by the performance review process, as employees were apprehensive that exceeding their allocated time/‘blowing’ the budget and looking inefficient would result in a low performance rating, that is, ‘getting a D’. These anxieties mean that employees are averse to charging time that makes them ‘look bad’ – so instead the ‘excess’ time remained uncharged. In the following subsections I look at the consequences that employees experienced when they exceeded budgeted time, how exceeding the budget made them ‘look bad’, and their concerns that exceeding the budget would affect their performance review.

6.2.1 Consequences of exceeding budgeted time: “It just makes life more difficult”

Employees explained to me that they and their colleagues undercharged time because of the rather unpalatable consequences they faced when they charged all their time – particularly if this excess time blew the budget. As a result staff felt anxious about exceeding their budgeted time. For junior staff the ‘unpleasant’ consequence that could transpire when they exceeded their portion of the time budget was being questioned by their supervisor regarding why they
had charged beyond their budgeted time. Whilst ‘acceptable’ explanations for charging above
the allocated time included client-related reasons that could constitute over-runs, junior
employees did not always have client-related explanations for their excess time. It was clear
from the junior employees’ descriptions of this questioning that they were anxious of being
asked – and having to ‘justify’ – why they had gone over the apportioned time:

you don’t want to blow budget and you don’t want people to start asking more
questions, like, oh really, did you really do this many hours and all that … you just
don’t want to be asked all these questions about that, why you were, you know, you
were over the budget, like and why did you do this many hours; you shouldn’t have
done this many hours.

(male analyst, interview)

Plainly this was a situation junior employees wished to avoid: “you need to justify yourself,
that’s discouraging” (male analyst, interview), and one which they could quite easily avoid
through undercharging their time.

Yet, a senior employee might question a staff member in a “kind of badgering” (female
partner, interview) style because they themselves wished to avoid the anxiety-producing
consequences that could ensue for them if excess time was charged. For managers and above,
if the budget is ‘blown’ they must attempt to secure over-runs from the client to recover these
costs and/or write-down the FOMP. Employees seemed to view ‘chasing’ over-runs as a
chore: “you’d have to go back to the client and fight with them for the fees” (female associate
partner, interview). By undercharging time, employees could avoid this unappealing aspect of their job. If these senior employees ‘blew’ the budget but were unsuccessful in securing an over-run, they would then have to write-down the FOMP. Employees were also anxious about FOMP write-downs as they knew that this could impact the partner’s pay. Consequently, senior staff were worried that the partner would “be pissed off with you” (female associate partner, interview) if they had to write-down FOMP. They would have to meet with the partner to explain the reasons for the write-down – discussions that employees framed as “difficult” (female associate partner (support), interview) or “robust” (male associate partner, interview). If the write-down was greater than a specified amount (which employees indicated was quite small), it would have to be approved by the managing partner. This meant senior employees were anxious about the write-downs to their jobs as these were monitored by the head of the Department. This process was clearly viewed negatively by staff:

I’ve got to deal with going to the partner, going to [Don], going to everybody and, you know, I’d only say this to you because I can’t say it to anybody else, but I have to, you know … Look, it’s just, it just makes life more difficult, and sometimes I just haven’t got the energy for it.

(female associate partner, interview)

Yet, comments from other senior employees suggested that ‘blowing’ the budget was not always such a ‘bad’ thing, as “if you deviate from it with a valid reason, then that’s absolutely fine” (male associate partner, interview). Again, the most ‘valid’ reason was a
client-related one that could be used to chase over-runs. By undercharging time, because of their higher charge-out rates, senior staff could avoid the anxiety they experienced when they had to ‘fight’ the client for over-runs and have ‘difficult’ conversations with the partner. Even if these were not avoided altogether, if senior employees undercharged their time they could still minimise the amount by which the budget was ‘blown’ and any resulting write-down.

6.2.2 Self-reflections: “It could reflect badly upon you”

Staff knew that efficiency was very important in the Department, and sometimes even the most junior employees understood why: efficiency was essential to improve profitability as completing tasks more quickly meant that less time would be charged, decreasing the costs of a project. For this reason appearing efficient was ‘good’ and seeming inefficient was ‘bad’. Employees were anxious that ‘blowing’ the budget would reflect poorly on them and make them look inefficient to more senior employees. The equation of charging excess time as ‘inefficient’ – which was undoubtedly perceived negatively in the Department – normatively disciplined staff not to charge this excess time rather than risk looking bad. To avoid looking inefficient employees learnt to undercharge time to give an appearance of higher profitability.

Within the Department, employees predominantly felt that a high level of efficiency was required to charge (all of) their time. When staff felt they were inefficient – or could be perceived as inefficient – they would compensate for their inefficiency when recording their time. For example, an analyst mentioned only charging standard hours and a consultant admitted to charging less time for writing reports because he was not a native English speaker. Particularly at the junior levels, many employees felt they were inefficient or slower than deemed acceptable:
People say that even though sometimes you're not efficient, you know, and people say, okay I don't charge all my time because I just feel like, you know, it takes me longer than others to understand something, and I will be the same.

(female consultant, interview)

Junior employees understood that charging more than their allotted time made them look inefficient and they were anxious that would then make them look ‘bad’. They felt that the budgeted time reflected expectations of how long they should take to complete their assigned tasks, even though numerous staff members commented that budgets were not realistic. If they took longer than was budgeted – even sometimes if this was because of external causes including ‘acceptable’ client-related reasons – they thought they would still look inefficient:

they budget in a certain number of hours, and they expect you to, kind of, keep to those hours. So there could be over-runs with the client, or client delays, that will result in you working more hours than what is budgeted, but you might not necessarily record [charge] it, because it could reflect badly upon you … even though the reality is that, you know, it takes that long to do the work.

(female consultant, interview)

If they worked more time than was budgeted, through undercharging time junior employees could prevent looking ‘bad’, and importantly, perhaps even make themselves look ‘good’: “it
doesn’t matter how actually efficient I am, I can fudge a number and make it look like I’m super-efficient” (male analyst, interview).

The desire to look efficient could also be seen further up the hierarchy. Some senior staff members were anxious about looking inefficient when their budget was ‘blown’. At these levels employees appeared to believe that having numerous write-downs made one appear inefficient – and similar to the junior levels, employees felt that they would still look inefficient even if they had to write-down FOMP because of factors outside of their control:

if you’ve got consistent write-offs in your job, you know, people will be, like, looking at you, going, you’re inefficient, even so … even though it might be that you’re charging all your time but last year the team didn’t charge their time. So when you go to charge your time you just look inefficient.

(female associate partner, interview)

Conversely, employees recognised that meeting the budget, or having a FOMP write-up, was ‘good’ and would reflect well on them: “you want to look good, you want to have good jobs, you want to have jobs that are profitable” (female associate partner, interview). By undercharging their time, senior staff could ensure that they did not appear inefficient (or at least, appear less inefficient), and make their jobs look more profitable, making them ‘look good’. The importance of looking ‘good’ is further explained in the next subsection.
6.2.3 Performance anxiety: “Just a feeling of you would be underperforming”

Recruitment in the Department focused on employing ambitious high achievers. These employees placed great importance on the performance review and it was through the performance review they could confirm their sense of themselves as high achievers. Consequently staff were anxious that if they charged beyond their allocated time or blew the budget – and consequently looked inefficient – this could lead to them receiving a poor performance rating. Employees were worried about receiving low performance ratings mainly for two reasons. First, during the redundancy rounds just prior to and during my fieldwork, the ‘D-raters’ were the first to be made redundant. Staff were afraid that if they received a ‘D’ (in their mid-year or year-end reviews) they might be laid off if there were further redundancies. Second, being a ‘D-rater’ would impede an employee’s progression in the Department. Whilst this would affect employees’ pay, more significantly, as success in the Department is largely seen in terms of progression through the hierarchy, it could be deleterious to their sense of themselves as high achievers, as a performance rating of ‘D’ suggests that they are “below average” (female analyst, interview). By undercharging time, an employee could avoid a ‘D’ and keep intact his or her ‘high achiever’ identity. Yet, whilst the Department had taken measures to improve consistency and rigour in the performance review process, most employees did not seem particularly troubled that an aspect of the performance review was so easily manipulable.

As their efficiency was assessed as part of their performance review junior employees felt anxious that if they charged time beyond their portion of the budget this could result in a poor performance rating. They believed their ‘slice’ of the time budget represented the time expectations on them, and so junior employees reckoned that if they took longer than their budgeted time, this was a reflection of their inefficiency, and thus poor performance:
it’s more just a feeling of you would be underperforming, or you were just not working efficiently … It’s comparing to the budget. You’re expected to work only this many hours, but you took this long, so you must be doing something wrong.

(female consultant, interview)

The idea that charging excess time was tantamount to underperforming was reinforced when supervisors questioned junior staff if they charged more than their ‘share’ of the budget: from a junior employee’s perspective, “if it means that you’re going to be asked questions about, are you doing a good job, then perhaps you would rather leave that out” (male consultant, interview). The fear of a poor performance rating was further bolstered by rumours of supervisors blackmailing their colleagues with low performance ratings if they charged greater than their apportioned time – although no-one mentioned experiencing this personally. Thus, to avoid the appearance that they were not performing to expectations, undercharging time enabled them to appear efficient, and to give an impression of good performance, which would hopefully mean they would receive a good performance rating.

Senior staff also seemed keen to receive a good performance rating from their supervisor. At these levels, they are partly evaluated on their ability to manage and control budgets. Even partners could receive low performance ratings from FOMP write-downs where the budget was ‘blown’ (which would then impact their pay). And some of these employees expressed concern that if their budget was blown and they had to write-down FOMP, this could negatively affect their performance rating: “you don’t want, want this one piece to impact your performance review” (female executive manager, interview). By undercharging their
time, senior employees could avoid irritating the partner and potentially receiving a low performance rating due to blowing the budget and then consequently writing down FOMP. These staff members were also aware that charging less time than they had worked could make the job look more profitable, and they would also look more efficient and competent:

if you have a FOMP write-up, so if you've made more money than last year, oh, you did a great job, you were really efficient, well done, big reward, good mark on your job, good rating. That's just the way it is.

(female associate partner, interview)

By undercharging time, senior employees could appear efficient and look good, and this could help them to secure a good performance rating, which could in turn lead to progression and reinforce their identity as a high achiever.

The ‘unpleasant’ consequences that constituted part of the project budgeting process disciplined employees as through experiencing these consequences they learnt not to charge their time. In this way the project budgeting practices assured profitability – yet perhaps not in the way we might expect. Alongside the other controls discussed in this chapter, the project budgeting process functioned not necessarily by minimising time and costs incurred, rather by minimising time and costs charged so that a project appears more profitable.
6.3 Hierarchy as control: “You always want to bloody perform well for God, right?”

I have discussed the hierarchical nature of the Project Department in Chapter 5, and the power of the hierarchy was evident when employees explained why people undercharged time. Junior staff spoke at length about how supervisors directed them to undercharge their time through explicit and – more commonly – implicit messages, such as having to ‘justify’ themselves when they exceed their budgeted time. With the importance of positive reviews by supervisors identified in the previous section, it was clear that employees were predominantly inclined to keep their supervisors ‘happy’, and so if they were directed not to charge their time they tended to obey their supervisor’s instruction. Whilst a couple of employees told me they charged time even when they were directed not to by their supervisors, most seemed to think that when they were asked to undercharge time (explicitly or implicitly), they felt they had little choice in the matter: as one analyst explained when he was asked to undercharge time, you do what you’re told in that sense (male analyst, notes from unrecorded interview). Yet even if they were not asked by their supervisors to undercharge time, employees sometimes undercharged to ensure that they appeared efficient (or that they did not appear inefficient) – and therefore signalled their competence – to supervisors and other senior employees. I examine both the reactive and proactive undercharging of time by employees in the subsections below. Reactive undercharging occurred when employees complied with (explicit and implicit) requests from senior staff to undercharge time, whilst proactive undercharging occurred when employees undercharged their time without being asked to in order to ‘look good’.
6.3.1 Messages from above: “Telling people not to charge their time without telling them”

Junior employees revealed that one reason they undercharged time was because they were instructed to undercharge by their supervisor, and some junior staff members shared experiences of being asked this explicitly: “there’s been times we’ve been told … I was told, don’t charge all those hours” (male analyst, interview). However, junior employees explained that explicit requests were less frequent than their experiences of supervisors using particular language that implied they should undercharge time. That is, the supervisor would hint to the junior employee that they should undercharge time in a way that made the “underlying message” (female analyst, interview) clear – as one partner described it, “telling people not to charge their time without telling them” (female partner, interview). Junior staff explained to me that there were different ways supervisors would imply they should undercharge their time. For example, employees mentioned supervisors describing the budget as ‘tight’ (“she was, like, there’s a tight budget” (female analyst, interview)), constantly talking about the budget (“he keeps on mentioning that, yeah, we’ve gone over budget and blah blah” (female analyst, interview)), or (as described in the previous section) questioning them when they charged above their allotted time. Staff mentioned when they did charge all of their time supervisors would sometimes ask questions or make comments which made them feel that they had been too slow or inefficient: “how come it’s taking you much longer than this allocated time” (female analyst, interview).

If supervisors asked junior employees to – or implied that they should – undercharge, junior employees would predominantly comply with this request. Junior staff feared that displeasing their supervisors could lead to undesirable consequences for them, mainly a low performance rating. And, as I mentioned in the previous section, a low performance rating could inhibit
their progression through the hierarchy, impairing their sense of self – potentially even leading to their redundancy. In this way the performance review infused the formidable hierarchy with power so junior employees were concerned with keeping their supervisors ‘happy’ to maximise their chances of receiving a good performance rating: “a consultant on your job … the fact that you’re getting the reviews, that he or she is doing your review; they have power over you” (male analyst, interview). By reactively acceding to requests from supervisors to undercharge time, junior staff felt that their supervisors would be pleased, which would then (hopefully) lead to a good performance review.

Yet these instructions indicate that the charging of all time was sometimes not even in the interests of the hierarchy, and it is critical to note here why senior employees might direct (explicitly or implicitly) junior employees to undercharge their time. As mentioned in the previous section, staff at the upper levels of the hierarchy faced significant pressures and these employees were anxious to avoid the consequences they associated with ‘blowing’ the budget and writing down FOMP. As one senior staff member admitted:

the consultant then will get it or the manager will get it because I get it, so I’ll be, like, why did this happen? Go and do an analysis, just tell me where it is, tell me what the problem was, and that just creates a whole pain for them and they’ll go back to the consultant and the consultant will just go, oh, Jesus, I shouldn’t have just charged it.

(female associate partner, interview)
The pressures faced by senior staff regarding keeping to the budget would then be transmitted down the hierarchy, taking the form of explicit and implicit communications to junior employees that signalled they should undercharge time. Whilst this sort of undercharging was done by employees reactively, some knowledge workers admitted to proactively undercharging to make themselves ‘look good’. This is discussed in the next subsection.

6.3.2 Keeping up appearances: “It’s because of a position and therefore an assumed assumption”

As we might expect, employees were not always directed by their supervisors – explicitly or implicitly – to undercharge time. Some employees proactively undercharged even when they were not asked to because they were worried about how charging more than their budgeted time or ‘blowing’ the budget reflected on them to more senior members of staff:

I just think that there’s probably people out there who try to impress certain people, depending on who they are as well, and they’re just always going to do it because they want to deliver the perfect budget or not have to tell them there’s a write-off, you know.

(female partner, interview)

By undercharging their time employees could manipulate how they appeared to those more senior and make sure they looked ‘good’ – that is, efficient, and therefore, competent. The importance of looking ‘good’ was a normative product of the performance review process, and consequently staff further down the hierarchy were preoccupied with how they appeared
to those higher up. Employees wanted to look ‘good’ to their supervisors and other senior employees to maximise their chances of a good performance rating – which could lead to progression and/or reinforce the self-identity of an employee as a high achiever.

Junior employees spoke about their desire to look good and seem efficient for the purposes of receiving a good performance rating. Although they did not usually specify who they wanted to look ‘good’ and efficient for, as their desired result of looking good and efficient was a good performance review, this indicates that they wanted to look competent for their supervisor who would be completing their performance review:

> it makes me seem more efficient if I'm charging less time, but it's like obviously I want to get a good review for this one, because, you know, she's my counsellor, she's the one that's going to do my overall (year-end) review.

(female analyst, interview)

Junior staff felt that by undercharging time they would appear more efficient to their supervisor, which could help their chances of receiving a good performance rating. And senior employees spoke about how employees who were experiencing learning difficulties might undercharge time to appear more competent to their supervisor for a better performance review:
maybe because they just didn't understand or something or ... which ... and, again, they'll want to just cover their tracks they're wasting time. And so, again, it's ... how might this over-run appear to me as a partner or to anybody who's evaluating them?

(male partner, interview)

Even some senior staff wanted to signal their efficiency and competence to more senior employees – or at least make sure they did not seem inefficient or incompetent. Some of them mentioned how as Don approved FOMP write-downs (above a rather small threshold), senior employees were concerned that through these write-downs they would appear incompetent to the managing partner: “I don’t want to be seen by [Don] not to be meeting my expectation targets” (female executive manager, interview). This fear was partly due to a myth that circulated in the Department that Don had approved a significant write-down “as long as someone gets an ‘E’” (female executive manager, interview) in their performance review. And they felt anxious about looking ‘bad’ in front of Don because “he’s the Head of Project, right?” (female partner, interview). This demonstrates that as they progress through the hierarchy – even for partners, the owners of the business – their desire to please ‘the boss’ does not seem to dissipate. Looking good in front of the boss was important to them and they felt they could achieve this quite readily by proactively undercharging their time.

6.4 Conclusion

It is apparent that there is considerable diversity in the time recording practices within KnowCo. As a management control both time recording and the associated budgeting as they are practised within an organisational setting is poorly understood. This chapter has
highlighted the complex tensions between what employees do (i.e., practice) and what they are formally ‘supposed to do’ (i.e., policy) when recording time. Indeed, it has also allowed me to highlight the ways in which employees themselves talk about their time recording behaviour in an idealised fashion that seemed difficult to sustain throughout the many interviews undertaken. Many broke from their initial identification with accurate time recording behaviour and many contradicted themselves when they were asked more extensive questions about how and what they record. Whilst KnowCo has a clear policy and formal guidelines for time recording practices, employees did not receive direction regarding how to determine ‘how long’ they worked and this ambiguity meant that they struggled to integrate the policy into their practices. When employees were asked about time recording, many said they recorded all of their time but in practice, the laissez-faire nature of time recording in the Department meant they left their timesheets to the end of the week, making ‘best guesses’; many were uncertain about how to record micro breaks like visits to the toilet; some rationalised undercharging overtime as ‘not work’; and some justified undercharging certain tasks which they felt did not warrant charging the client. Many employees seemed unaware of the extent to which they were deviating from the organisation’s policy through their time recording practices. The ethnographic approach has allowed me to explore the practices of employees at a deeper level – beyond what we have seen in the extant undercharging of time literature. Indeed, my empirical evidence suggests that the undercharging of time in knowledge-intensive firms may be much more pervasive than has been documented thus far in self-reported questionnaires and surveys that dominate the literature.

In addition to ‘unaware’ under-recording of time some employees did admit to knowingly undercharging their time. They spoke about the pressures of the project budgeting systems, which caused employees anxiety about charging beyond their budgeted time due to the
‘unpleasant’ consequences they could face. When they first joined the Project Department staff were told to charge all of their time, but the ‘unpleasant’ consequences socialised them to equate exceeding their allocated time or blowing the budget as inefficient and, therefore, ‘bad’. Having spent time within the organisation, it was apparent that the project budgeting process imposed itself heavily on employees, making them think of their time in the context of the time allowed or costed within the project. This disciplined their thinking and their behaviour in ways that curbed their ability to record their time accurately and indeed, many struggled to even think that the time they worked was actually chargeable time if it would ‘blow the budget’ or seemed excessive in light of the time it had taken peers to complete similar tasks or the work they had undertaken on the same project the previous year. Employee anxiety regarding the consequences of charging more than their apportioned time meant that the project budgeting control maximised profitability by minimising the time and costs charged – rather than those incurred – on projects.

In many ways, undercharging time was a form of self-preservation for employees. Staff placed considerable importance on their performance review – as a good performance rating would lead to progression and ‘success’ would follow – and they were hesitant to do anything that would jeopardise their performance review, including charging all of their time. As their supervisor was responsible for their evaluation, employees went to great lengths not to upset their supervisors or other senior employees. Supervisors sometimes issued various forms of explicit and implicit instruction to undercharge time and there were clear penalties for not adhering to these instructions. Even without this direction some members of staff felt they needed to undercharge time to look ‘good’ in front of their supervisor to safeguard a good rating from them in their performance review.
Given the importance of time recording and budgeting as key bureaucratic management controls, the fact that the employees of the Project Department seemed to have such an unsystematic/incoherent approach to these key controls allowed for an enormous amount of flexibility from a project delivery point of view. And whilst most employees would see themselves as recording all their time, the fact that so much work was done without appearing in any system suggests this is not the case. The way staff learned how to bend time to meet budgetary expectations and the rationalisations for this recording behaviour are of interest. At times, it was clear a superior who wanted to deliver the project within budget subordinated them. But at other times, it seemed they were making best guesses based on the behaviour of their colleagues. Much of it was not discussed amongst the employees, but was clearly learnt as part of the professional socialisation that takes place within large knowledge-intensive organisations.

For AYTATT to achieve its aim the project team needed to implement effective strategies to counter the normative meanings, beliefs and values that staff ascribed to the practices of (under)charging time – many of which were naturalised and taken-for-granted within the Project Department. Furthermore, as this chapter has demonstrated, the time charging practices of employees (particularly undercharging) were intricately bound up with the control practices within the Department. McNair (1991) points out how the undercharging of time is embedded within the culture instead of the formal management control system. This chapter has drawn on Ahrens and Mollona’s (2007) concept of exploring control as cultural practice to show how confusion, anxiety and hierarchy are normative/cultural elements of control, but importantly, it has also demonstrated how these normative aspects of control are also produced and reproduced by the key bureaucratic controls within the Department. This chapter has, therefore, gone some way towards addressing the third research question, which
is concerned with the relationship between normative and bureaucratic elements of control in relation to employees’ time charging practices.

Clearly, to address the undercharging of time the main players needed to confront the normative controls discussed in this chapter – confusion, anxiety and hierarchy – and tackling these controls required rather significant changes within key bureaucratic facets of the control system in the Department. The extent to which the project team accomplished this is explored in the next chapter.
In the previous chapter I examined three themes that emerged from my discussions with Project Department staff to understand why they undercharged time. These themes are: (1) confusion as control; (2) anxiety as control; and (3) hierarchy as control. Rather than encouraging employees to charge all of their time, key aspects of both bureaucratic and normative forms of control within the Department promoted the undercharging of time. I invoked the notion of control as cultural practice (Ahrens and Mollona 2007) to shed light on the normative beliefs, values and meanings control systems had for staff, which then led to them undercharging time. It is these beliefs, values and meanings that the AYTATT project team needed to challenge in order to achieve the aim of “address[ing] the factors behind the culture of not charging time … to change culture so charging time becomes an accepted and natural task” (KnowCo internal document). To determine whether this goal was realised we need to understand employees’ views on the measures taken by the project team to curb the undercharging of time, to assess whether these actions successfully changed the beliefs, values and meanings that staff ascribed to key bureaucratic control practices in the Department.

In this chapter I explore the employees’ perspectives on the AYTATT project team’s efforts to address the undercharging of time. The project team (and the other key players in AYTATT) seemed to recognise – albeit to varying degrees – how employees’ beliefs about the control practices led to them undercharging time. Still, these beliefs were not always tackled by the project team to the same degree – indeed, the initiative addressed some, but not all, of the beliefs leading to the undercharging of time. The members of the project team
understood that employees felt a significant amount of confusion about the practice of charging time and they sought to address this by emphasising to employees the reasons why they ‘should’ charge all of their time. Yet whilst they were aware of the anxiety employees felt about the consequences they could face when they charged all their time, apart from emphasising that staff *should* charge all of their time, the project team did not make any systemic changes to the project budgeting process (and the other key bureaucratic controls) to remedy the underlying causes of this anxiety. By contrast, the AYTATT project team recognised the impact that the hierarchy had on (under)charging time and they tried to manage this by getting senior employees to talk about charging time to the staff below them. I examine what staff thought about these measures taken by the project team in detail below.

### 7.1 Clarity in confusion: “It’s a learning factor”

As the previous chapter demonstrated, employees were confused with respect to their time recording practices. There were inconsistencies between what employees believed they should do, what they believed they did, how they talked about what they did, and what they actually did in practice. Clearly there was a significant unevenness in the ways that employees recorded time and this contributed to an inability to recognise and acknowledge that these practices did, in fact, lead to an under-recording of time. Given the obvious confusion around time recording that was clear both in terms of talk and practice, the AYTATT project team attempted to provide employees with some clarity. As a result, the first phase of the project focused on initial education and the project team concentrated on raising awareness of what staff ‘should’ be doing – that is, clarifying to employees *why* they should charge all of their time, all the time. From my discussions with employees, the project
team was successful in raising awareness of the initiative as the staff all knew about AYTATT:

I think everybody knows that there is this charge all your time all the time. I think people know it, and they appreciate that it's not just lip service. So I think there's a genuine belief.

(male partner, interview)

And when I asked employees what they thought of the initiative many of them agreed with its aim. They justified their agreement by explaining to me why people should charge all of their time and these rationalisations mainly reflected AYTATT’s key message about the importance of charging time communicated by the key players – that is, the project team and other leadership team members involved with AYTATT. For example, one analyst told me: “Charge your chargeable hours … I’m all for that because you should know the real cost of the job. That way, you can get fees for it appropriately” (male analyst, interview). This suggested that the project team was effective in emphasising to staff what they should be doing – and importantly, why – with regard to the charging of time.

When the AYTATT initiative first began, during the initial education phase the main players focused on explaining to employees the importance of charging their time. The project team felt that staff did not understand – and were therefore confused about – the reasons why they ‘should’ charge all of their time: “it's quite poorly understood throughout the business, how important just that task is” (Helen, interview). The key senior employees discussed the issue
of charging time at divisional and departmental meetings, providing staff with reasons why they should be charging all of their time. These rationales included determining the profitability (and therefore viability) of projects (By knowing the chargeable hours I am able to work out whether I want to keep that job or not (Dominic, fieldnotes from observation at divisional analysts meeting)), recovering client over-runs (we can charge over-runs back to the client (Helen, fieldnotes from observation at departmental analysts and consultants meeting)) and ascertaining headcount and workload (“The right people at the right staffing level means we get closer to the right workload for everyone” (KnowCo internal presentation)).

Employees were clear on why charging time was so important in the organisation. It was evident that the sorts of discussions just mentioned had certainly helped staff to understand – or at least remind them of – the reasons why they should charge all of their time. For a small number of employees it seemed that the initial education phase of the initiative had led to an awakening of sorts and they realised that they should be charging all of their time: “so I think that was just really ignorance, like, being worried not to charge all your time, because now you see that you really should” (male analyst, interview). Employees explained to me why they should charge all of their time, and these explanations predominantly reflected what they had been told by the key players during the education phase of the initiative. It seemed that the sort of rationales discussed above provided staff with clarity on why they should charge their time, reducing their confusion. The most frequently discussed rationale that staff gave for charging all of their time was that they were aware of how critical charging time was for accurately determining the Department’s cost and profitability figures – without charging time they could not ascertain the cost of the job, and then ensure that they charged commensurate fees to clients. As explained in the previous chapter, profitability was
dependent on the charging of time and so staff were clear that without this information the Department could be keeping unprofitable clients (“so that tracking of time tells you whether or not you should be taking on clients and how profitable they are” (male consultant, interview)). And many of them understood that part of this was about recovering over-runs from the client: “they said, you know, it’s really important that we do in fact charge all our hours … that’s important because they want to try and get over-runs from the client” (female analyst, interview).

And some of the junior staff members constructed similar arguments for charging all of their time in relation to the budgeting implications from undercharging time, even though these had not been highlighted by the AYTATT project team (however this was mentioned by Shahid at a divisional analysts meeting I observed). The knowledge workers explained that (despite the prevalence of undercharging time) as the charged time on a project for one year was then used as input into the following year’s budget, if time was undercharged this could make the budget ‘tight’, making it difficult for them (or whoever was in their place the next year) to then meet the following year’s budget without undercharging time:87

whatever hours they see you do is what they’ll budget for next time and if you literally need more time, if you don’t charge all your hours, but you’re working late, late, late, then you’re sort of screwing it up for the next time you work.

(male analyst, interview).

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87 This demonstrates how the undercharging of time can become an ongoing cycle.
As this was mentioned by quite a few of the junior staff it seemed that in this rationalisation they had been drawing on their own personal experiences of budgeting consequences on their jobs, as opposed to what they had been told by the project team about why they should charge all of their time as part of the initiative. They felt that if they charged all of their time, this could help them get a budget that was not too ‘tight’ in the following year.

Some employees also told me that charging time was necessary for managing workloads and for determining headcount figures. This was often raised in terms of making sure there were sufficient numbers of people within the project teams to complete the required work, but also ensuring that there were enough employees throughout each rank of the hierarchy within the Department. Some were aware that the utilisation figures were used to determine the numbers of employees at each staff level, and given the concern in the Department about redundancies, these staff members reckoned that charging time was important to keep the utilisation figures high enough to prevent further redundancies:

I have a funny feeling that somebody above Sydney, is looking at our numbers and saying, you guys look overstaffed, because you … your utilisation isn’t high enough. And then the guys in Sydney, the partnership in Sydney understands that we’re all working but we’re not charging hours. So in order for them not to get pressure, in order to let more staff leave, then they’re telling us to start charging our time.

(male analyst, interview)
Yet even though employees clearly understood intellectually that they should charge all of their time, this did not mean that they did charge all of their time in practice. Some staff admitted to undercharging their time and in the previous chapter I detailed how employees unknowingly undercharged their time through their time recording practices. The key senior employees did not address this ‘unaware’ under-recording by making employees realise that they were actually undercharging their time through these practices. My observation of an analyst completing his timesheet about six months after AYTATT ‘launched’ suggests that charging all of their time was still not a naturalised practice for Department employees. The analyst initially charged standard hours for the days he had client work and only changed these hours to the ‘actual’ time – a ‘guesstimate’ – because he was under the minimum threshold to submit his timesheet (as he explained to me: *in reality no one does 7.5 (hours a day), but now that I’m under (i.e., the total is 36) I may as well put the actual time* (fieldnotes from observation of a male analyst completing his timesheet))\(^88\). Rather than charging his ‘actual’ hours at the outset, his instinct was still to undercharge his time, and his ‘actual’ time was a guess he determined based on his memory.\(^89\) So although AYTATT had clarified and highlighted to staff what they ‘should’ be doing, employees still seemed to have little awareness of what they did in practice, and that they were actually undercharging time through these time recording practices. Essentially, employees were still confused about their time recording practices.

\(^{88}\) This analyst did not have full client work the whole week, which is why he had not reached the minimum hours to submit. He had initially recorded less than standard hours for the two days of that week where he had recorded time to administration and clients.

\(^{89}\) Although he had notes he referred to with timings for two clients, the times he charged for those clients did not reflect what was written in his notes – in this case the time he charged was more than what was written in the notes. It was not clear whether these notes were the budgeted estimates of how long he should take, or his own records of the time he actually took.
7.2 Managing anxiety: “It’s a double-edged sword”

The consequences of the project budgeting process made staff very anxious about exceeding their budgeted time or ‘blowing’ the budget. They understood that charging time beyond what was allocated/blowing the budget would make them look inefficient and they were worried this would result in a poor performance rating. Whilst some employees mentioned feeling more comfortable – and less anxious – charging their time because of AYTATT, many of them believed that there were still ‘unpleasant’ consequences when they charged all of their time. The project team did not formally address these unpleasant consequences that staff associated with charging all of their time and so these consequences – and the employees’ anxiety about them – persisted.

Overall, staff still worried that they would have to deal with ‘unpleasant’ consequences when they exceeded their portion of the time budget and/or if they ‘blew’ the budget. As I explained in the previous chapter, for junior employees this meant (potentially) having to justify to their supervisor why they had exceeded their share of the budget, and for senior staff this involved having to chase over-runs from the client and/or going through the write-down process (which included ‘unpleasant’ conversations with the partner). And it was through these consequences that employees learnt not to charge all of their time. Although some employees mentioned feeling more comfortable charging all of their time, (“there’s less pressure than perhaps what there was to not charge all your time” (male consultant, interview)), despite AYTATT many employees were still demonstrably concerned that if they did charge all of their time, they would face these ‘unpleasant’ consequences. Junior staff were still worried that they would then have to answer questions from more senior employees: “if you charge long time, the consultant and manager come to us and ask us why,
so we create problems for ourselves” (male analyst, interview). Even senior staff members were still keen to avoid the negative consequences they felt still persisted after the initiative:

people say, charge all your time, do this, do that, and then I charge all my time and the engagement makes a loss. So then I get grief from the partner because the engagement makes a loss.

(female associate partner, interview)

Some employees informed me that although they had generally undercharged their time, AYTATT had reassured them about time charging and so they then began to charge all of their time. But when they started charging (all of) their time they found that they continued to face the same unpleasant consequences: “I usually charge below what I work, and then but now I charge it, I get questions. So why should I charge it, then?” (male analyst, interview).

Indeed, some staff members explained that after feeling encouraged to charge all of their time (because of AYTATT), the reactions of their supervisors when they charged above their allocated time or ‘blew’ the budget made them revert back to undercharging their time (“if we do, you know … there’s still a consequence” (female associate partner, interview)). The reactions of their supervisors meant that, understandably, these staff members questioned whether their supervisors ‘really’ wanted them to charge all of their time, all the time.
Some employees interpreted these sorts of consequences and reactions from their supervisors to mean that their supervisors did not ‘truly’ want them to charge all of their time:

it becomes this like really bad cycle of, they tell you to charge all the time but in actual fact I don’t really feel like they want you to charge all the time.

(female analyst, interview).

Again, the reactions of supervisors were driven by the project budgeting and time charging controls, because they were concerned with the potential consequences that they themselves would have to face if the budget was ‘blown’. Because of these consequences they still associated with charging all of their time, some staff members identified a persistent lack of incentive related to charging all of their time:

So at my level, the only incentive I have to charge time is to see how far my bar goes on that graph (the utilisation graph)\(^90\) that sits in, in the printer room, right … that’s the only reward for me. But if I overcharge, then, you know, you get the question …

(male analyst, interview).

And it seemed that because of this lack of incentive and the consequences that staff still faced for charging all of their time, a few of them were more sceptical about AYTATT, and some

\(^{90}\) This interview took place before the new time charging [recording] graphs were produced so he is referring to the old graphs.
told me they felt AYTATT would not have an impact – particularly in the long-term: “the charging time stuff I think is a little bit of yes that’s great but is it really going to change things?” (female partner, interview). Some felt that for a (long-term) cultural shift to occur that curbed the undercharging of time there needed to be systemic changes, because there was a recognition that the project budgeting controls (alongside the other key bureaucratic elements of management controls) fostered the undercharging of time: “it's pressures and requirements and meeting certain goals has, over a period of time, resulted in behaviours that don't support the charging of all of their time” (Elaine, interview). The AYTATT project team had not addressed these underlying bureaucratic aspects of controls – particularly the project budgeting controls – that produced norms that discouraged employees from charging all of their time. And so whilst some felt that the consequences might have been slightly less harsh after the establishment of the initiative (“may, it’s not so severe” (female associate partner, interview)), they still saw the consequences of charging all of their time as “a bit of a pain in the bum” (male associate partner, interview). Consequently, they continued to “take the easy route” (female associate partner, interview), and undercharge their time.

Employees were still worried that exceeding their allocated time or blowing the budget made them look inefficient to more senior employees. As I mentioned in the previous chapter, efficiency was important because of the implications it had for profitability within the Department. Staff felt that the budget reflected the time that was expected of them and if they took longer to complete tasks, they believed it was their fault. Even despite AYTATT (which itself was a recognition of the pervasive, and apparently problematic, undercharging of time in the Department), employees clearly continued to believe that undercharging time allowed them to look more efficient and to look ‘good’: “if you charge long time, sometimes it
doesn’t look good, it doesn’t look efficient” (male analyst, interview). Appearing inefficient (i.e., exceeding the budgeted time) was still considered to be indicative of poor performance:

the biggest hurdle is having people that accept that sometimes things take longer than you expect. And it’s not necessarily because somebody has done a poor job.

(male consultant, interview)

And so employees still avoided charging excess time to make sure they did not look ‘bad’. The main players had not done anything formal to address this anxiety about looking inefficient – beyond telling staff that they should charge all of their time. Consequently within the Department the equivalence of charging beyond the budget as inefficient persisted.

Clearly, efficiency was still very important within the Department, and it was still assessed as part of the performance review process – upon which employees continued to place utmost importance. And even after the initiative, there was evidence that employees continued to believe that meeting the time budget would help them to secure a good performance rating. Elaine explained to me how even with AYTATT in place, one consultant informed her that a partner told him (after the initiative was ‘launched’) that “if you can do this in the right timeframe I'll give you a ‘B’ rating” (Elaine, interview). Staff were still anxious about getting a good performance rating for their progression and ‘high achiever’ identity, and they were still very much concerned about potential redundancies. And so, because some employees felt that there were no incentives to charge all of their time, they believed that if undercharging time could still help them to secure a good performance rating, they should undercharge their
time: “you might as well make yourself look good on your self-review” (male analyst, interview). Employees continued to be worried that exceeding their share of the time budget would make them look ‘bad’, and they still felt it would mean they were performing ‘below’ expectations. And so staff were anxious that if they charged time over the budget, their supervisor would then give them a ‘D’ performance rating. So whilst no employees told me that they disagreed with the initiative, some of them expressed more sceptical views. And a few employees were doubtful about whether AYTATT would have a long-term impact, because, as a number of them recognised, within the project budgeting controls “there are no obvious incentives for us to charge all of our time” (male analyst, interview). Despite encouraging employees to charge all of their time, the key senior employees had not managed the anxiety employees still experienced when charging all of their time.

7.3 Pleasing the boss: “It’s almost like a permission note”

I described in the previous chapter how the hierarchy encouraged employees to undercharge time. This was because of the questioning by a superior they were subjected to when they charged all of their time, as well as the employees’ own desire to please ‘the boss’. The key senior employees attempted to encourage employees throughout the hierarchy to charge their time through the discussion of charging time at various meetings, such as in the peer group meetings as well as meetings across the hierarchy, like project planning meetings. Whilst it seemed that AYTATT had predominantly – but not completely – curbed the explicit requests by supervisors to undercharge time, some members of staff still mentioned instances of being directed implicitly to undercharge their time (“the way the consultant put it is, oh, I didn’t expect this much time charge” (male analyst, interview)).

91 This quote has been edited slightly to improve readability.
continued to be hesitant about charging all of their time. Staff seemed to believe that those above them in the hierarchy did not ‘really’ want them to charge all of their time. Many of them recognised how the hierarchical pressure contributed to the undercharging of time, even though some felt that those further up the hierarchy did not recognise the impact they had on the charging (and undercharging) of time – and the potential impact they could have by encouraging staff to charge all of their time. Some mentioned wanting to see those above them take ‘real action’ in relation to AYTATT, which would prove that they truly wanted employees to charge all of their time.

As I explained in the previous chapter, many Project Department employees would comply with requests from their supervisors to undercharge time. They were concerned that displeasing their supervisors could lead to negative consequences for them, particularly a low performance rating. There was some indication from staff that AYTATT had been successful in reducing explicit requests from supervisors to undercharge their time: “so no one would ever explicitly say it now, because it is, it has been, the message is delivered quite clearly” (male consultant, interview). Yet this was not across the board, as the story narrated above about a partner offering a consultant a ‘B’ rating for meeting the budget makes clear. Whilst the explicit requests had somewhat subsided, staff members indicated that supervisors still used euphemistic language to tell them to undercharge their time: “she said, you know, like, just be really conscious of any time putting on the code” (female analyst, interview). Yet, these requests to undercharge time were driven by the consequences of the project budgeting process, which, as described above, had not changed, and so clearly senior staff still felt the need to implicitly direct staff to undercharge time in order to avoid the consequences that could result for them.
As the hierarchy in the Project Department was so powerful – and one of the key management controls that led to the undercharging of time – it is rather unsurprising that many employees pointed out the importance of support from those further up the hierarchy for AYTATT to have a significant impact on the culture of undercharging time. The project team did seem to recognise this and appeared to emphasise that more senior employees should lead their staff through the initiative. As one manager explained to me, “pretty much every meeting they talk about it, because they want us to stress it to the teams below as well” (female manager, interview). In particular, staff seemed to recognise how partner support of AYTATT was vital for it to be successful:

if the partners pick up on this initiative and the staff more broadly can see that the partners are doing it, it’s almost like a permission note to say, I can do it as well, whereas if they don’t engage and they’re not seen to support it, people are kind of going, ah, well, it doesn’t mean anything.

(female associate partner (support), interview)

Indeed, when employees told me that they felt more comfortable charging their time due to AYTATT, much of this was because of comments about charging time from senior employees. Staff spoke about their supervisors (or other senior employees) encouraging them to charge their time (“so that made me feel a bit more like, comfortable or confident that I could charge my hours to that client, that, like that was what they wanted and that was coming from the partner” (female analyst, interview)) and supervisors asking them whether they had been charging all of their time (“there's a lot more prompting from the partners to
make sure that we are charging our time” (female manager, interview)). Whilst some felt encouraged by their supervisors and other more senior employees to charge their time, employees also noted how some supervisors continued to discourage people from charging their time. As discussed above, supervisors still asked employees – implicitly, and much less frequently, explicitly – to undercharge their time, or indicated in other ways to make employees below them hesitant about charging all of their time: “the consultant emphasises very much on efficiency, so that is something I need to keep in mind all the time during the job” (male analyst, interview).

Some junior employees noted that they wanted to see ‘real action’ from those above them for the initiative to be effective and for them to feel comfortable charging all of their time. ‘Real action’ would be significant gestures to ‘prove’ to junior employees that senior employees ‘actually’ wanted them to charge their time. The desire for ‘real action’ again demonstrates that junior employees were not convinced that their supervisors and other senior staff ‘really’ wanted them to charge all of their time. Employees felt that some ‘real action’ would be things like the “senior guys leading by example and really blowing a recoverability because they’re charging their time properly” (male analyst, interview) or jobs being resourced appropriately so there were enough people on a project team to complete the work. The need for ‘real action’ could even be recognised at the upper levels of the hierarchy, and even one partner understood its importance for junior employees: “if you’re a staff person and you want to see the action behind the words, I think that’s really important to more junior people” (female partner, interview).

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92 This quote has been edited slightly to improve readability.
Yet getting ‘real action’ from senior employees when there was still a lack of incentive for people to charge their time was a significant challenge in terms of AYTATT. Staff still faced negative consequences due to the project budgeting and time charging systems in place (which, as mentioned above, the key senior employees did not take any measures to address), and these systems meant that it was not necessarily in the interests of the upper echelons of the hierarchy for all the employees on a client project to charge all of their time, all the time. Even for the partners, the charging of all time “might, actually, individually, not work for them because it might impact their number ... you know, what money they take home at the end of the day” (female associate partner (support), interview). Whilst charging all of their time continued not to be in the interests of senior employees – including partners – we can understand why there continued to be so much anxiety about charging time within the Project Department. Staff understood that it was in their own interests to act in their supervisor’s interests. They still believed that undercharging their time continued to benefit their supervisor – and consequently themselves – so they continued to undercharge their time to keep their supervisor on side: “you take the easiest option out which is to charge the time as it is that you’re expected to charge, nobody will ask any questions, it's in the manager’s interests” (male analyst, interview). Evidently, the effects that the hierarchy had on the undercharging of time were not managed through AYTATT.

7.4 Conclusion

Somewhat perversely, the very time charging practices within KnowCo that functioned implicitly to secure the profitability of projects had emerged as a concern to some within senior management. Making sense of the origins of that concern is difficult, but formally the leadership of the Department said they wanted to know how much time people were spending
on projects so that they could effectively cost their work, place more accurate bids for jobs and recover the cost from clients appropriately to reflect the actual time spent on the job. As a response to these concerns, the Project Department within *KnowCo* trialled the AYTATT initiative in an effort to change the time charging culture within the organisation and to signal that it would be in the organisation’s and the employees’ interests to document all the time worked.

Having spoken to the employees within the Project Department about their views on AYTATT, many expressed their support for the program and felt that shifting time charging behaviour was desirable. Indeed, the initiative appeared to highlight successfully many of the issues associated with time charging outlined in the previous chapter (pressure to undercharge time for a better performance review; ill-defined cultural expectations around recording particular types of time, etc.). Some commented that the initiative made them feel more comfortable charging all of the time they worked but this was not universal. However, when probed on this issue, employees felt they still faced negative consequences for charging all of their time, and this was probably true as the objectives of the project were not fully aligned with the performance management systems that impacted and oriented career trajectories for the employees required to participate in AYTATT. Staff were willing to discuss the barriers they faced when charging time and many of these mirrored the concerns that were outlined in the previous chapter. Indeed, these appear to be so deeply rooted within the organisation’s culture and explicitly within the formal channels of performance review that the same opaqueness around time remained and the unevenness in practice was still observable.
One of the key ways in which the project team tried to convince staff to charge their time was through emphasising and repeating the reasons why they ‘should’ charge their time. Yet as I demonstrated in the previous chapter, employees did not undercharge their time simply because they did not know what they ‘should’ be doing. They did not always realise that they were undercharging their time, and when they did, it was also in part because they were worried about the ‘painful’ consequences they faced when they charged all of their time. Employees also undercharged their time because they did not want to appear inefficient and get a ‘D’ for their performance rating. They were often requested – implicitly and to a lesser extent explicitly – to undercharge their time by their supervisors, and even when they were not asked sometimes they still undercharged their time to look ‘good’ in front of their supervisor in the hopes of then receiving a good performance rating. It seemed that the AYTATT project team expected that merely telling employees what they ‘should’ be doing was sufficient to address how these normative management controls encouraged staff to undercharge time, rather than perhaps taking steps to deal with how the bureaucratic controls produced the normative aspects of control that led to the undercharging of time. By, for example, examining how staff came to equate blowing the budget with being inefficient, and coming up with ways to challenge this notion that was deeply embedded within the departmental culture. Examining control as cultural practice has shown how the normative aspects of control, as well as the bureaucratic controls driving these normative pressures (as identified in the previous chapter), were sustained throughout the initiative. This chapter has provided further insight into the third research question as I have demonstrated that employees’ time charging practices were not challenged through AYTATT because the bureaucratic and normative controls that encouraged the undercharging of time were not addressed.
Rather than challenging the confusion, anxiety and hierarchy that employees experienced, AYTATT reproduced it. That employees continued to associate negative consequences with the charging of all time makes it clear that by the end of my collection and production of empirical material, charging time was still not “an accepted and natural task” (KnowCo internal document) in the Project Department. Even though all (client-serving) staff members could understand, appreciate and argue on an intellectual level the management accounting imperatives for charging all of their time, there were persistent ‘unpleasant’ consequences that they continued to experience when they charged all of their time. This meant that they made a pragmatic decision not to charge all of their time as it was still easier for them to undercharge their time than to deal with the consequences they faced when charging all of their time. These consequences also meant that employees were still not convinced that senior staff ‘really’ wanted them to charge all of their time. Before they felt ‘safe’ charging their time they wanted to see ‘real action’ from senior employees to ‘prove’ that those above them truly did want them to charge all of their time. Given that naturalising the charging of all of the employees’ time within the departmental culture – the ostensive aim of AYTATT – had not been realised, what then, had it achieved? This question is explored in the following chapter.
In Chapter 6, I outlined how three normative management controls – confusion, anxiety and hierarchy – appeared to amplify the undercharging of time within KnowCo. These normative controls were not always explicit or formally imposed, but as a result of my discussions with, and observations of, employees, they were clearly identifiable and had a powerful influence on behaviour. Given this, AYTATT needed to address effectively the way these controls worked as barriers to accurate time charging within the firm. Yet, confusion, anxiety and hierarchy were not addressed in a substantive sense as shown in Chapter 7. Whilst there were subtle indicators that senior employees involved in this project were aware of the role that these controls played in the undercharging of time, their significance was not well recognised; the ways the bureaucratic aspects of control created and recreated these normative controls were not identified as root causes of the undercharging of time by the project team; and as such, these issues were not addressed through the initiative.

As a consequence, AYTATT was ineffective in materially changing the culture of undercharging time – the purpose stated by senior members of the Project Department at the outset of the program. Whilst my observations suggest that the stated aims of AYTATT were not realised (although it still seemed to be interpreted as successful by the project team), the initiative did manage to effect three significant changes to management control within the Department. Specifically, these included the amplification of the policy–practice disconnect, the ‘responsibilisation’ of employees and the silencing of staff.
In this chapter I adopt a rhetorical lens to shed light on how these outcomes were made possible as AYTATT was implemented within the Project Department. Examining the rhetoric used by the main players helps us to understand how the project worked in practice whereby these employees produced – albeit unintentionally – a program that functioned superficially yet with substantive consequences for management control. Below I demonstrate how the rhetorical tactics that I introduced in Chapter 4 – evasion, repetition and denial – were mobilised by the key players and resulted in these particular (unintended) management control consequences. Again, I use these rhetorical techniques as a conduit to help explain how AYTATT was able to result in the outcomes identified above. This is by no means an exhaustive account of the rhetoric used in AYTATT as, for example, the key employees used other rhetorical devices in their attempts to convince employees that they should charge (all of) their time. Yet the rhetoric they invoked to conceptualise the barriers to charging time explains why these obstacles were not managed in AYTATT. I focus on the rhetoric used by the key senior employees in relation to the barriers they believed prohibited the accurate charging of time. Indeed, this rhetoric enabled them to frame the project to ultimately ignore and discount the role confusion, anxiety and hierarchy played in time charging practices within the Department. My interpretations of the empirical evidence suggest that, somewhat inadvertently, evasion, repetition and denial were used by the main senior employees to frame the confusion, anxiety and hierarchy that employees experienced when trying to charge their time in ways that suited management. Treating the barriers to charging time in such ways enabled the three outcomes that I explain below.

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93 As mentioned in Chapter 5, these include the members of the AYTATT project team and members of the leadership team that assisted with AYTATT.

94 To be clear, the key players certainly tried to encourage employees to charge all of their time. However, the analysis here focuses primarily on the ways the key senior employees framed the barriers to charging time for staff. And overwhelmingly, in these constructions of the barriers to charging time captured by my empirical evidence, the main senior employees drew on the rhetorical devices that I discuss in this chapter.
As discussed previously, a study of rhetoric is especially insightful when examining efforts to
effect cultural change because people use rhetoric to “shape, justify, rationalize and seek to
modify perceptions of what is sensible, right and good (i.e., legitimate)” (Brown, Ainsworth
et al. 2012 p300). Whilst rhetoric could have been used to disrupt people’s beliefs about
charging time – it could have been a tool to challenge the status quo and effect management
control/cultural change in the Project Department (Hughes 1996; Hartelius and Browning
2008) – in this case I show how it was used to reinforce the status quo. In my observations
with respect to AYTATT I saw senior employees using rhetorical tactics that were used more
broadly in the Department for management control – supporting the idea that how
management control change is enacted by management can also provide insight into how
managers ‘did’ management control. Whilst the cultural practice of undercharging continued
after the initiative had been implemented, AYTATT still managed to materially affect
management control in the Department through an amplification of the policy–practice
disconnect, ‘responsibilising’ employees, and silencing staff.

It is important to note that whilst the key employees intended to repeat the message ‘All Your
Time, All The Time’ and this repetition, as a form of rhetoric, was clearly intended to
promote the project to staff, it did not appear that they used evasion and denial as
premeditated rhetorical strategies. The use of evasion and denial appeared unplanned to me,
yet my interpretations of the data demonstrate that senior employees certainly employed these
rhetorical tactics and they had particular consequences for management control. Whilst all of
these rhetorical devices worked together to produce new management control outcomes, in
order to avoid repetition I will be focusing on the rhetorical device (i.e., evasion, repetition

and denial) that appeared most pronounced for each particular management control consequence identified in this study (i.e., the amplification of the policy–practice disconnect, the responsibilisation of employees and the silencing of staff).

8.1 Policy versus practice: “There’s no negative implications at all”

As I mentioned in Chapter 7, my empirics indicated that the initiative failed to achieve its intended goal of embedding the charging of all time as “an accepted and natural task” (KnowCo internal document) in the Project Department culture. This was partly because the key players had focused on emphasising the reasons why employees should charge all of their time, but they failed to take actions to address effectively the barriers to charging time that employees experienced. As mentioned in Chapter 3, the undercharging of time occurred because of the positive impact on profitability – charging less time reduced the cost of a project, enabling the profitability to appear higher. Based on the long working hours that many employees seemed to work, we might expect, then, if employees in the Project Department started to charge all of their time, project FOMPs would fluctuate dramatically and profitability would decrease. We would therefore expect that increasing the charging of all time would then decrease profitability. Yet my empirical evidence suggests that the fundamental purpose of the initiative was extracting additional revenue from clients by recovering additional client costs: the question is not is the time hitting the code, but why aren’t we chasing the client for it (male partner, fieldnotes from observation at divisional analysts meeting). I noticed some indications of profitability difficulties (such as the departmental redundancies) and to increase profitability, it is arguable that the options available to the Project Department leadership team were to increase project fees, increase the amount of work, or decrease costs. Given the grim economic climate in which I conducted
this study, employees indicated that the first two options would be difficult to implement. And so decreasing ‘over-run’ costs (or rather, passing them onto clients) was a potential avenue for the leadership team to improve the Department’s profitability, as The Recoveries phase of the initiative makes clear. AYTATT was merely a means to this end. Changing the culture of undercharging time to ensure that all potential over-runs were recorded appeared to be the ‘true’ purpose of AYTATT. So whilst the cultural transformation had not fully materialised, AYTATT appeared to be quite effective for the leadership of the Project Department: we are moving in the right direction – charging 37.5 exactly is changing, particularly at the consultant level but we want to challenge you more (Helen, observation at departmental consultants meeting). Arguably, on the surface, the project appeared effective in at least two significant ways: (1) The Recoveries helped the Department to recover a substantial amount of over-runs, increasing departmental profitability (We recovered $X.X million (Helen, fieldnotes from observation at end of financial year function)); and (2) the time recording data suggested that employees were recording more time (see Table 5 in Chapter 5). Whilst the analysis of the latter was not ‘scientific’, the increase in time recorded was certainly interpreted as being indicative of the effectiveness of AYTATT (“we can see that it’s moving up … we had some success in capturing true time” (Helen, interview)). On this basis the initiative appeared to be considered somewhat successful, even though as the data in Chapter 7 showed, it failed to change the underlying reasons why employees did not record all of their time.

It is critical to stress that AYTATT did not seem to be designed to magnify the policy and practice disconnect in relation to charging time; instead, this was precipitated by the way in which the key senior employees failed to tackle the obstacles that employees faced in charging all of their time. I explored these barriers in Chapter 6. Some of these barriers were
not identified by the main senior employees (for example, how employees’ time recording practices foster the under-recording of time), whilst others were identified by them (such as the anxiety employees felt about exceeding the budget) – or brought to their attention (for instance, being asked by senior staff to justify their time or being told that the budget is ‘tight’). Either way, in the duration of my study, no action was taken to address the bureaucratic controls that embedded the norm of undercharging time within the departmental culture. The rhetoric employed by the key players in AYTATT helps us to understand why the key players did not deal with these management controls, which employees experienced as barriers to charging time.

It is worth recognising here that, for the key players, AYTATT was simply one aspect of their job. Unpicking the complexity of these issues requires significant thought and time, but this project was a peripheral part of their rather demanding jobs. The beliefs, values and meanings that employees ascribed to control practices leading to the undercharging of time were deeply embedded, taken-for-granted notions within the culture – such as the anxiety employees felt about exceeding the budgeted time that made them look inefficient – and the in-depth analysis and contemplation necessary to come up with methods to challenge effectively these ideas were lacking. Thinking of strategies to overcome the culture of the undercharging of time was a considerable task and perhaps the complex and difficult nature of it partly explains why AYTATT amplified the policy and practice disconnect, as these senior employees did not appear to have the time (and maybe the inclination) to resolve these sorts of issues: “you know, there's lots of things that, you know, because they're difficult, we don't kind of think about them, I guess” (Shahid, interview).
AYTATT was a rather radical program within the Project Department in some respects. The mere existence of this project demonstrated that senior members of the Department identified that time charging practice was at odds with policy (even if this misalignment was not the main impetus for AYTATT). The (stated) aim of the program was to change the culture of undercharging time – that is, to better align time charging practices with organisational policy. Yet, through the rhetoric used by the key senior employees in the initiative, it appeared that the project actually amplified the time charging policy and practice disconnect. This was because these senior employees focused on highlighting the policy but without also placing importance on changing the bureaucratic control systems that produced the normative controls of confusion, anxiety and hierarchy that staff experienced as barriers to charging time. Moreover, these key employees rhetorically framed these barriers to charging time in ways that prioritised the discussion of certain barriers to charging time over others. The amplification of the policy–practice disconnect furthered management control because it meant that senior staff ignored some of the very real concerns that staff appeared to have about charging time – yet employees were still expected to charge all of their time without senior staff recognising and addressing the systemic reasons why employees undercharged their time. Not only were employees encouraged to charge their time, but through the rhetoric used by some main players (particularly evasion), arguably on some level staff were also asked effectively to ignore a few of the barriers that they experienced when trying to charge their time.

8.1.1 Practice doesn’t make perfect: The disconnect between policy and practice

On the surface, organisational policies can be considered as a template for practice but it is more likely that organisational policies represent an idealised version of organisational life. Many studies have shown how practice is mediated by pressures and tensions embedded
within the organisational context and its policies and the disconnect between policy and practice can arise from the conflicting pressures that managers face (Ezzamel, Lilley, Wilkinson and Willmott 1996; Cunningham, James and Dibben 2004). However, policies do not seem to take into account these pressures. This means that there is often (if not always) a superficial relationship between what policies state and what we do in practice. Indeed, Westphal and Zajac (2001) suggest that organisational policies (such as stock repurchase plans) can have a symbolic (rather than substantive) role.

Existing studies have explored how within organisations, practice is disconnected from policy (Ezzamel, Lilley et al. 1996; Cunningham, James et al. 2004; Kornberger, Carter et al. 2010). In one study, Kornberger, Carter et al. (2010) examine the outcomes of a flexibility program designed to improve gender equality – that is, align the organisational practice with policy. Yet the authors demonstrate that how employees enacted the policy and made sense of flexibility undermined the aim of improving gender equality as the program actually reproduced the gendered norms within the organisation. For example, the program enabled the organisation to justify the lack of progress for women who worked flexibly through continuing to idealise (masculine) notions of time, performance and client service – meaning working flexibly continued to be considered a practice that occurred on the fringes of organisational life. Consequently, the program amplified the policy–practice disconnect – that is, the inconsistency between policy and practice was intensified – as rather than challenging existing practices and ways of thinking about flexibility, the program reinforced them because the way employees made sense of the program suggested that flexible working was still seen as antithetical to good client service (for example). Similarly, in the present study AYTATT actually amplified the time charging policy and practice disconnect because the reasons for the existing practices (the undercharging of time) were not addressed. My
observations suggest that the rhetoric of the key players contributed to this as the rhetoric focused on emphasising the policy and paid little attention to the barriers that employees saw as inhibiting them from charging all of their time. By avoiding the discussion of some of these normative aspects of control, these senior employees were not required to take actions to address their underlying causes – the bureaucratic elements of management controls – exacerbating the disconnect between policy and practice. I explain how this functioned in the following subsection.

8.1.2 Evading reality: Amplifying the disconnect in ‘All Your Time, All The Time’

Here I explore how evasion enabled the intensification of the time charging policy–practice disconnect, which, whilst impacting management control failed to challenge the normative controls underlying time charging practices. Rhetorical devices meant that the key players could avoid thinking about – and, pertinently for this discussion, talking about – these barriers to charging time. This meant senior employees were unable to address these barriers. Some employees recognised that these senior employees failed to discuss key elements of their story:

they say they want everyone to charge their time, but they’re leaving out ... there’s a few shades of grey. They’re leaving out a few things. The thing is, if you charge ... We ... sometimes we work very long hours and if you really do charge all your time, they’ll start asking about it …

(male analyst, interview, emphasis added)
Evasion was used in a variety of forms in AYTATT, especially in relation to the barriers that employees experienced charging their time. In some situations, I noticed the main players being evasive when employees raised concerns over barriers to charging time. For example:

Analyst: *It might be because people say it's got a tight budget, or if people ask how long it's taking you and the suggestion that it's taken too long.*

Shahid: *There is an expectation that it will take you longer if you are doing it for the first time compared to people who have done it before. It's a trap not to record all of the time because if you are allocated the same section next year the same thing will happen.*

(fieldnotes from observation at divisional analysts meeting)

The analyst was clearly discussing comments from her supervisor(s) that caused her to undercharge her time. These sorts of remarks were discussed in Chapter 6; the junior employees were clearly anxious about supervisors asking them questions if they did charge all of their time and exceeded their budget. Shahid responded to her comment, but instead of addressing the cause of her undercharging – which was clearly the implicit directions from those higher up the hierarchy – he spoke about the connected issue of employees’ fear of appearing inefficient if they take longer than their budgeted time. Although connected, these are separate issues. Nevertheless Shahid conflated them here and focused instead on employees’ beliefs and perceptions about looking inefficient. Thus, he avoided addressing the problem of implicit instructions by senior employees that was raised by the analyst. Importantly, he did not address the role supervisors play here, nor did he promise to take any
action to attend to this issue – perhaps by speaking to senior employees about how the language they use could be inferred as requests to limit the time staff charge. The analyst’s concerns – the reasons why she did not charge all of her time – are not actually addressed by the senior employee. Dominic similarly evaded another barrier raised by an analyst:

*Analyst:* In relation to the engagement economics there’s a perception that you need to be better than last year otherwise you’re not being as productive.

*Dominic:* The biggest perception with a tight budget is that they will either cut the partner’s time or the manager’s time. That’s probably the worst thing that they can do because if we’ve got more time we can work out where to cut in terms of risk with that client and we can also look at it from a relationship perspective.

(fieldnotes from observation at divisional analysts meeting)

Again, Dominic does not discuss the issue raised by the analyst (the need to constantly improve an engagement’s economics, i.e., FOMP) but instead he talks about the unsuitable ways ‘they’ (presumably here consultants) deal with ‘tight budgets’. Avoiding discussing these normative/cultural barriers mentioned by employees also meant that senior employees could simultaneously avoid taking action to overcome these (systemic/bureaucratic) underlying causes of undercharging time – enabling the initiative to enhance the divide between policy and practice.
In other situations, the key senior employees avoided discussing certain barriers altogether. For example, the pressure that employees felt from senior employees not to charge their time was identified by Helen in her interview:

I think what we struggle with is that it’s often not an explicit statement from the partner, it’s more body language … it’s relatively rare that someone says don’t charge your time but it’s more that they just get a bit of a sense that there’s some pressure or some anxiousness from a partner or a manager that they don’t charge the time.

(Helen, interview)

Yet she did not discuss this pressure at the presentation to consultants and analysts that I observed, not even as part of the “acknowledging the barriers” (KnowCo internal presentation) slide in the presentation. Nor was this pressure mentioned explicitly in the white paper (although, perhaps it was referred to euphemistically in this document as “executives not displaying the right behaviours” (KnowCo internal document)). This pressure from supervisors to undercharge time was discussed by many employees in interviews. Whilst it is difficult to pinpoint exactly why this barrier was not identified during the presentation, given the hierarchical nature of the Department it is possible that discussing this issue with employees might have resulted in a loss of face for the hierarchy. Other barriers to charging time were similarly not mentioned to employees. Whilst the same presentation also contained some examples of “Good behaviours to be recognised and made habit” (KnowCo internal presentation), notably the discussion of these behaviours was restricted to client inefficiencies
(for example, “Partner drives a positive team challenge to identify all time spent on client inefficiencies” (*KnowCo* internal presentation)). Yet no mention is made of the other factors that caused employees to exceed budgeted time, such as unrealistic budgets – even though in her interview Helen explained: “that’s typically what happens, we under-do the budget because we’re trying to make the job look more profitable to get a higher FOMP” (Helen, interview). Failure to discuss these barriers that Helen recognised inhibited the charging of time meant that the key players did not need to manage them – and without addressing these fundamental barriers to charging time AYTATT could not transform the culture of undercharging time.

In this way, when these key senior employees used evasive tropes in AYTATT it worked to intensify the divorce of practice from policy. They did not bring up employees’ confusion, how pressure from more senior employees could coerce employees to undercharge their time or how internal efficiencies or budgeting issues were going to be addressed. When employees asked about their concerns regarding charging time, the senior employees side-stepped them and instead talked about some other related issue. The sorts of concerns that employees raised to these senior employees which the latter avoided discussing – such as supervisors telling them about the ‘tight budget’ and the need to always be more efficient to improve FOMP – obstructed the charging of time. By not discussing these barriers, the main players were not required to take action to remedy the situation or change their language around managing and recording time. This sheds light on why AYTATT did not appear to change the departmental culture of undercharging – the way the project was carried out meant that it lacked the depth necessary to counter fully the roots of undercharging time. The amplification of the policy and practice disconnect meant that the management controls that induced employees to undercharge their time were not challenged through the initiative. These management
controls were not only sustained through AYTATT, but (as I mentioned in Chapter 7) the confusion, anxiety and hierarchical controls were actually reproduced through the initiative. Yet, not only did the augmentation of the time charging policy and practice disconnect further management control, but it also enabled AYTATT to have two other significant consequences for management control – namely, the responsibilisation and silencing of staff. I discuss how the key players tasked with changing the culture of undercharging time placed responsibility onto the individual employees in the next subsection.

8.2 Be(com)ing responsibilised: “You’re given so much freedom to charge the time”

As has been discussed, AYTATT produced material changes to management controls within KnowCo without really changing the underlying culture related to time charging and recording. The outcomes materialised through AYTATT were made possible, in part, through the use of rhetoric. One of the most significant outcomes of AYTATT was the transfer of responsibility for (under)charging time from senior staff to the employee. In the previous subsection I examined how evasive devices used by the key senior employees meant that the obstacles to charging time were presented in fashions that disabled deeper action by these senior employees to confront the fundamental causes of undercharging, increasing the distance between policy and practice. The use of the rhetorical devices also enabled the transfer of responsibility whereby responsibility was shifted from the senior employees and onto the individual. Through rhetoric (particularly repetition) the main players diminished the existence of the barriers to charging time, such as the pressure employees sometimes felt from their supervisors to undercharge time, and they dismissed employees’ concerns regarding charging their time. Responsibilisation enhanced management control as these key
senior employees used their power to require employees to take ownership regarding the undercharging of time. This absolved management of responsibility for addressing the obstacles employees faced in charging their time. This responsibility was instead placed onto the individual who was obligated to ensure that they charged all of their time without the key senior employees making concerted efforts to eliminate or at least significantly dampen the barriers that employees experienced when charging their time.

8.2.1 Responsibilisation to protect (management)

Responsibilisation has been examined in the extant literature. Responsibility as I refer to it here is used in the sense of duty and obligation, where one is responsible for taking (or not taking) a particular action (Edwards 1962). The etymology of responsibility suggests that the concept involves having to be answerable or accountable (Lucas 1993). Responsibilisation is when one is made responsible (Siltaoja, Malin and Pyykkönen 2014); it is “a call for action; an interpellation which constructs and assumes a moral agency and certain dispositions to social action that necessarily follow” (Shamir 2008 p4). Here I am interested in the praxis of responsibilisation, not just how employees were made responsible but how the main senior employees shifted responsibility away from management and onto employees. The literature contains examples of how similar transfers of responsibility have occurred in other studies. McNair (1991) examines how audit firms shift responsibility for resolving the cost–quality dilemma to employees through time budgets and efficiency norms. In Gray’s (2009) study, he demonstrates how the responsibility for providing a safe workplace – the responsibility of the employer – is transferred from the organisation onto employees via a health and safety ticketing strategy for workers. And Roberts (2003) describes how the publication of codes of ethics and reports displaces responsibility away from the organisation and onto employees. In contrast to these studies, in the present study the transfer of responsibility was facilitated
through rhetoric. Responsibilisation occurred as the key players used rhetorical manoeuvres to place the onus of charging all of their time onto employees. Barriers were framed rhetorically such that the causes of undercharging were attributed to employees rather than, for example, the hierarchy. By ascribing responsibility to employees for the undercharging of time, these senior employees could deny their own responsibility (Montada 2003). This transfer of responsibility meant that employees were not simply responsible for the decision they made – whether they decided to charge all of their time (consistent with the formal policy in the organisation but with potentially adverse personal consequences) or undercharge their time (in line with the departmental culture) – but undercharging time was now a personal choice as the pressures to undercharge time came from within the employee. The next subsection explores how this occurred in AYTATT.

8.2.2 Repeat offender: Responsibilising employees in ‘All Your Time, All The Time’

Rhetoric (especially repetition) facilitated the responsibilisation of staff in AYTATT. It is notable that through rhetoric, the main senior employees usually (but not always) restricted discussion of the barriers to charging time to those that employees ‘controlled’, allowing these senior employees to portray the situation in ways that suggested that the (perceptions of) employees were ‘the problem’. This is essential for the transfer of responsibility as “if a person is perceived as being the cause of an event, he or she is considered responsible for it” (Brunsson 1990 p50). Defining the problem in this way permits a particular solution (Moch and Huff 1983), a particular course of action (Smircich and Morgan 1982) – here ‘correcting’ employees’ erroneous perceptions – which simultaneously prohibits other solutions and other actions. As mentioned above, repetition was one of the rhetorical tactics used by the key players in relation to the AYTATT initiative – particularly the repetition of the phrase ‘All
Your Time, All The Time’. As previously discussed, in the white paper that was produced in the first stage of the project, ‘the message’ disseminated to employees was meant to be “all of your time, all the time” (KnowCo internal document). Whilst I was not present when senior employees decided on this message, given that the organisation’s policy document on time charging stated “At KnowCo, we record All Time – All Of The Time” (KnowCo internal document), it is reasonable to suggest that ‘All Your Time, All The Time’ emerged as a variant on this policy, with the project team eventually dropping the ‘of’ from the stipulated ‘message’ for symploce\textsuperscript{96} and/or rhythmic reasons. However, early on in the initiative variations of this phrase appeared (such as “All your time, All of the time” (KnowCo internal email), “All our time, all of the time” (KnowCo internal presentation) and even the acronymous “AYTATT” (KnowCo internal email)). The repetition of this phrase occurred so often one analyst (who spoke slowly and deliberately in a way that suggested she chose her words carefully) told me: “I charge my time all … I charge all my time all the time” (female analyst, interview).

As I mentioned in Chapter 7, the project team seemed to think that repeating this mantra of ‘All Your Time, All The Time’ – that is, emphasising what employees \textit{should} be doing – would prevent the undercharging of time. Yet employees were quite aware that they should be charging their time. As seen in Chapters 6 and 7, whilst practice diverged rather dramatically from policy, it was not because employees did not \textit{know} the policy but because confusion, anxiety and hierarchy prevented them from applying the policy in practice. The repetition of ‘All Your Time, All The Time’ allowed the project team to focus on highlighting the policy, rather than making changes to the bureaucratic control systems that

\textsuperscript{96} Symploce is a trope where the words at the beginning and end of a phrase or sentence are repeated – the combination of anaphora and epiphora (Peters 2001).
fostered the confusion, anxiety and hierarchy that made it so difficult for employees to practice charging all of their time. Yet, not only did the key players’ rhetoric of ‘All Your Time, All The Time’ replace managerial action in the initiative, the phrase – and its constant repetition during the initiative – facilitated the shifting of responsibility by these main senior employees in the project. More than conveying the message that employees ‘should’ charge all of their time, the imperative of ‘All Your Time, All The Time’ also suggested that it was possible for employees to charge all of their time as “ought implies can” (Edwards 1962 p313): “the person who believes that another ought to do something invariably believes also that the person to whom or about whom he [sic] is speaking has the means and ability to do the act in question” (Edwards 1962 p314). This meant that the burden of charging their time rested with employees because they were not just obliged to charge all of their time, but they could do so:

I just think there’s been enough conversation that I don’t understand why, when you’re given so much freedom to charge the time and it’s what you’re supposed to do, that you just go away and don’t do it.

(female partner, interview).

The implicit message of possibility in ‘All Your Time, All The Time’ meant that if employees undercharged their time this would be ‘their fault’ (Gray 2009) because they should – indeed, they could – charge all of their time. Furthermore, the repetition of AYTATT appeared to have a numbing effect on employees, which made it difficult for them to challenge the responsibility for charging all of their time as it was assigned to them. This
made them passive and consequently they did not challenge the confusion, anxiety and hierarchy that hindered employees from charging their time.

Just as the rhetorical devices meant the key staff did not challenge these management controls in AYTATT, responsibilisation actually furthered management control within the Department as it was a means by which employees could be required to take particular actions. Once employees are responsible for performing an action, they are answerable (Lucas 1993), indeed, they are then accountable. This study demonstrates a “flight from responsibility” (Roberts 2003 p263) by these senior employees; how responsibility can be shifted by those in power to make those with lesser power responsible for what is outside of their control. The main players took little action to actually remove the barriers to charging time but by using rhetoric (especially repetition) they could devolve responsibility for charging all of their time to employees – those who had less power to actually address the causes of undercharging. Employees became numb and submitted to the repeated message of ‘All Your Time, All The Time’ as the power of the hierarchy meant employees had little decisional control to reject this responsibility (Montada 2003) and so it also silenced them.

8.3 Silence is golden: ‘The indiscussable is again undiscussable’

It was not just the shifting of responsibility that had consequences for management control; the rhetoric that responsibilised employees worked to silence employees about this responsibilisation and the continued practice of the undercharging of time. In this subsection I examine how a key consequence of rhetoric (particularly denial) in AYTATT was the silencing of staff voices. Employees were told that if they observed “poor behaviours” (KnowCo internal presentation) in relation to the charging of time, they should ‘speak up’
about it – they should “[hold] each other accountable” (KnowCo internal presentation). Yet as discussed earlier in this chapter, when I observed employees speaking up about ‘poor behaviours’, instead of the key players holding their peers to account, employees were silenced as their concerns were nullified. The way the key senior employees framed the barriers to charging time silenced employees through denying their experiences. The rhetoric of these senior employees worked in conjunction with the key bureaucratic controls (recruitment, hierarchy and progression, performance review, project budgeting, time recording and chargeable hours) and as a result employees struggled to ‘speak up’ to the hierarchy about their realities of charging time because of the potential ramifications – particularly ‘looking bad’ to power. Silencing also occurred as the transfer of responsibility exacerbated the sociological ambivalence experienced by employees, and (drawing on McNair’s (1991) terms) the indiscussable was once again undiscussable. This silencing facilitated management control because employees did not challenge management’s presentations – because, even whilst some staff members brought up the pressures they faced to the key players, they did not dispute the denial of their own lived experiences by these senior members of staff; rather their silence suggested tacit acceptance rather than agreement with the realities portrayed by the key senior staff.

8.3.1 Silent majority: The suppression of employee voice

In Chapter 2 I discussed how language could be mobilised in the interests of management control. Part of management control is definitional authority (Kärreman and Alvesson 2004) – the ability to define organisational reality and experiences for employees. Whilst employees at every level in the hierarchy use rhetoric to construct and reproduce meanings (Hartelius and Browning 2008), who speaks – who has the power to speak, mould and define organisational life (Smircich and Morgan 1982) – provides insight into the operation of
management control in an organisation. When employees ‘speak up’ to the hierarchy, it challenges management control by contesting management’s ability to privilege their versions of reality, whilst the silencing of staff enables management control through facilitating the imposition and domination of managerial reality. Donaghey, Cullinane, Dundon and Wilkinson (2011) see employee silence as “a situation where workers do not have avenues to pursue issues of concern to them, either because of a failure of pre-existing voice mechanisms or because of the absence of them altogether” (pp57-58). Fundamental to this definition is the recognition of management’s role in silencing staff (Donaghey, Cullinane et al. 2011). Employees are silenced when their views are denied and made invisible and their voices are suppressed (Harvey 1998; Cushen 2013). They are compelled to accept – or at least present themselves as having accepted – management’s versions of organisational life. In AYTATT, this silencing occurred as key senior staff used denial to refute employees’ own lived experiences. The hierarchical nature of the Department (in addition to the other key management controls) and the sociological ambivalence they experienced meant they could not use their voice to challenge these senior employees’ visions of organisational life. For example, the main players tried to downplay the write-down process (Shahid: After a certain amount it goes to Don, and it’s really about trying to understand what’s happening … (fieldnotes from observation at divisional analysts meeting)), even though as Chapter 6 demonstrated, even if they did not understand exactly how it worked, many employees understood that senior employees did not want to exceed their budget and have to go through the write-down process. Unable to ‘speak up’, staff subordinated themselves to the key senior employees’ presentations of reality.
8.3.2 Living in denial: Silencing employees in ‘All Your Time, All The Time’

In the previous section I explored how the key players concealed the barriers to charging time, shifting responsibility for dealing with the barriers from senior employees onto individuals. Through rhetoric these key senior employees also denied employees’ lived experiences in relation to charging time, effectively discounting the employees’ concerns. These senior employees advised the junior employees on ‘how things really worked’, with the implication being that the employees’ concerns about charging time were baseless. The ‘reality’ described by the main players often bore little resemblance to the reality experienced by employees (Dominic: in terms of write-offs there’s been no case where I’ve sat down with Don and we’ve been reprimanded … it’s more of a discussion (fieldnotes from observation at divisional analysts meeting)). This rhetoric silenced employees’ voices by denying their lived experiences as the barriers to charging time were framed in ways that privileged the interests of senior employees and rejected the barriers to charging time as experienced by employees – especially the barriers that highlighted the contribution of the hierarchy to the undercharging of time. This denial occurred in different ways. Sometimes some key senior employees failed to recognise – or disregarded – the barriers to charging time altogether. This was exemplified by the project team’s desire to communicate a ‘positive message’ to employees about charging time: “The message we try to put out there is that there are more positive reasons why you should rather than negative reasons why you shouldn’t charge your time” (Helen, interview). By focusing on communicating a positive message, there is a denial of the systemic, underlying causes of the undercharging of time (i.e., the key bureaucratic management controls) as well as the significant anxiety these controls helped generate. Yet many employees – including Elaine – spoke about the lack of incentives for charging their time, suggesting that there were not more positive reasons compelling employees to charge
their time: “And I would say on an anecdotal basis, I’ve come across evidence of individuals saying, why would I (charge my time)? It’s not worth it” (Elaine, interview).

In their attempt to communicate a positive message, at times the project team ignored the very real barriers that employees faced when charging their time – the implicit (and sometimes explicit) expectations that employees would come in on budget. Downplaying these expectations silenced employees as their concerns were discounted and made invisible (Harvey 1998).

Sometimes the denial took the form of a questionable assertion in relation to the barriers to charging time. To illustrate: “I want them to ‘dob’ if someone’s giving them a hard time or picking on them or giving them the wrong message or doing the wrong thing” (female associate partner (support), interview). Denial of this sort especially ignored how the hierarchy played a significant role in the undercharging of time through driving the anxieties and confusion employees experienced. Yet the main players contested this role and through their rhetoric these senior employees seemed to preserve the status quo to ‘save face’ of the hierarchy rather than recognising and taking steps to address the problems. For example, during the presentation on charging time to the analysts and consultants, one of the barriers to charging time was described as “Partner and Manager instruct team to charge their time accurately, but manager & partner only charge a portion of their time so the team achieve [sic] budget” (KnowCo internal presentation). Whilst the undercharging of time by partners and managers was part of the problem, the everyday reality presented here suggests that partners and managers directed employees to charge all of their time. Conspicuous in its absence is any mention of partners and managers implicitly and explicitly requesting
employees to undercharge their time, even though many employees brought these up as obstacles they encountered when charging time. Similarly, Helen asserted during the presentation that *People are not wanting to re-FOMP, but it's fine. It's more important that a job comes in on time* (Helen, fieldnotes from observation at departmental analysts and consultants meeting, emphasis added). Here Helen emphasised that ‘re-FOMPing’ (i.e., writing-down FOMP) was ‘fine’, even though this version of reality that she presented contrasted significantly to the descriptions of re-FOMPing provided by a number of senior employees (for example, as a “pain in the arse” (female associate partner, interview)) – including Helen herself in the interview, where she indicated that re-FOMPing was a source of anxiety for employees throughout the hierarchy. In the excerpt above she did note that employees were anxious about re-FOMPing, however implicit here is also a dismissal of their concerns because the reality that she depicted was different to what they thought as ‘in reality’, re-FOMPing was ‘fine’. These sorts of assertions silenced employees because they were at odds with employees’ experiences yet the hierarchical nature of the Department meant that, for example, during this presentation, no analysts or consultants openly challenged this characterisation of this barrier to charging time.

In other situations, specific barriers to charging time were denied. Whilst ostensibly being interested in opening up a discussion about the barriers to charging time (in a divisional analysts meeting I observed), Shahid and Dominic effectively shut down discussion of barriers that did not serve their interests – barriers that were clearly put in place by senior employees, such as the language supervisors used to indicate employees should undercharge time. For example:
Analyst: People emailing asking you to justify your time.

Shahid: You shouldn’t be worried about it. This is just about visibility about the reasons for the time so that it may be charged to the client. It’s in your own minds because you should still charge it. People are just trying to work out where the time is going and whether they can get that off the client.

(fieldnotes from observation at divisional analysts meeting, emphasis added)

The analyst was worried about supervisors asking questions about the time he charged. He understands that being asked to justify his time is code for undercharging time. Although part of it could very well be as Shahid explained, because the supervisor may be trying to recover over-runs, Shahid’s response still dismissed the concerns of the analyst. ‘Justify’ is a strong word that in this context required an employee to defend the time they spent working, yet Shahid claimed ‘it’s in your own minds’, denying the ‘realness’ of the analyst’s concern about charging his time. Denying the barriers to charging time silenced employees because the obstacles are presented instead as perceptions of employees, rather than as confusion, anxiety and hierarchy. The key senior employees do not give any credence to the concerns of employees – and despite the challenges they face in charging their time, they are simply told ‘you shouldn’t be worried about it’. When the barriers to charging time actually experienced by employees, such as supervisor requests to undercharge (explicitly or implicitly), were ignored or undermined by these senior employees their experiences were ultimately denied.

In these attempts at denial, the main players were again targeting the perceptions of employees here – apparently not managing the sources of employees’ concerns but their
perceptions of anxieties around charging time. Their denial constructed a different version of reality – one where re-FOMPing was ‘fine’, one where senior employees directed employees to charge all of their time – and the key senior employees discounted employees’ concerns simply by excluding them from their own versions of reality. This may not have been intentional; indeed, these senior employees may not have given much thought to the best way to pass on the messages to employees to charge all of their time. However, the result of the denial of the barriers to charging time meant that the employees’ concerns were rendered groundless. Concerns raised by employees were not treated seriously; rather than addressing the underlying issues that caused the undercharging of time, the main players sought instead to influence employees’ beliefs about charging time – but without making changes to the bureaucratic control systems underpinning their beliefs in the first place. The main senior employees did not take any concrete action to address the underlying causes of employees’ anxieties, because they did not ‘really’ exist. The key players’ rhetoric defined the barriers to charging time in ways that denied the employees’ experiences with charging time – particularly in relation to the hierarchy’s involvement in these matters. Accordingly, senior staff did not see confusion, anxiety and hierarchy as the problems preventing employees from charging all of their time; instead they believed it was employees’ misunderstandings about the departmental ‘reality’ that stood in the way of them charging their time. Invalidating employees’ concerns about charging time silenced them because whilst employees were apparently encouraged to raise their concerns (There are concerns and perceptions about charging time and we want to understand perceptions (Dominic, fieldnotes from observation at divisional analysts meeting)) – and some did – the denial (or evasion) of the concerns that were raised meant these attempts at encouraging employee voice ended up silencing employees (Harvey 1998).
8.3.3 Silence gives consent: Other ways ‘All Your Time, All The Time’ silenced employees

The denial of employees’ lived experiences of the barriers they faced charging all of their time was not the only way in which they were silenced. As Simpson and Lewis (2005) argue, “privileged ways of talking and being, through linguistic processes such as rhetoric and naming, can consequently form the site of struggle over hegemonic interpretations”\(^97\) (p1261). The hierarchical nature of the Project Department – working together with the other management controls – made it difficult for them to contest the main senior employees’ definitions of the obstacles to charging time. Employees did not seem to have absorbed these senior employees’ definitions of the barriers to charging time – had that been the case, their discussion of the barriers to charging time would have been limited to what they had been told by senior employees. Yet they did not ‘speak up’ about the key players denying their personal experiences in relation to charging time even though the picture painted by these senior employees was far removed from their personal experiences. Re-examining the key management controls helps us to understand why employees remained silent even though the main senior employees left out key elements of the employees’ own reality. In terms of recruitment, many of the employees shared the skill of savoir-faire – the ability to discern how to act and what to say in a variety of social situations. This meant that employees could also determine what they should not say – to ‘save face’ of others and themselves (Goffman 1967). They employed their savoir-faire to fulfil their substantial ambitions to ‘make something’ of themselves. And as discussed in Chapter 6, in order to realise this ambition employees were hesitant to do anything that would make them ‘look bad’ in front of the hierarchy, like speaking up. They understood that to progress through the hierarchy, to make something of themselves, they needed to receive good performance reviews (i.e., at least a

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\(^97\) They cite Ferguson (1994) and Fondas (1997) here.
‘C’ rating). And it was through this power over performance reviews and progressions that the hierarchy was so powerful. The hierarchy had the power to decide who made it and who did not – who became successful – and so it was in employees’ interests not to ‘look bad’ in front of the hierarchy:

You’re not just thinking about what you should be saying, but other factors come in, such as, what if I say the wrong thing, it might get me fired or it might get me in trouble or they might not like it and that might hinder me from ... So there’s a lot of thinking, not exactly to do with project work, but what are the implications of what you say and that’s why it comes back to the fact that everything leads to politics.

(male analyst, interview)

More precisely, especially in relation to AYTATT, it was in the employees’ interests not to make the hierarchy ‘look bad’. It was very rare for me to observe employees challenging the hierarchy (at least, in front of the hierarchy) and they were reluctant to ask questions that could be construed as critical:

I guess it’s the feeling you don’t want to be perceived … I guess, depending on the question, just the perception that you give on to the associate partner, or the partner as a result of you asking that question … Just any questions that have, I guess, a negative sort of side to it …

(female consultant, interview)
It seemed that the options employees faced were to ‘speak up’ and deal with potentially punitive consequences (which could make it difficult for them to realise the opportunities for which they joined the firm in the first place) or remain silent (Willmott 1993). This choice was analogous to the one they made in relation to charging time – charge all of their time and deal with the consequences or undercharge their time. And just as employees would “take the easy route out” (male associate partner, interview) with charging time, staying silent also appeared to be the ‘easy’ option, the safer option (Morrison and Milliken 2003). In relation to AYTATT, I did not witness any employees challenging the key players about their rhetoric – it seemed that employees decided it was in their best interests to stay silent rather than parrhesia, ‘speaking truth to power’ (Foucault 1983).

Silencing also occurred through the exacerbated sociological ambivalence for employees. As I discussed in Chapter 2, the confusion that employees experience regarding the divergence between the formal policy and cultural norms regarding charging time (i.e., ‘sociological ambivalence’) places employees in a ‘double-bind’ (McNair 1991). This further explains why employees remained silent even though the reality presented by the main senior employees conflicted with their experiences. Instead of challenging the confusion, anxiety and hierarchy that made charging time difficult for employees, AYTATT reinforced it. As McNair (1991) notes, organisations transfer the cost–quality dilemma onto employees who must then decide what action to take – charge all of their time and deal with the unpleasant consequences of infringing cultural norms, or undercharge their time and breach the organisation’s formal policy. In AYTATT, management attempted to align the practice of charging time with the formal policy, yet they clearly failed to take measured actions to manage the underlying causes of undercharging time. Consequently, AYTATT actually reinforced employees’ confusion as policy was emphasised but underlying issues were still not addressed. It is not
too difficult to imagine that the emphasis on charging all of their time in AYTATT would increase employees’ anxiety as they struggled to make sense of what action they should actually take without being able to discuss it because, as we saw above, the response they would receive would tell them to *still* charge all of their time regardless. However, they continued to receive mixed messages about charging time:

> it kind of felt like that's how she really felt, like that I shouldn't be charging too much time, but then again, she feels like she kind of has to say, you know, charge all your time, because that's the whole like, big thing at the moment is charging time appropriately.

(female analyst, interview)

The power of the hierarchy was also strengthened as key senior employees privileged their own rhetoric about charging time to the detriment of employees’ experiences. They were able to deny their own responsibilities by transferring them onto individual employees. As sociological ambivalence was intensified, the difficulties employees experienced in charging all of their time again became undiscussable (McNair 1991).

The silencing of staff is a powerful tool in management control. Whilst ordinarily we can think management rhetoric attempts to persuade employees to assume an idea, values or beliefs, here it seemed that employees were not necessarily persuaded by the rhetoric in AYTATT as in interviews they could clearly discuss the barriers to charging time well beyond the way the main senior employees conceptualised them in the initiative. Yet the
rhetoric was still effective in terms of management control as it emphasised policy whilst downplaying employee concerns about charging time, amplifying the policy–practice disconnect. Rhetoric enabled the transfer of responsibility onto employees in ways that meant they could not speak up about it. And rhetoric facilitated staff being compelled into a code of silence. Despite the key players’ attempts that (at best) recast the barriers to charging time, employees did not seem convinced; they knew that things operated differently to what they were being told but they still did not dispute them. Silencing employees was functional for management (Donaghey, Cullinane et al. 2011) because it meant that whilst employees did not necessarily imbibe the versions of reality the key senior employees espoused, it still enabled the shift of responsibility onto employees for charging all of their time without any challenge from employees. Whilst “language is a social practice that exercises and reinforces power relations” (Kornberger, Carter et al. 2010 p788), as I have shown rhetoric in particular highlights the asymmetrical nature of power relations within the organisation – senior employees were able to use rhetoric to define and frame employees’ experiences in order to further their own interests (Deetz and Mumby 2012). AYTATT certainly exemplified this sort of exercise of power as the key players framed the barriers to charging time in ways that reduced their responsibility regarding charging time whilst simultaneously significantly diminishing the likelihood of overt employee resistance.

8.4 Conclusion

In the Project Department, rhetoric played a significant role in enacting management control. Throughout my fieldwork (including beyond AYTATT) I observed senior employees using language in ways that resulted in the management control outcomes – amplifying the policy and practice disconnect, responsibilising employees and silencing staff. These were the
outcomes of AYTATT for management control (research question four). To be truly effective in realising its stated aim, the initiative required a markedly different approach to the language broadly used to manage control in the Department; rather it seemed that the key players drew on familiar ways of doing things in AYTATT. The use of rhetoric by these key employees demonstrates that the methods used by management to implement management control change are themselves practices of control; management control is the ‘vector’ through which change is realised (Dambrin, Lambert et al. 2007). The rhetoric used by these senior employees in the initiative meant that the extant culture (of undercharging time) was not challenged and instead this rhetoric reinforced the status quo. This did not appear to be intentional – these senior employees seemed genuinely interested in naturalising the charging of all time in the Department in order to improve financial control and consequently the Department’s financials.

Management control is inherently a persuasive act; after all, it is by using (rhetorical) talk and text that managers convince employees to adopt certain ideas and values and behave in organisationally-approved ways. A rhetorical lens, therefore, helps us to understand better how managers (attempt to) persuade employees to act in specific ways by focusing our attention on the particular linguistic techniques managers invoke to affect the behaviour of employees. In this chapter the specific rhetorical techniques I have discussed (evasion, repetition and denial) have illustrated how managers enact management control (in relation to research question two) – the rhetorical strategies managers use to impart certain ideas onto employees – and how these unplanned attempts at persuasion resulted in a project that did not achieve its purported aim of changing the organisational culture around the undercharging of time. Superficially, it could be argued that management rhetoric was ineffective in this study as employees failed to accept unquestioningly management’s attempts at ‘meaning making’
and many employees knew that the act of charging their time was much more complex than management’s presentations in AYTATT suggested. Yet, whilst employees were not ‘cultural dopes’ (Garfinkel 1964), the rhetoric in AYTATT still disciplined employees to behave in ways that were functional for management – especially not challenging the shifting of responsibility for charging all of their time onto employees without undertaking to address the underlying causes of confusion, anxiety and hierarchy (that is, the key bureaucratic management controls) that I have demonstrated enticed employees to undercharge time in the first place.

Overcoming the normative barriers to charging time – namely confusion, anxiety and hierarchy – was crucial to the success of AYTATT and to do this the project team had to recognise how the bureaucratic control systems produced and reproduced these normative controls that fostered the undercharging of time. Yet the initiative primarily focused on ‘educating’ employees on the time charging policy and otherwise encouraging them to charge time in ways that did not challenge the normative and bureaucratic barriers to charging time. The project team’s focus on policy was somewhat redundant as employees knew they were meant to charge all of their time even prior to AYTATT yet struggled to do so in practice. While the key players understood that time charging practices were cultural they failed to fully appreciate how the culturally-sanctioned behaviour of undercharging time stemmed from the bureaucratic management control systems within the Department. And so as they implemented AYTATT they used rhetoric to deal with the perceptions and beliefs of employees rather than making changes to the bureaucratic management control systems that produced these perceptions and beliefs (research question one). These perceptions were merely symptomatic of the underlying problem. So while senior employees seemed aware to some extent of how confusion, anxiety and hierarchy led to the undercharging of time,
rhetoric facilitated the discounting and obscuring of these barriers to charging time in ways
that were convenient for management. They dismissed the lived experiences of employees
and tried to impose on them alternative ‘realities’ and experiences. As the underlying causes
of the undercharging of time were not addressed, it is not surprising that AYTATT provided a
‘band-aid’ rather than a substantive shift in culture.

By attempting to redefine and reframe ‘reality’, key senior employees absolved themselves of
responsibility and shifted it onto individual employees. Diminishing the barriers to charging
time meant that other than (attempts at) managing employees’ perceptions, these senior
employees did not need to take other actions to address the causes of undercharging time.
Furthermore, as the key senior employees’ conceptualisations of the barriers to charging time
were restricted to employees’ perceptions, implicit in the discussions of charging time was
the idea that it was possible for employees to charge all of their time – they were ‘free’ to do
so. This apparent freedom to charge meant that not only were employees required to charge
their time by the firm’s policy, but there were no external barriers to charging their time.
Rather, the barriers to charging time were internally localised within the employee. The
employee was the one who chose to either charge all of his or her time or to undercharge it –
the employee was tasked with responsibility for this ‘choice’.

Yet not only were employees responsibilised, but this was accomplished in a way that
prevented employees from ‘speaking up’ about how the main senior employees framed the
barriers to charging time and inflicted particular versions of reality onto employees. These
senior employees denied the lived experiences of employees and this silenced them, as they
did not contest senior employees’ vision of organisational life – even though it conflicted
deeply with the way employees described the ‘realities’ of charging time in interviews. Here employee silence was a sort of capitulation rather than agreement with the main players’ imposition of meaning. In this Department hierarchical position was a strong indicator of power and employees were hesitant to challenge the hierarchy lest their critical comments or questions destroy their chances of a good performance review and/or progression. Many employees were aware that people struggled to ‘speak up’ in the Department and, whilst broadly within the Department potential avenues for speaking up were established to enable employees to ask questions anonymously, many senior employees seemed unaware that the language they used when responding to these questions silenced employees. Through their language they vitiated employees’ concerns.

AYTATT epitomised the functioning of management control in the Project Department. Key senior employees analysed issues in a superficial manner failing to delve into, and consequently address, the underlying causes of the undercharging of time. Through rhetoric, responsibility for the management control systems that actually caused the undercharging of time was impressed onto employees who did not possess the power to change these systems or even to ‘speak up’ about being responsibilised. In essence, the ‘clear’ message of AYTATT functioned to conceal the ambiguities that remained in relation to charging time. The clarity of this message disabled discussion, making it virtually impossible for employees to discuss the contradictory messages they still received about charging their time. This ultimately reinforced the existing cultural practice of undercharging time and made it more difficult for employees to discuss.
“Charging time is the fundamental of our business” (Helen, interview).

Even though the records of employee time are a vital aspect of financial control within the Project Department, it appeared that much time remained undocumented in the formal systems – even following a concerted effort to change this state of affairs. Through my discussions with employees it seemed the practice of undercharging time was thoroughly embedded within the departmental culture. And although management started to view this practice as problematic for several reasons (including because decisions were being made on the basis of this inaccurate information), my empirical material suggests the prime reason for the AYTATT initiative was its potential for alleviating the Department’s profitability troubles during a tough economic period.

Through AYTATT, we can see how bureaucratic and normative controls within the Project Department conflicted with the time charging policy, leaving staff in a rather difficult position of determining the appropriate course of action in relation to charging time. Whilst through this project the policy of charging all of one’s time was strongly emphasised to employees, and it was evident that employees were very much encouraged to charge their time through AYTATT, my empirical evidence suggested that the main senior employees tasked with changing the culture of undercharging time took actions that focused on addressing the symptoms of undercharging rather than their underlying causes. Whilst there are several reasons for this, which have been detailed in the previous chapters, it ultimately meant that the change effort did not naturalise the charging of all time in the departmental
culture as management had envisaged. Indeed, rather than challenging the entrenched cultural norms that contributed to undercharging time, my analysis suggests that the project actually reproduced these norms through the rhetoric used by senior employees in AYTATT. The use of evasion, repetition and denial by the main players functioned to reinforce the existing ways of thinking and acting that contributed to the undercharging of time in the first place. Moreover, it appears that AYTATT actually furthered management control. Instead of having a silent agreement (male executive manager, notes from unrecorded interview) in place where employees understood that they needed to undercharge their time to meet the budget irrespective of the formal policy, the overt emphasis on charging all time occurred alongside continued subterranean pressures to undercharge – meaning employees were faced with an amplified double-bind where they were still required to decode whether or not it was in their best interests to charge all of their time.

This chapter serves as the conclusion for this thesis. As part of my recognition of the incremental nature of research, here I demarcate the boundaries of my thesis to specify what this study covers and what it does not consider. The findings regarding the undercharging of time and operation of management control in relation to the research questions that were stated in Chapters 2 and 3 are also summarised. Finally, I conclude this chapter and the thesis by outlining the contributions of the study and their implications for knowledge and for future research.

9.1 Boundaries: What the research does and does not do

This research explores what transpired in one department of a knowledge-intensive firm when management in the Department tried to change the cultural practice of the
undercharging of time. This project occurred at a particular time and in a specific space – and whilst it is important to recognise how the findings are bound by this context, they can still provide us with important insights into the operation of management control in knowledge-intensive firms more generally. For example, the current study provides us with insights into the gaming of time/profit within management control systems of knowledge-intensive firms, demonstrating how the dysfunctional behaviour of undercharging time functions to protect profitability and actually seems to stem from the tensions within the management control systems in place. By exploring the undercharging of time from a different paradigmatic stance using an unconventional methodology for this literature (Alvesson and Sandberg 2011), I was able to challenge how the extant undercharging of time literature conceptualises undercharging as dysfunctional behaviour. In this study, I have explained how the bureaucratic and normative elements of control made it difficult for employees to record all of their time in practice; how these elements of control were not challenged through the AYTATT project; and how managerial rhetoric used in AYTATT meant that the project had particular consequences for management control within the Project Department.

This thesis tells one story from many that could have been told from the empirical evidence that I produced and collected. By focusing on this particular story I have had to cast others into the shadows. Furthermore, this narrative has been shaped by my analysis of the data and alternative interpretations may certainly be plausible. The narrative I recount here investigates how and why management went about changing the undercharging of time and to what end. I give insight into employees’ views on the undercharging of time and their opinions of management’s efforts in AYTATT.
As I have mentioned in Chapter 4, as a critical researcher, I recognise that no study can ever provide a full picture, and I do not in any way claim that the story I have presented here is ‘complete’. For example, based on the empirical evidence that I collected, I have not been able to consider the pressures to show improvement on the main senior employees tasked with fixing the culture of undercharging time. Yet, it is conceivable that these employees experienced various pressures themselves to improve the utilisation and profitability figures so that they themselves would ‘look good’ in their performance evaluations.

I have also recognised in Chapter 4 how a researcher is intimately involved with the study. Research in this context is reflexive, so I am conscious that the empirical evidence that I produced and collected – as well as the story I have chosen to tell from this material – cannot be separated from me as the researcher.

9.2 Research questions and findings

This study focused on AYTATT because the extant undercharging of time literature suggested that a deeper analysis of the undercharging of time practice in organisations was necessary to provide us with a better understanding of the practice. The research questions that I explained in Chapters 2 and 3 arose because the literature lacked this depth of analysis and the fortunate timing of my fieldwork meant I was able to examine AYTATT as it played out. In addition to improving our understanding of the undercharging of time, these questions were also concerned with shedding light on other aspects of management control. The research questions included: (1) How do management controls enable and constrain change; (2) how is rhetoric mobilised in the enactment of management control change; (3) what is the relationship between bureaucratic and normative controls in relation to employees’ time
In this section I demonstrate how I have answered these research questions in Chapters 5 to 8 and state concisely the key aspects of my findings. The findings are represented graphically in Figure 7.

### Figure 7 Findings of the study

- **Bureaucratic controls**
  - Recruitment
  - Hierarchy & progression
  - Performance review
  - Project budgeting, time recording & chargeable hours

- **Normative controls/barriers to charging time**
  - Confusion
  - Anxiety
  - Hierarchy

- **Rhetorical devices used in AYTATT**
  - Evasion
  - Repetition
  - Denial

- **Consequences of AYTATT**
  - Amplification of the policy-practice disconnect
  - Responsibilisation of employees
  - Silencing of staff

#### 9.2.1 How do management controls enable and constrain change?

As I mentioned in Chapter 2, one key barrier that managers can face when implementing a management control change project is widely accepted values, behaviours and practices
within the organisational context (Scapens and Roberts 1993; Vaivio 1999; Siti-Nabiha and Scapens 2005). To ‘successfully’ change management control practices, managers may need to disrupt these beliefs and behaviours (Scapens and Roberts 1993; Abernethy and Chua 1996; Vaivio 1999; Dambrin, Lambert et al. 2007). This study contributes to the literature on management control change by showing how management controls themselves can foster the values and practices that may inhibit management control change projects. In Chapter 6, I set out the normative barriers that employees experienced to charging all of their time and I showed how these barriers emerged from bureaucratic controls (for example, how anxiety about exceeding the budget emerged in part from the FOMP write-down process). It was these barriers that senior employees needed to address in order to normalise the charging of all time within the Department. Yet, Chapter 7 demonstrates how employees’ beliefs and practices with respect to the charging and undercharging of time were not challenged in AYTATT. When implementing AYTATT senior employees used rhetoric that framed the barriers to charging time in particular ways, which meant that the senior employees did not take action to change the management controls that produced these established beliefs and practices. As a result the AYTATT initiative failed to achieve its aim of creating a culture where the charging of all time was natural. When rhetoric is used in the implementation of management control change it can be a mediator between management control and change, but clearly this can have intended and unintended consequences.
9.2.2 How is rhetoric mobilised in the enactment of management control change?

As I commented earlier, a paucity of studies in management control have explicitly drawn on rhetoric\textsuperscript{98} – even though at its heart management control is essentially about persuading employees to act, behave and even think in certain ways. In order to convince employees to change their beliefs and practices for a management control change project to be successful, managers may use rhetorical devices. As shown in Chapter 8, the main players drew on three particular rhetorical devices in AYTATT: evasion, repetition and denial. I used these rhetorical devices as a way of making sense of the ways I saw senior employees trying to persuade employees to adopt certain ideas in AYTATT. These devices show how rhetoric can be used (even unintentionally) in an effort to change employees’ taken-for-granted beliefs and practices. However, Chapter 8 demonstrates how rhetoric may actually inhibit management control change instead of facilitating it – even when management genuinely tries to enact management control change using rhetorical devices. Managerial rhetoric can impede management control change when it reinforces – rather than challenges – the entrenched beliefs and practices that need to be disrupted for change to occur. To illustrate, in AYTATT rhetoric amplified hierarchical power, as employees’ lived realities in relation to charging time were disregarded and dismissed by the main players resulting in managerial reality being uncontested. Yet employees’ beliefs regarding charging time emerged from their confusion- and anxiety-generating encounters with the management control systems in place when they tried to charge (all of) their time. To change employees’ beliefs and practices about charging time, management needed to tackle the systemic issues so employees had different experiences with charging time – and part of this would necessarily involve recognising (and addressing) the role played by the hierarchy in the undercharging of time.

\textsuperscript{98} Some notable exceptions include Anderson-Gough, Grey et al. (1998), Kornerberger, Carter et al. (2010) and Moch and Huff (1983).
9.2.3 What is the relationship between bureaucratic and normative controls in relation to employees’ time charging practices?

The findings in relation to the third research question were explored in Chapters 6 and 7. Chapter 6 demonstrated that although employees recognised theoretically why they should charge all of their time, it was clear employees experienced substantial pressures that impacted their time charging practices – normative controls that discouraged them from charging all of their time. Whilst this study has confirmed some findings from the undercharging of time literature – for example, that employees undercharge time because of supervisor requests, budget concerns, the potential for a better performance evaluation and because they do not want to appear inefficient (Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; McNair 1987; Shapeero and Killough 1993; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Kelley, Margheim et al. 2000; Yakura 2001; Alvesson and Kärreman 2004; Pierce and Sweeney 2004; Sweeney and Pierce 2006; Campbell and Charlesworth 2012) – by using a critical ethnographic methodology I have been able to shed light on why the undercharging of time emerges in a particular organisational context, and how the bureaucratic controls in place produced the normative barriers to charging time.

Studying control as cultural practice (Ahrens and Mollona 2007) has allowed me to illustrate the functioning of these normative controls – specifically confusion, anxiety and hierarchy. For example, I showed how – in order to get a good performance review – keeping their supervisor ‘happy’ appears to be a key reason why employees undercharge time as the pressures experienced by more senior employees appeared to be pushed down the hierarchy. In that chapter I demonstrated how the normative controls that led to the undercharging of time were produced and fostered largely by the bureaucratic elements of control introduced in
Chapter 5 (recruitment, hierarchy and progression, performance review, and the project budgeting, time recording and chargeable hours process). Ultimately, this highlighted how the undercharging of time was grounded in the bureaucratic management control systems – contradicting McNair’s (1987) claim that the formal management system plays a limited role with respect to the undercharging of time.

Chapter 7 demonstrated that employees’ time charging practices were not challenged through AYTATT. Whilst many employees could see the merits of AYTATT, my analysis demonstrated that rather than challenging the normative pressures that made it difficult for employees to charge all of their time, the initiative actually reproduced them. This was because what employees should be doing (charging all of their time) was emphasised through the project, but the main senior employees did not take substantive actions to address the underlying (systemic/bureaucratic) causes of undercharging. As a result, AYTATT further intensified the double-bind (McNair 1991).

9.2.4 What are the implications of AYTATT for management control?

The results in relation to the final research question are explored in Chapter 8, where I set out the three management control consequences that I saw transpire in AYTATT – namely, the amplification of the policy–practice disconnect, the responsibilisation of employees and the silencing of employees. To reiterate, these three outcomes materialised because there was a significant emphasis on the time charging policy in AYTATT, but no corresponding focus on removing the obstacles that employees experienced when trying to charge all of their time. As I argued in Chapter 8, the way key senior employees involved with AYTATT used rhetoric appeared to diminish the systemic barriers to charging time that employees
experienced, and instead framed the barriers to charging time as being in the minds of employees (to illustrate, their supervisor asking them to ‘justify’ their time was not really a request to undercharge time). Even though employees did not appear to ingest this rhetoric it was still powerful because it nevertheless seemed to impact their behaviour as employees did not challenge the main senior employees on their rhetoric and presentations regarding how time charging worked in the Department. Through the three rhetorical devices I identified (evasion, repetition and denial) we can see how the language (unintentionally) used by the key senior employees resulted in these three consequences. Rhetoric is a vessel for management control, and ultimately in AYTATT rhetoric furthered management control within the Department and again rendered the indiscussable, undiscussable (McNair 1991).

9.3 Contributions, implications and further research

Some researchers have recognised that Anthony’s (1965) definition of management control (quoted in Chapter 2) unnecessarily restricted the study of management control to accounting (Otley and Berry 1980; Otley 1994; Otley, Broadbent et al. 1995; Langfield-Smith 1997; Otley 1999; Otley 2003; Berry, Coad et al. 2009; Ferreira and Otley 2009). Yet increasingly, the notion of management control has broadened beyond an accounting focus to incorporate normative/cultural aspects of control (e.g., Merchant 1982; Simons 1995; Malmi and Brown 2008; Adler 2011). Studies have suggested that this type of control is particularly pervasive in knowledge-intensive organisations (Kunda 1992; Alvesson 2001; Robertson and Swan 2003; Kärreman and Alvesson 2004; Granlund and Taipaleenmäki 2005) – meaning KnowCo was an ideal site to explore the functioning of normative control.
This thesis explores normative control within the context of a management control change project. It identifies specific tactics used for normative control within the Project Department in KnowCo – that is, the rhetorical devices employed by the key players to persuade employees to think about the barriers to charging time in particular ways. Whilst employees did not necessarily believe what they were told about charging time, these normative control tactics could be effective even without employees imbibing them. Indeed, the rhetoric used by the main senior employees was still effective as a means of control as it disciplined employee behaviour by securing their silence regarding – and therefore compliance with – the managerial version(s) of organisational life.

In this study, I explore (normative) control through a critical lens. In any critical project, it is crucial to illuminate the operation of power – even implicitly. Consequently, control is examined beyond its contribution to organisational efficiency and profitability, and beyond the meanings employees ascribe to management controls. Rather I have illustrated how power functions via control to subjugate the powerless – how control technologies affect the individuals who are subjected to them and how even somewhat inadvertently, these controls can function to reinforce the status quo.

My study emphasises that whilst the undercharging of time was certainly embedded within the Project Department culture, this cultural/normative phenomenon itself was driven in part by the bureaucratic aspects of management control. The study adds to the undercharging of time literature by contextualising the practice within the organisational environment and shedding light on the employees’ lived experiences in relation to the practice of charging time. I demonstrate that employees’ understandings of their own time recording practices
may be at odds with what they actually do in practice, which means that they may be undercharging their time without realising it. This finding raises important questions about findings in the undercharging of time literature that undercharging is widespread, as many studies in this space use questionnaires asking employees whether or not they are charging all of their time. Is self-reporting of the undercharging of time for research and organisational purposes valid? My findings suggest otherwise. I have also explored employees’ lived experiences with respect to charging time to provide insight into the substantial challenges they face when charging all of their time. My study adds to the literature by examining how and why an organisation attempts to stop the undercharging of time – as well as the consequences of these efforts. Finally, I draw on rhetorical theory to explain how the consequences of AYTATT transpired – exploring how leadership within the Project Department ‘did’ management control.

There are four key implications of the knowledge gained in this study. First, the study highlights the need for more in-depth research into the undercharging of time. The extant studies in this literature have given us some understanding of the topic, and many of the findings from these previous studies – such as the reasons why employees undercharge their time (as discussed in Chapter 3) – have been confirmed in the present study. The ethnographic methodology used in this study has allowed me to uncover, for example, how employees’ confusion about how to account for their time meant there was much variation in the way employees recorded their time and this confusion needed to be addressed to make AYTATT work. This study illustrates that there is still much we do not know about the charging and undercharging of time, suggesting that more research is needed to better understand time charging practices, given that they constitute an essential element of financial control in knowledge-intensive firms, thus considerably affecting employees’
experiences of organisational life. To illustrate, further research could be undertaken in different types of knowledge-intensive firms and in firms of different sizes to understand better how the undercharging of time works in different contexts.

Second, the systemic nature of undercharging shown in this study deserves additional analysis. Whilst researchers have recognised that there is a disconnect between formal policies and cultural practices in relation to the undercharging of time (McNair 1991; Otley and Pierce 1996b; Akers, Horngren et al. 1998; Sweeney and Pierce 2006; Lewis 2007), I have been able to document why this seems to be the case in the Project Department. Again, here I found that the cultural/normative reasons why employees undercharged time predominantly stemmed from the bureaucratic control systems in place. Whilst emphasising the non-performative intent of this study as laid out in Chapter 1, given the present advice within the literature advising management on how to lessen the undercharging of time (e.g., Alderman and Deitrick 1982; Lightner, Adams et al. 1982; Lightner, Leisenring et al. 1983; Kelley and Margheim 1987; Cook and Kelley 1988; Kelley and Margheim 1990; McNair 1991; Ponemon 1992; Shapeero and Killough 1993; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Shapeero and Killough 1999; Pierce and Sweeney 2004), it is worth noting that this finding suggests that management cannot change the culture of undercharging time without addressing the contradictions within the management control systems. However, I believe the tensions that lead to the undercharging of time cannot be easily resolved. As mentioned in Chapter 1, Hopwood (1987), for example, has suggested that these tensions and contradictions are simply intrinsic to the practice of management control. This study explores an actual attempt at tackling the undercharging of time and the material (unintended) consequences that emerged from this effort to discuss the ‘indiscussable’ (McNair 1991).
doing so it further stresses the tensions and inconsistencies within the management control systems in the Project Department.

Third, my study highlights a discrepancy between what employees say they do in recording time and what they think they do when recording their time. Evidently, many employees stated that they always recorded their time, however they did not recognise how this was inconsistent with the way they recorded their time in practice. This clearly has important implications for the undercharging of time literature, as it suggests that the undercharging of time may be much more prevalent than what has been stated in prior studies that have explored the extent of undercharging (e.g., Lightner, Leisenring et al. 1983; Kelley and Margheim 1987; McNair 1987; Kelley and Margheim 1990; Smith and Hutton 1995; Otley and Pierce 1996a; Akers, Horngren et al. 1998; Soobaroyen and Chengabroyan 2006). Future research could further investigate how employees record their time in different knowledge-intensive firms and whether employees use similar methods as those documented in Chapter 6 to quantify the time they have spent on projects. Extensive observation of employees recording their time could prove particularly insightful.

Fourth, the synthetic approach to rhetorical theory (Sillince and Brown 2009) maps a fruitful means for management control researchers to explore how managers exercise control. Language is a primary means for the enactment of management control; certainly, “language and power are central to an understanding of control” (Oakes, Townley and Cooper 1998 p257). In this thesis I have shown how senior employees can use language to further management control – even in a seemingly unplanned and unintentional way. The synthetic rhetorical approach that I have used demonstrates how researchers in management control
can draw on rhetorical theory to make sense of their empirical material. The rhetorical literature contains a myriad of devices that management control researchers can use to uncover the specific linguistic strategies used by managers to exercise control through talk and text.

9.4 Conclusion

The ‘time is money’ adage that opens the introduction chapter is evidently specious. Although the time budgeting and chargeable hours systems in knowledge-intensive firms are predicated on the idea that ‘time is money’, this link unravels rather quickly. The undercharging of time makes it clear that within these management control systems, from the organisation’s perspective it is not so much ‘time is money’ but charged time is money. Time that employees spend on non-chargeable activities does not directly contribute to money the firm receives from clients. And from the employees’ point of view, they work a substantial amount of unpaid overtime, yet this ‘extra’ time does not mean ‘extra’ money. Within knowledge-intensive firms such as KnowCo, ‘time’ is used as a mechanism for costing and profitability calculations, yet it is clear that the use of time as a proxy for knowledge is problematic. It seems that time continues to be used to measure knowledge because of the ease with which time can be quantified but, as this study demonstrates, quantifying how much time an employee spends on a project is much more complex than how this may appear on the surface.

Studying AYTATT has allowed me to illuminate different facets of management control in the Project Department. I have been able to illustrate why the undercharging of time, a specific management control phenomenon, occurred in the Department and why it continued
to occur despite efforts to stop the behaviour through AYTATT. My observations and analysis of an effort at management control change have allowed me to explain why the tactics used in AYTATT did not enact cultural change in the way management had intended. Yet AYTATT still managed to have considerable consequences for management control within the Department. My empirical evidence suggests that the way this project was spoken about by key senior employees meant that employees with less power to change the systems that fostered the undercharging of time were effectively made responsible for the way these systems encouraged employees to undercharge time – and this framing occurred in ways that meant employees would not speak up about this responsibilisation.

In closing, by structuring analysis around the AYTATT initiative within the Project Department this study has been able to make several contributions to the literature. It has added to our understanding of both the undercharging of time and the enactment of management control change more generally. These contributions have been made possible because of the significant access I had within the research site, which meant I was able to explore the research questions well beyond a surface level. There is still much we do not know about the undercharging of time and time recording practices. Considering their consequences on the most vital aspect of management control within knowledge-intensive firms and employees’ experiences in these organisations, further in-depth studies of these issues can help us to understand better the operation of management control within these firms.
APPENDIX 1: FIELDNOTES

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[Date]

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<thead>
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<th>Events</th>
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<tbody>
<tr>
<td>Participants (including age, position, physical description)</td>
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<tr>
<td>Location (including description of physical setting, seating arrangements sketch etc)</td>
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<tr>
<td>Analysis</td>
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<td>Follow-up</td>
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APPENDIX 2: SAMPLE INTERVIEW QUESTIONS

The interview questions varied depending on time of interview and the level of the interviewee but here are some examples:

**General questions**
What is your academic background?
Why did you choose project work?
How long have you worked in *KnowCo*?
Why did you decide to work at *KnowCo*?
What activities make up your day?
How do you plan and get through your day?
What things waste your time/are the best use of your time?
Do you feel that you have control over your time? Who does?

**All Your Time, All The Time**
What do you think about the time charging initiative? Has it had any impact? Has it changed the way that [staff level] record time?
What do you think about recording time? Why is it good for the firm/you?
Do [staff level] feel that they can record time correctly? Why would some [staff level] feel that they have to limit their hours or those of their staff?
Are there pressures at the [staff level] level that affect time recording? What are they?
Is there a difference with how you record time at the [staff level] level or as you progress through the hierarchy?
What factors affect budgets and fees?
What do you think would make people record time accurately?

**Culture**
How would you describe the organisational culture?
What is important here? What matters?\(^99\)
What do you need to be to be a [staff level] in *KnowCo*?
How do you show that you are a [staff level] in *KnowCo*?

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\(^99\) Adapted from Kornberger, Justesen et al. (2011).
REFERENCES


