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The Paradox of Management Control (PMC)

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ABSTRACT

We call the Paradox of Management Control (PMC) an idea suggested by Hopwood (1974, *Accounting and human behaviour*, New Jersey, Prentice-Hall) that managers would actually achieve less overall control within the organisation as a result of using an ever increasing number of individual controls. In this essay we explore this suggestion, briefly in regard to how it is treated within management control literature but towards an alternative explanation for it. A discourse-theory based approach is developed in order to conclude that this paradox is inherent within social orders exercising the logic of management control. The commonly accepted structuralist assumption about the empirical possibility for a complete system of signification – which would in turn deem non-paradoxical control systems possible – supports political endeavours within the organisation in favour of specific interested parties. We want to highlight the effect of such unobserved assumption upon the developments of organisational social logics. Thus, we suggest that most of the problems related to management control and to the use of control artefacts have as primary reason the assumption about the possibility of fullness. We call it a *paradigmatic problem*, for the paradigm that sustains both researchers' and practitioners' rationale about organisations and management control happens to strengthen hegemonic discourses articulated by interested parties within the social order in detriment of everyone else. Management control, in this sense, is constituted as an object within the organisational field out of the articulatory practices performed by the interacting people. It is not a naive interaction though, but a set of hegemonic practices, i.e. politically inflected endeavours through which specific discourses are raised hegemonic. Hence, more than discussing the impactedness of management control or the design of management control systems, we should be dealing with the primacy of politics inherent within the articulation of management control within organisations

Keywords: management control; discourse theory; post-structuralist ontology.