

**PROFESSIONS AND IDENTITY DURING AUSTERITY: AN  
ARCHAEOLOGICAL, DISCURSIVE PRACTICE  
PERSPECTIVE**

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## **Abstract**

Identity and discourse are of considerable recent interest in the literature on professions. Contemporary contributions have enhanced our understanding of professions by examining micropractices - such as discourse, and the production of professional selves. It is rare for questions of macrostructure to feature. The nature and consequences of the Global Financial Crisis suggest the need to complement some of this recent work on identity and discourse by developing linkages between micropractices and the macrostructure. An immediate challenge to any such project is that of ontological/methodological coherence. How can local, situated accounts of professional self sensibly be tied to questions of macrostructure? We answer this by combining two Foucauldian concepts: discursive practice (which is widely used in organization studies) and archaeological description (which is far less frequently used). The empirical basis for this theoretical contribution is interviews with 48 senior civil servants in the UK. All interviews took place since 2010.

## **Introduction- Austerity and Archaeology**

...the rehabilitation and resurrection of finance from dead to alive in the space of a few short months has been almost instantaneous alongside a similarly almost instantaneous delegitimation of the state systems which actually rescued it during the crisis (Morgan et al, 2011: 148).

Consider the irony: governments today impose austerity on the rest of us because "the markets" demand no less to keep credit flowing to those governments. Behind this dubious abstraction – "the markets" – hide the chief lenders to governments. Those are the same global banks that received the government bailouts paid for by massive government borrowing since 2007 (Wolff, 2011, no page).

The need to cut public spending drastically has had a dramatic effect on the public, and on public sector professions. Teachers, civil servants, librarians, border control staff, health-care workers, prison officers, railway workers, lecturers, fire fighters and police officers have all protested and taken industrial action against these cuts. Here, as the media do, we use as shorthand the term 'austerity', but it is worth unpacking this a little. Massive spending cuts and the economic downturn have meant forced redundancies in both public and private sectors, and reforms to, or the withdrawal of, public services, as well as changes to pensions, salaries, and terms and conditions of employment. This has come alongside increased taxation on incomes, homes, cars, fuel, and rising unemployment, and in the UK a double-dip recession as the coalition government has sought to make £103,000,000,000 worth of cuts (Associated Press, 2012).

As the group associated with finance, public sector accountants are involved across all domains where there are cuts, even if (since they are not associated with any one public service) they have not been directly in the spotlight themselves. Austerity could be seen to offer an opportunity for the accounting profession in that they are the ones who are responsible for tracking or even delivering savings within organizations. Alternatively, the profession could be negatively tarred or tainted as the handmaiden of a regime intent on making savage cuts. In this paper we examine what has happened to the accounting profession in the public sector during a period of austerity.

To do this, we concentrate on "identity work". Identity work can be thought of as an act of producing. In the process of accounting for their identity and their self, people are also involved in creating a particular self (Brown and Lewis, 2011). Inviting people to engage in identity work, by asking them about their professional role, is not simply to invite a process of representation, it is constitutive. Acts of narration are how people make sense of themselves and indeed how they make their selves. Here we are interested in showing how local, interactional accounts of identity can be located in a macro-context. The motivation for exploring this theoretical question is to study identity work in accounting during austerity.

To do this involves reconciling different traditions of description and analysis. The study of discursive practices (and the production of professional selves) is traditionally understood as involving rich, thick descriptions of local and context-bound, accounts of self that express specific acts of becoming. It would seem to follow from this commitment to understanding situated, processual accounts of professional identity that it is incoherent to describe broader traditions or national context or the grand sweep of history at the same time. Combining the kind of detailed, deep appreciation for the particular with consideration of a fixed macro-economic 'backdrop' could be what Burrell and Morgan (1979: 276) describe as 'ontological oscillation' - smuggling realist assumptions into a purportedly constructivist methodology.

We argue here that in this context it is sensible to pursue both goals, principally by drawing on the earlier, though (in organization studies) less frequently studied works of Foucault that belong to his 'archaeological period' (Foucault, 1966, 1972, 1973). Rather than (to turn an elegant phrase into an inelegant one) 'oscillating ontologically', this allows to combine studying discursive practices alongside 'archaeological description'. We focus on discursive practices that enact identity, but do so by allowing an archaeological perspective on a broader discursive formation - austerity. This allows us to comment on practices and discourse(s), but also consider macrostructure. The contribution is to show how interviewees use discursive resources to enact professional selves, and also to argue that these particular professional projects - acts of identity work - cannot be understood as separate from the context of austerity. This necessarily involves slight adjustment to the typical construction of Foucault in organization studies, i.e. as the arch constructivist (see Al-Amoudi, 2007). Prior to outlining this in more detail, the following section describes the context for austerity.

## **The Crisis**

Since the fall of Lehman Brothers, the anger resulting from the Global Financial Crisis (GFC) has been sustained and palpable (Sorkin, 2010). This has intensified as the effects of GFC have impacted on national economies, public sector spending and standards of living. Alongside technical concerns about regulatory failure and the pricing of risk, is a more deep-seated public anger. This has found expression in antipathy towards particular hate figures (Fred Goodwin, Bernie Madoff) and towards occupational groups (investment bankers and speculators), as well as social abstractions ('the markets', 'Wall Street', 'the 1%'). While there have been more sombre assessments of GFC in organization studies (Morgan et al, 2011), anger is a feature of some academic literature - Boddy (2011: 258) proposes a, 'Corporate Psychopaths Theory of the Global Financial Crisis' which he claims was, 'plausible and highly relevant... to management academics'. Since it has made some into 'folk devils', GFC could be associated with 'moral panic' (both terms from Cohen, 1972): except that it is difficult to exaggerate the threat to capitalism that GFC posed. Equally real is its legacy of austerity. Marmot and Bell (2009) suggest, 'Global recession is likely to damage our health as well as our wealth', and because of this, 'Five billion people in low and middle income countries are at risk'. In developing countries, though they played no part in the creation of the crisis, the consequences of GFC are devastating. Because of reductions in national income as a result of GFC, a research paper by the World Bank suggests that as many as 30,000 to 50,000 more infants, overwhelmingly females, would die in sub-Saharan Africa

(Friedman and Schady, 2009). Rather than austerity, if we consider the effects of failure in global capital more widely, it becomes blind butchery.

The severity and scale of the consequences of GFC bear comparison to earlier periods of transformation, rupture and crisis that Foucault identifies in *The Archaeology of Knowledge*, *The Order of Things* (subtitled an *Archaeology of the Human Sciences*), and *The Birth of the Clinic* (subtitled *An Archaeology of Medical Perception*). *Archaeology of Knowledge* discusses the financial crises in the 17th and 18th Century associated with 'sudden redistributions' - not in terms of wealth but in terms of a general grammar relating to discourse on wealth (Foucault, 1972: 185, 187; cf. Foucault, 1966: 189-195). In *The Birth of the Clinic* Foucault shows how the reductionism accompanying 18th Century medical discourse led to a separation of the body (as a subject for medical attention) from the person (with identity as a social being). The simplest way to summarise this is to see a shift from questions such as, 'what is the matter with you', to 'where does it hurt' (Foucault, 1973: xxi). As he suggests, times of crisis can also present opportunities for occupational groups through the mobilisation of discursive resources.

Abbott's (1988) central insight is that it is the jostling for relative power and relative status between occupational groups that characterises the 'system of professions'. We need at times to consider occupational groups in relation to one another, and in relation to larger structures to understand processes such as professionalization, capture, and social closure. Alongside the outrage and hostility we can direct at the global financial slaughterhouse, as organizational scholars it is appropriate to recognise that periods of upheaval and chaos provoke a reordering of relations. It is legitimate to describe such disruption and discontinuity as a change in macrostructure, yet as we acknowledge above there is a challenge considering 'structure' alongside 'discourse'. Our contribution is to propose this by drawing on an archaeological perspective, after Foucault's *Archaeology of Knowledge*. We may not have seen moral panic, but it is less contentious to argue that GFC was associated with a moral vacuum. This offers an opportunity for professional groups to present themselves as secular figures of authority, or post-theist 'priests' (Polanyi, 1946). They can be totems or figureheads, offering alternative sets of prescriptions and standards, for instance expert knowledge (Thorpe, 2001); associated with a moral order (Durkheim, 1957); and apparently categorical processes of codification and explication (Weber, 1958).

...the archaeological description of discourses is deployed in the dimension of a general history; it seeks to discover that whole domain of institutions, economic processes, and social relations on which a discursive formation can be articulated... what it wishes to uncover is the particular level in which history can give place to definite types of discourse, which have their own type of historicity, and which are related to a whole set of various historicities (Foucault, 1972: 182).

An archaeological perspective allows us to examine how austerity in the privileged North, a consequence of rupture and discontinuity, results in redistribution of different forms of capital and opens up spaces for some to consolidate or expand bases of power through

discourse. Archaeological description, in the same way that an account of the history of ideas is, is 'a style of analysis' (Foucault, 1972: 153). However, rather than considering themes within discourse, or the development of particular discourses, archaeological description concentrates on discourses in themselves as 'formations' - configurations of statements that set out what things it is possible to say, 'conditions of possibility' (Foucault, 1973: xxii). A discursive formation provides a kind of general grammar that sets the limits of what things can ordinarily be expressed. The purpose of archaeological description is not to analyse any given formation in terms of its chronology or to try to predict its successors, but to focus on it in the present as, 'a general system of thought... that defines the conditions that make... a problem possible' (Foucault, 1966: 83). Whilst the analysis of a general system of thought (a formation) includes some consideration of its development, Foucault is careful to say that the kind of investigation involved is a kind of archaeology rather than history (or anthropology, sociology, doxology, political economy etc). This is because, archaeological description is not principally concerned with documenting genesis, transition, change, growth or decline. Instead it is an attempt to trace the contours (rather than the history) of discourses that bring about modes of being and praxis. This involves consideration of historicity (the acknowledgement that truth claims are situated and context-bound), but it is not history.

In the context of austerity, archaeological description suggests a way to study how contemporary professionals carry out identity work in a way that achieves traditional professional goals (closure and the establishment of jurisdiction), and that needs to be understood in terms of a broader context. The advantage of drawing on this as a methodological approach, and which underpins our theoretical contribution, is that 'archaeology' allows us to tether the at times overly generous sense of 'discourse' in Foucault's later work to particular practices and to a specific context. It is in doing this that we connect 'austerity' to particular discursive practices in a knowledge intensive profession. Having discussed archaeological description, to explore this in a little more detail we need to say more about Foucault's account of discourse.

## **Foucault and Discourse**

For Foucault, discourse is the fundamental linguistic *and* social category. He uses discourse broadly, even perhaps loosely:

...sometimes as the general domain of all statements, sometimes as an individualizable group of statements, and sometimes as a regulated practice that accounts for a certain number of statements' (Foucault, 1972: 90).

Taking these different senses in turn: we are all entangled in and made real by discourse (the general domain of all statements); we can only compare, differentiate, value or denigrate because of discourse (rules that make communication individualizable); and discourse mediates our relations with organizations and institutions (as a regulated practice). People make and remake, project and reclaim, assert and subvert, their selves through modes of discourse and discursive practices. If we associate Foucault with (Deleuze's summary) the

idea that 'power produces reality', discourse must also be seen as productive (and therefore potentially as a source of resistance as well as power).

Modes of discourse and discursive practices change frequently as new utterances - *énoncés* - are included. Foucault argues there are three criteria which affect such change: formation, transformation and correlation. Formation refers to the rules which apply to the existence of the discourse. Transformation concerns the threshold when new rules of formation arise (such as times of crisis). Correlation is how a discourse fits within another discourse (Foucault uses the example of clinical medicine, showing how this is positioned in other discourse such as biology and chemistry). These criteria differentiate: the field; the individual's discourse; and discursive practices - the latter being the empirical focus of this paper. In Foucault's view discourse is always a practice.

Discourse is a complex and differentiated practice subject to analyzable rules and transformations (Foucault 1968: 71).

Discourse must make space for text, signified practice and also content. It takes place through practices (discursive and non discursive) and creates meaning for context. Discourse cannot exist in isolation. There is no discourse without content *and* contextual significance. In addition, there is no discourse without power effects. Foucault sees discourse and power as entangled and mutually constituted. One study where aspects of this can be seen is Knights and Morgan (1991) who examine discourse in corporate strategy. They argue that examining discursive practices yields different understandings of the process of strategy. The unintended consequences of strategy as a process are that the exercise of power and the identity of the managerial subject facilitates, "the development of a corporate image and rationalizations of success and failure for organizations" (1991: 270).

Foucault's work has been extensively drawn on in organization studies (Burrell, 1998; Clegg, 1998; Townley, 1993), and accounting (Miller 2001; Miller and O'Leary, 1994); but the connection between power and knowledge makes him especially appealing for work on professions. Brown and Lewis' (2011) study of narrativization in the context of organizational routine does this with an account of discipline and professional identity. They detail how professional identity is, 'fabricated, but within webs of meaning that individuals have themselves helped to spin', in an organizational setting where, 'subjectivities were enmeshed in relations of power in a regime of surveillance and avowal in which individuals were transformed within co-constructed discursive frameworks' (2011: 885). The value of a Foucauldian, discursive perspective, as these extracts from Brown and Lewis show, is that it offers rich scope for fine grained, localised accounts of how identity is produced through struggle. This struggle is not binary or a dyad juxtaposing power and identity, but an interweaving of aesthetics and micropolitics which shows the effects of power enacted through identity work, and shows identity expressed through the exercise of power.

Brown and Lewis (2011) address disciplinary power and the narrativization of professional selves in the context of organizational routines. We contribute by considering the ways in

which discursive practices (oriented to austerity) constitute and facilitate the co-ordination of professionals' collective identity, as well as looking at how individual professionals enact their professional selves through discourse. This collective approach to identity, rooted in the broader context of austerity, addresses a gap in recent literature, where identity has been associated with the production, negotiation, and enactment of individual professional selves, rather than in terms of group professional identity. The brute consequences of GFC demand attention, and we consider the role of the focal organizational professionals in this context: accountants. Accountants are recognisable as members of the accountancy profession through discourse, but also (more readily) because of their job titles, roles and qualifications. We suggest that in austerity, following GFC, they are also able to mobilise a new kind of 'grammar': as the professionals responsible for helping to implement cuts. This period of upheaval in the macrocontext offers a new opportunity for them to construct different versions of their professional self through micropractices (discourse).

### **Research Context- the professional accountant**

The accounting profession is a long established profession in the UK with a number of societies, the forerunners of Institutes being established in 1870s (Edwards et al., 2007). Unlike many European countries, the UK has a number of professional bodies of Accountants, The Institute of Chartered Accountants in England & Wales; the Institute of Chartered Accountants of Scotland, the Association of Chartered Certified Accountants, the Chartered Institute of Management Accountants and the Chartered Institute of Public Finance and Accountancy (CIPFA) which is specifically for the public sector. Each institute has a distinctive set of rules and ethical requirements which members of these institutes must follow. Membership of a professional accountancy institutes gives certain privileges such as letters after one's name. However certain responsibilities have to be undertaken with relation to technical competence, approach to work, integrity and adherence to ethical codes of conduct. Admittance to these Institutes are by way of a series of examinations at different levels: certificate, diploma and the final test of professional competence and sufficient period of workplace learning. For example, in CIPFA case, this experience is known as the Initial Professional Development scheme which involves 400 days of work place learning and the completion of a portfolio detailing certain work experience and activities including critically reflecting on the learning process.

Unlike other sectors, UK central government did not have a tradition of employing qualified accountants. Following on from the Fulton Report (Cmnd 3638, 1968) the 1973 Melville-Burney Report recommended that a separate accountancy service be formed (Government Finance Profession, 2007). Despite the formation of the separate accountancy service it was not until 2006 that there was agreement that Principal Finance Officers (PFO)s would have to be qualified accountants by the end of 2006.



## **Research Design**

48 semi structured interviews were carried out by one of the authors with both qualified accountants and senior managers who were not accountants, in four central government departments in 2010 and early 2011. Each interview lasted for at least 60 minutes. A particular feature of the interviews was that they took place with finance directors of significant entities of the public sector, or directors of agencies or non executive directors of a central government department. To preserve confidentiality interviewees are referred to as qualified accountant or non accountant in a particular level of management role. Access was granted by the various departments through contact with HM Treasury and that one of the authors had been the Academic Director of a University programme which in partnership with CIPFA, developed fast track routes to accountancy qualification for senior finance civil servants. The departments chosen were operational departments, some of which had significant agencies carrying out a section of the business of the department. Interviews in three of the departments were carried out within the major business lines of the departments. All the interviews were recorded and transcribed. Particular attention was given to the transcripts so as well as containing a record of the words spoken, pauses and sounds such as 'um', 'urg', laughter were recorded in detail. To sense-check the analysis, transcripts of the interviews were examined by the other author and were coded by both authors. We also draw on documentary evidence from public speeches, Select Committees and commentators from the professional press.

The remainder of the paper is divided into themes which reflect the ways in which we suggest that new professional selves are being enacted by some accounting professionals who are mobilising discursive resources (i.e. through discursive practice). To make sense of these projects and this identity work requires that we also attend to the massive upheaval currently being experienced in the public sector.

## **Accounting**

Accounting is not only a technical subject, it is also a social and institutional practice (Burchell et al. 1985). However the professional jurisdiction of accounting and finance in relation to UK central government has been seen as very specific and limited. In particular, accounting has traditionally been regarded as synonymous with 'keeping the score', or 'beancounting'. In other words accounting (as a profession) has been tied to (a particular practice): keeping a detailed record of monies spent. Given that we are concerned with archaeological description, a historical analysis of this 'beancounter' tag is not our focus, however there are a number of potential explanations for why this has been the case and these have a bearing on the historicity of contemporary claims about accounting practice. One technical reason for this is the recent legacy of 'resource accounting and budgeting (RAB)' which was introduced in 1997. With the introduction of RAB, finance became seen as a highly technical subject requiring expert knowledge to 'balance the books'. Managers left accounting to accountants. The traces of this still affect the current discursive formation as it relates to accountants' professional identity:

The problem is the word. There are people that if you just mention the word finance and they switch off . or they immediately put it into a box. (Senior accounting professional, HM Treasury, 2010).

Stretching back further than this technical issue, another factor influencing the current formation is the character of the civil service as an institution, and the educational and class backgrounds of the most senior civil servants. These may have fostered prejudicial views of accountants.

When I first joined as DG 5 years ago I was excluded largely on the basis of I didn't go to university [with] almost all of them. You know, it was a very weird place to be and there were some sort of... most people who wanted to be friendly. That has changed. I'd say that that group's gone from 90% career civil service to 15%. It's changed really rapidly and a lot of the kind of, you know, "I live in Surrey, I went to Oxbridge, then I became a civil servant because my dad was," or my mum was or whatever "and, you know, that's obviously the thing to do kind of thing and I'll become a Permanent Secretary." I think there's a fair bit that's kind of... Yeah, there's a strong streak of that still, but it's slowly fading away (Senior qualified accountant, 2011).

Although a period of cuts clearly presents the profession with opportunities, the extracts above, signal that in the wake of GFC and during austerity, accounting professionals have an ambiguous or polyvalent identity - the legacy of 'beancounter' sits alongside other opportunities to enact new professional selves. Archaeological description requires that we:

... reconstitute the general system of thought whose network in its positivity, renders an interplay of simultaneous and apparently contradictory opinions possible (Foucault, 1966: 83).

Pursuing archaeological description here, we suggest that these opportunities for apparently contradictory possible professional selves are widespread as a consequence of the discontinuity associated with austerity.

### **Concealment and Display**

The legacy of this has been that those who aimed for a high level career have actively disowned their professional status.

The difficult cases are actually those people who are financially qualified, but because they are arguably thinking strategically and interested in leadership and policy are saying I don't want to be stuck in a finance job *because* the

nature of the task that I would have is going to be down in the weeds, whereas I want to be operating strategically (HR senior manager, 2010).

This description of 'difficult cases' (from an HR manager) suggests a problem in identifying expert knowledge, because accountants' identity work is partly a project of concealment. Like other experts, they will enact their professional selves by mobilising discursive resources in organizational settings (for instance claims to be thinking strategically, leading). But in recent history these discursive practices enable divergence from the Professional selves that are associated with an established discourse of accountants-as-bean-counters . One way to understand the negative trajectory underlying a project of professional concealment is to draw on Abbott (1988). Abbott argues that the boundaries of professional knowledge must be permeable for a profession to survive and flourish in the particular context of jurisdictional clashes with rival professions. Being too restrictive in defending the boundary of expert knowledge may ultimately make a profession vulnerable to loss of its jurisdiction (or in this case to erode status).

One well understood function of discursive practices is to regulate boundaries and constitute identity. Professional discourse allows accountants to reproduce jurisdictional boundaries in a sense redolent of George Bernard Shaw's suggestion that, 'every profession is a conspiracy against the laity'. For example, the following quote from a regional director who is not an accountant describes a way in which professional identity can be regulated and maintained:

So it's almost as though finance is seen as something so specialist and so alien that the finance people will discuss it between themselves (Regional director, non- accountant, 2010).

Such sentiments about expertise, boundaries and identity are commonplace in the literature on professions. Whilst it could be read as pejorative this was not the sense the interviewee communicated at this point in the interviewee, instead they were offering a fairly neutral, almost 'defeated' description of another's professional domain. It does in any case show different ways in which accounting professionals can create and police boundaries. One consequence of austerity - understood in terms of rupture and discontinuity - is the possibility for particular professional groups to redraw such jurisdictions and to colonise. Aligning the macrocontext to micropractices through the concept of archaeological description could signalling new ways in which they individual professionals can self identify or project their professional identity to others. We describe this potential to shift from 'bean-counter' to 'architect' (deploying this high status profession as a metaphor). Admittedly this gives a simplistic sense of swapping identities, whereas professional identities coexist and are constituted or enacted in particular sets of relations and contingencies. At the same time, we suggest it helpful to think of a way to connect local discursive practices to the macro-context: for some accountants austerity may offer space to propose themselves as strategic helpers, building a vision for management.

## From beancounter to architect

End of month details, details about spend on contracts, details about spend on [pause] salaries. There's a whole raft, a continual raft of on-going requirements.. Perhaps partly as a result of that I think the Heads of finance are... I think they're pretty skilled at counting the numbers – not as skilled as they should be because we have some real weakness there – but in terms of counting the numbers, you know, adding up the columns saying “We've spent this this month,” that seems to be just okay. There are some people in prisons who are very good at it and there are some people in prisons who are far less good than they should be, but that's an on-going process. Very demanding, takes up a huge amount of time at a time when we have been shrinking the size of the business and the size of the administrative parts of it. (Regional director, non- accountant, 2010).

Here we see, in the analysis of an outsider to the profession, that there is the opportunity for accountants to be far more than beancounters. Interestingly, the same terms that could be tied to that metaphor 'skilled at counting the numbers' are linked to the idea that this is a rare and valuable skill, and central to organizational needs. As suggested in the previous section, a limitation of seeing the possibility for new kinds of identity work in terms of a change from 'bean counter' to 'architect' is that it understands this process as the swapping of static categories. Instead however, consistent with archaeological description, one can see that the contours of this particular discourse need to be seen in terms of a broader context. Choices about professional identity, such as the different descriptions of 'bean counter' or (our metaphor) 'architect' are not simply options that are open to a professional or profession. Instead they are new spaces that have been created, and which are only possible in the wake of upheaval. Changes in professional identity are *reflected* in different discursive practices but they are brought about by transformation and rupture at the level of macrostructure. During austerity, we suggest that discursive practices of the kind that emphasise 'being skilled at counting the numbers' will mean individual accounting professionals enact their selves and identity through acts of 'display' rather than 'concealment'.

One impact of leaving accounting matters to accountants was that they were viewed by managers as 'being extremely narrow people' (Chief Operating Officer of a major division, E, 2010). However with the substantial cuts to public expenditure announced by the then newly elected Coalition Government in May 2010 and introduced by the Comprehensive Spending Review in Autumn 2010, 'doing more for less' has become imperative. The profile of finance has become more important to senior managers and one Chief Operating Officer reflected that the organisations wanted accountants to take on a different role.

We have a number of qualified people. It's just they didn't really understand or didn't have an appreciation of their impact on the business and they felt that they owned the budget and they would tell people what to do and we were saying “No, that's not... You're an enabler. You're here to support the business, not the other way round. It's not the tail wagging the dog here,” and they are beginning to get that and we just need to expose that to them both on

what the issues and challenges are on both sides (Chief Operating Officer of a large agency, 2010).

Discursive practices can support different trajectories of concealment and display. This and other extracts illustrate greater opportunities for accountants to assert interests as they carry out identity work by displaying their Professional self, rather than concealing it.

I think the other reason for [finance] being weaker than it should be strategically is that the people doing finance have been brought up on responding to these ad hoc queries. They've been brought up on managing finance in a particular way in the public sector, which by and large has not been terribly strategic. So the people involved are highly skilled, many of them are really highly skilled at counting the money and at dealing with the enquiries. When I look at my finance team here and look at them at the end of the month when they're dealing with all the month end enquiries, you know, they're travelling at full speed doing a fantastic job, but they've never ... my sense is that they've never had to work in a different way, in a more strategic way financially to join up finance issues with lots of other things. They've been working within a finance silo pretty much exclusively and doing that very well and working very hard, but without being required to come outside of it. So as a result of those two things .. the finance function feels more limited than I think it should.. it feels less capable than I think it should and I think it's probably and I'm generalising here dramatically .. but it's probably less aligned with the rest of the business than it should be (Regional director, non- accountant, 2010).

We suggest this is another instance of how a potentially pejorative association or tag, 'counting the money', is seen by a high level official within the field, who controls a budget of £340 million as an increasingly important skill. They are actively encouraging what in our terms would be a project of professional display, inviting beancounters 'to work in a different way, in a more strategic way', so they come out of the 'finance silo' as part of a function that is more 'aligned'.

### **Impact of austerity**

Traditionally the whole control function is on the basis of cash spend and not accounting profit even though, as noted above, resource accounting and budgeting (RAB) was introduced in 1997. RAB meant that central government departments had to account using the accruals rather than a cash based system of accounting (Likierman, 2007).

Accounting Officers of a department, normally the Permanent Secretary, have a duty to Parliament to account for the stewardship of the resources within the department which is under their control. He or she has to ensure that their organisation has a high standard of probity in relation to three areas; governance, decision-making and financial management.

Financial management includes operating within the agreed limits on use of public resources. This translates into a focus on spending and respecting the agreed budgets (Diggle, 2011).

The whole of the Treasury's control regime is about annualised spend. It's CDEL [Capital Departmental Expenditure Limit], RDEL [Revenue Departmental Expenditure Limit], AME [Annually Managed Expenditure], that's all they care about and frankly, if push comes to shove, what they really, really care about is near cash. End of conversation. That is 98% of the conversation we have with the Treasury. It's "What's the near cash?" ..The whole incentive system is about that. There are no incentives whatsoever on me to do anything about working capital or balance sheet management, you know, anything at all (Financial Director, 2011).

To decipher this a little, 'profit' and 'cash' are different accounting concepts and do not necessarily equal each other. 'Working capital' is defined as current assets less current liabilities and is a measure of the amount of liquid assets an entity has available. A balance sheet is a statement of the financial position of an entity at a particular point in time which shows assets, liabilities and ownership claim. A balance sheet will include accumulated profits or losses and cash is one entry within the assets section. In simple terms, a business will be managed financially on the amount of working capital, its use of its assets and cashflow position rather than solely on a cashflow basis. Having described their personal context as one where there are 'no incentives to do anything about working capital or balance sheet management', this interviewee then continues to reflect that the Treasury has to change its approach from a spending control department to one which is more financially orientated.

The Treasury is a spending control department, it's not group finance. It's not interested in overall strategic financial management of government departments. It's interested in spending control [...] yes, it's about spending control, but man, there are some other big issues out here, you know, because the total government balance sheet's the other side of £[x] trillion and they kind of see these numbers... You know, rightly I'm kind of "Wow!" It's the most amazing read (Financial Director, 2011). (We anonymised the exact amount here so as not to reveal the particular ministry).

These passages suggest that the management of assets and liabilities have had lower priority. The first Whole of Government Accounts (WGA) for the year ended 31 March 2010 was published in November 2011. WGA is a consolidated account of UK government income and expenditure, and recording what Government owns and owes. 1,500 organisations across central government, local government, the devolved administrations, the health service and public corporations are included within the accounts (House of Commons, Public Accounts Committee, 2012). The introduction of the WGA has increased attention on balance sheet items most prominent the quantum of the public sector debt.

There are some really big issues on the government's balance sheet that the government is now going to have to deal with – most notably the significant difference between total liabilities on the balance sheet and the total amount of public sector debt. They are significantly different. I can't tell you what the numbers are, but

they're going to be significantly different and, you know, it took about 2 seconds for the Economic Secretary, who's a chartered accountant, to say "Hang on!" [laughter] "What's going on here then?" and we kind of said "Well, you know, this is what's going on here" (Financial Director, 2011).

The interviewee continues that financial management techniques will thus become more important and the focus on cash will no longer suffice.

So ministers are now getting into the space of saying "Well now I've got this, what do I do with it? What kind of incentives do I have?" and they're beginning to roll around – very early stages – roll around a kind of "We need to change the incentive scheme. You know, these numbers are massive and what's the incentive scheme for me to do anything on this and they're beginning to get now into a different space and I think when they do they'll work out the fact that you need more of a group financial management approach and that'll then change the incentive scheme and then we'll knock on and that will take us to a different space (Financial Director, 2011).

The financial constraints seemed to have made a marked difference to the approach within a department. Rather than originating from the Treasury, there is an opportunity for the initiative to arise from the department so that the department takes more of a proactive control with its finances.

I think it's better now, but when I first joined the problem [Department x] was having to face in terms of making massive cost reductions was, you know, on the floor being discussed as something the Treasury had done to them, not being discussed in terms of "Oh, my god, we've mismanaged our finances in the past. That's not a bad settlement, but we're in a big hole because..." So until you have sort of, you know, "I'm Robert, I'm an alcoholic" moment and the self-realisation that this is something we've done to ourselves therefore we need to change radically to stop doing it to ourselves and that all the time they're feeling like this is being imposed on them by the Treasury, then this denial is just perpetuating (Senior Accountant, 2010).

one of the things I kind of say to the staff is, you know, "You will never have a better opportunity now to step forward and be really useful," and we're kind of, you know, re-drawing the boundaries, re-drawing the... Not boundaries but, you know, really kind of re-drawing the way that finance is perceived and it has to be seen as a critical function that's responsive, understands, listens and then is focused on solutions (Director of Finance Performance, 2010).

## **Conclusion**

The context of austerity cannot be ignored if we are looking at the professional projects of contemporary accountants in the public sector. At the same time, there is a challenge in making this a coherent topic for investigation given that we do not want to overlook recent insights in identity work and professions. To reconcile questions that relate to broader, political economy and at the same time consider the production of professional selves, we have suggested looking at Foucault's concept of archaeological description. This is comparatively understudied even though there has been a great deal of work in organization studies that draws on Foucauldian discourse. Our contribution is to suggest that an archaeological description allows us to trace the contours of a new formation with more precision, tying this in to local expressions of identity. It also offers a way to see how there are opportunities for new kinds of identity work among accountants precisely because of changes at the level of macrostructure.

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