# CONTROLLERS' USE OF INFORMATIONAL TACTICS

Goretzki, L. & Lukka, K. & Messner, M.

Abstract

Controllers typically have a 'dual accountability' towards the finance function and operational management, respectively. This dual accountability at times confronts them with conflicting expectations. In this paper, we suggest that 'informational tactics' constitute an important resource which controllers rely on so as to handle these expectations and to successfully present themselves vis-à-vis their different internal stakeholders. Drawing upon interview data, we demonstrate that informational tactics relate to different dimensions of information control (i.e. 'when', 'how' and 'what' information is to be exchanged) and that they depend on the respective room for manoeuvre a controller has in a given situation. Overall, our analysis adds a more nuanced picture to the literature on controllers' handling of information and demonstrates the fundamental role of informational tactics for their everyday work.

# CONTROLLERS' USE OF INFORMATIONAL TACTICS

## 1. Introduction

*"We spend quite a lot of time painting a reasonable picture, in order to avoid questions afterwards which would lead to confusion and more work."*

The above quote stems from the plant controller of a manufacturing firm whom we interviewed as part of our cross-sectional field study with a set of controllers[1] working in different industries and countries. On the surface, the quote would seem to describe a rather mundane activity that has little to do with the great aspirations of acting as a 'strategic partner' or 'business advisor' that are nowadays often voiced (e.g. Burns, Ezzamel, and Scapens, 1999; Burns, Scapens, and Turley, 1996; Siegel, 1999; Siegel, Sorensen, and Richtermeyer, 2003a, 2003b). And yet, in its inconspicuousness, the quote points to something that we believe is of considerable empirical and theoretical significance when it comes to our understanding of the everyday work of controllers (see e.g. Jönsson, 2009; Tomkins and Groves, 1983). It alludes to the way in which these actors make use of a set of what we refer to as 'informational tactics' which they skilfully mobilise in their interactions with other organizational actors. Indeed, in this paper we suggest that such tactics constitute an important resource which controllers rely on so as to manage their interactions with different stakeholders within the firm (e.g. members of the finance function or operational managers) – a resource which has so far received only scant attention in the literature. The objective of this paper is to examine which informational tactics controllers mobilise, how they mobilise them, and why using these tactics helps them manage their accountabilities towards other organizational actors.

In so doing, we connect to the literature dedicated to the work of controllers and, in particular, to the different roles that these actors typically fulfil in organizations (e.g. Burns and Baldvinsdottir, 2005; Hartmann and Maas, 2010; Lambert and Sponem, 2012; Maas and

[1] We use the term 'controllers' as an umbrella term that includes job titles such as management accountants, management controllers, or financial managers.

Matejka, 2009; Morales and Lambert, 2013). This literature suggests that the role expectations which controllers face mainly originate from two sources. On the one hand, controllers are typically supposed to represent the firm's finance function and to enforce standards, guidelines and performance expectations as defined by the Chief Financial Officer (CFO). In this role, controllers are expected to challenge managers from other functions and make sure that these are aligned with top management's interests. On the other hand, controllers often fulfil also a more business-oriented role and support managers in their decision-making. In this role, they are expected to defend the interests of operational management towards the finance function. While the potential role conflicts (see Katz and Kahn, 1978) that emerge from these dual accountabilities are well documented in the literature (e.g. Hopper, 1980; Maas and Matejka, 2009), less is known about how controllers actually deal with such conflicting role expectations. What the literature does suggest is that the *main* loyalty of controllers either goes to the finance function or to local management, and that this explains, for example, why they do (or do not) engage in particular behaviours, such as earnings management (Hartmann and Maas, 2010; Lambert and Sponem, 2005, 2012; Maas and Matejka, 2009). Our study advances this prior knowledge by focusing precisely on the *simultaneous* nature of these dual (or even several) accountabilities and how controllers deal with them in their everyday work.

The main argument that we develop in this paper is that controllers often deal with their accountabilities by mobilising specific informational tactics (see Barzilai-Nahon, 2008) that enable them to create or maintain an image of a competent and reliable interaction partner, i.e. a 'strong controller' (Sathe, 1983). These tactics allow controllers to craft a particular 'front' (Goffman, 1959, 1967) vis-à-vis their various stakeholders and eventually to enact their complex and potentially conflict-laden role(s) (Katz and Kahn, 1978, p. 201). We emphasize that controllers' informational tactics constitute an important part of their repertoire to handle multiple expectations in a way that allows them to interact smoothly with all their internal stakeholders. These tactics are therefore key to their *impression management* (Goffman, 1959) and *face-work* (Goffman, 1967).

We demonstrate that informational tactics vary in terms of how (from an etic point of view) 'radical' they are with regard to the degree of information distortion; that they relate to different dimensions of information control (i.e. 'when', 'how' and 'what' information is to be exchanged); and that they depend on the respective room for manoeuvre a controller has in a given situation. Our analysis therefore adds a more nuanced picture to the literature on controllers' handling of information, which has so far predominantly focused only on selected practices like budgetary slack building, earnings management or profit manipulation.

In this respect, we also discuss the complex role of the controller in the (social) process of informing (see Preston, 1986), which is characterized by skilfully constraining or enabling the flow of information, creating information symmetry or asymmetry, and presenting information differently to different groups of actors. Our findings show that controllers do not always seek to produce or communicate 'truthful' information or create transparency (cf. Lambert and Pezet, 2011). Nevertheless, it is important that they maintain a certain image (Goffman, 1959, p. 62) vis-à-vis their internal stakeholders. If controllers go too far with their tactical behaviour and tell "barefaced lies", they risk harming their image and identity as 'producers of truthful knowledge'. Hence, the tactics that controllers employ must remain somewhat 'hidden' to others. Too much transparency around these tactics might lead to tensions or open conflict and consequently undermine controllers' face-work in interactions with both the finance function and operational management (Goffman, 1967).

The paper is structured as follows. The next section presents our theoretical perspective on controllers and on the nature of their work from the viewpoint of how they might handle expectations by means of informational tactics. Thereafter, we describe our research design, explicate how we conducted and analysed our interview materials and give an overview of our empirics. We then elaborate in detail how controllers employ different types of informational tactics to manage their simultaneous accountabilities towards other actors. The paper concludes with a discussion of its main findings.

## 2. Controllers' dual accountabilities and their skilful use of information

### 2.1. Roles and dual accountabilities of controllers

Early scholarly work on organizational roles demonstrates that roles tend to become more complex and conflict-laden when they are located near inter- or intra-organizational boundaries (Katz and Kahn, 1978, p. 201). The role of the controller constitutes an interesting case in this respect. Formally, the controller is typically a member of the finance function and as such accountable to the CFO. Nevertheless, most of their time controllers interact with managers of various operational units, not least to remind them of the importance of some corporate standards, regulations, or performance targets. Literature sometimes refers to this role as that of a 'watchdog' or 'policeman' (Sathe, 1983). Enacting this role can be challenging as operational managers typically prefer autonomy and flexibility over having to comply with directives or following controllers' recommendations for actions (e.g. Ezzamel and Burns, 2005; Morales and Lambert, 2013; Vaivio, 1999). When controllers try to accommodate the interests of operational managers, this can create role conflicts (see Katz and Kahn, 1978) as controllers then easily feel torn between the expectations of two different groups of actors, i.e. the finance function and operational management (e.g. Byrne and Pierce, 2007; Hopper, 1980).

Such conflicts are likely to be more pronounced the more controllers try to actively support operational managers by involving themselves in decision-making processes and other operational agendas (see also Lambert and Sponem, 2012; Mouritsen, 1996). This is often the case for business unit controllers who seek to act as 'partners' for local management (e.g. Burns and Baldvinsdottir, 2005; Goretzki, Strauss, and Weber, 2013; Järvenpää, 2007; Morales and Lambert, 2013). When trying to act as a business partner, business unit controllers are likely to experience tensions resulting from their dual accountabilities. Even if controllers become partners for operational managers or members of the management team (e.g. Granlund and Lukka, 1998), this does not absolve them from their functional responsibilities. Rather, it implies that they need to handle their accountabilities towards *both* the finance function and operational management, respectively. As part of the business unit, controllers' "*local responsibility* is to provide business unit management with information to facilitate strategic and operational decision-making" (Maas and Matejka, 2009, p. 1234). But as the extended arm of the corporate finance function, their "*functional responsibility* is to 'fairly and objectively' report on the economic situation of their unit and to facilitate corporate control" (ibid; see also Hartmann and Maas, 2010). In other words, as 'hybrids' (Burns and Baldvinsdottir, 2005) controllers "are simultaneously involved in two or more subsystems" where "each is likely to have its own priorities and to some degree its own subculture" (Katz and Kahn, 1978, p. 198).

Although one of these accountability relationships is typically regarded as more important for a controller (the so-called 'solid line reporting relationship'), the other one will always exist to some extent, such that completely ignoring the demands from the 'dotted line reporting relationship' is hardly feasible. Enacting their accountabilities arising from the expectations that various groups of actors have towards them seems one of the major challenges that controllers face in their day-to-day work (Hopper, 1980; Maas and Matejka, 2009; Sathe, 1983). Interestingly, prior studies have not examined this 'hybrid positioning' in much detail.

While the literature demonstrates that dual accountabilities and associated role conflicts *exist* (e.g. Hopper, 1980; Sathe, 1983), it does not examine in detail *how* controllers actually cope with these in their everyday work. In particular, there is a lack of research on how controllers manage to appear competent in the eyes of their various stakeholders, i.e. how they maintain a compelling 'front'[2] so that all their respective counterparts would positively respond to their performances in the organizational arena (Goffman, 1959).

Our starting point for examining how controllers deal with their dual accountabilities is the observation that they are to a large extent 'information workers', i.e. they collect, generate, and distribute accounting (but also other types of) information for various kinds of managerial purposes (see e.g. Abbott, 1988; Alvesson, 1993; Drucker, 1969). This requires 'information literacy', i.e. the "ability to recognise information needs and to identify, evaluate and use information effectively" (Bruce, 1999, p. 33).

It is well known that information is an important organizational currency and a potential power resource for organizational actors (Davenport, Eccles, and Prusak, 1992). The (social) process of informing is influenced by actors' political interests and agendas (see e.g. Burchell, Clubb, Hopwood, and Hughes, 1980; Preston, 1986) in the sense that information can be mobilized, or kept secret, so as to further the particular interests of an actor or a group of actors. Those actors who are able to gain access to specific information or control others' access to it can promote their own position within the 'political arena' of the organization (Pettigrew, 1972). Especially in situations where, for instance, inter-functional struggles appear, the members of the functions concerned (e.g. finance vs. sales function) might not see their specific sets of information as free resources that should be made accessible to everyone in the same way (Costas and Grey, 2014). It can thus be difficult for a controller in these situations to, for instance, enact a 'watchdog' role while at the same time finding ways to convince (unwilling) managers to share information with her. In other situations, however, controllers can act as information gatekeepers and ensure that only those actors have access to a particular type of information that are (formally or informally) allowed to do so (Pettigrew, 1972).

We propose that it is in information-centred interactions with other actors that controllers enact their accountabilities. For instance, when a business unit controller reports information

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[2] Goffman (1959, p. 22) defines 'front' as "that part of the individual's performance which regularly functions in a general and fixed fashion to define the situation for those who observe the performance. Front, then, is the expressive equipment of a standard kind of intentionally or unwittingly employed by the individual during his performance".

to the CFO, she thereby enacts her functional accountability as a member of the finance function. The controller in this case signals that she acts in the CFO's interest. Similarly, when the same controller provides helpful (and possibly sensitive) information to an operational manager in the business unit, she enacts her local accountability as a 'partner' or 'advisor' of that manager. While there are cases in which these two accountabilities can be aligned, in other situations the expectations of these two parties may diverge, such that controllers will face competing accountabilities. How exactly controllers deal with such competing accountabilities is rather unexplored. Sathe (1983) argues that 'strong' controllers combine involvement and independence, in the sense that the more a controller fulfils his local accountability in terms of decision-making support, the more insights (and hence information) he will have and the more he will be able to "put an early stop to any ill-conceived, ill-advised, or illegal decisions and courses of action". Doing so "demands greater interpersonal and other skills than required under the other role types" (pp. 37-8). However, this understanding of a 'strong' controller says little about how, in a particular situation, controllers actually deal with competing expectations from other parties.

As we shall elaborate in the following, we argue that when interacting with the finance function and/or operational managers, controllers make use of a broad set of informational tactics. Mobilizing such tactics enables them to skilfully control the flow of information and to appear competent and maintain a certain 'front' when interacting with others (Goffman, 1959).

## 2.2. Managing dual accountabilities and the role of informational tactics therein

We suggest that controllers have four main possibilities for how to deal with competing accountabilities. A first possibility is to try and align accountabilities by convincing one of the parties to depart from their initial expectations. For instance, a controller may try to convince local management of the importance of following corporate rules; or convince the finance function that there is a need for making an exception for a particular business unit. By doing so, however, the controller would at least implicitly reveal the primary locus of her loyalty and jeopardize her relationship to the other party involved. A second possibility is to enact only one of these accountabilities in the given situation and to openly ignore (deny) the other one. For instance, this could be the case when the controller enforces guidelines or rules of the finance function against the interests of local management. In this case, the controller risks antagonizing local management (who could not be convinced), but will get comfort from fulfilling her functional accountability. The controller will have to accept however that this overt enactment of her functional accountability and neglect of her local accountability may put a strain on her relationship with local managers and make future collaboration and information sharing more difficult. The same would hold in cases in which the controller ignores her functional accountability, which might even imply disciplinary sanctions. A third possibility is to make such a role-related tension transparent and move it to a higher level. This would mean, for instance, that the controller puts the other actors on a table and escalates the conflict upwards. It is likely that this indeed happens in organizations, but we suggest that it is not the standard solution for the controller. This is because by escalating tensions upwards, the controller ultimately risks being seen as not being able to cope with different expectations and resulting conflicts herself. Such a controller, in other words, is unlikely to be seen as a 'strong' controller (see Sathe, 1983) and may lose her face[3] (Goffman, 1967).

The fourth solution is the one that we want to focus on in this paper. It is a solution that, we suggest, is likely to be chosen when accountabilities cannot be easily aligned (first case) and when controllers do not want to face the negative consequences of ignoring one of the accountabilities (i.e. antagonizing one of the parties; second case) and of escalating the tension upwards (i.e. losing their strength; third case), respectively. This solution, we suggest, is to mobilize some form of 'informational tactic' which allows the controller to move forward (and get things done) without completely aligning the competing accountabilities but also without incurring the consequences just mentioned. More specifically, by 'informational tactics' we refer to the set of actions through which controllers intentionally and skilfully manage the information flows between them and their various internal stakeholders. In so doing, they try to address the (sometimes even conflicting) expectations that different (groups of) actors have towards them.

Informational tactics involve a skilful handling of information flows such that controllers can pay attention to both accountabilities to some extent, without making the conflict between these accountabilities too visible. The controller is aware that she cannot fully meet the expectations of all of the actors involved, but nevertheless tries not to antagonize them. This implies that, in some situations, she may keep "strategic secrets" (Goffman, 1959, p. 142) in

[3] According to Goffman (1967, p. 5), "[t]he term face may be defined as the positive social value a person claims for himself by the line others assume he has taken during a contact. Face is an image of self delineated in terms of approved social attributes – albeit an image that others may share, as when a person makes a good showing for his profession or religion by making a good showing for himself."

order to avoid exposing her main locus of loyalty and – at least at the surface – to maintain a compelling front vis-à-vis *all* her stakeholders.

Some previous studies on controllers' involvement in gaming behaviours, such as profit manipulation or the creation of budgetary slack (e.g. Davis, DeZoort, and Kopp, 2006; Hartmann and Maas, 2010; Lambert and Sponem, 2005; Maas and Matejka, 2009; Macintosh, 1995; Puyou and Faÿ, 2013)[4] already hint at their control of information flows in light of their sometimes challenging role within the organization and hence support our proposition. However, these studies mainly look at specific practices such as data misreporting or budgetary slack building. Lambert and Sponem (2005), for instance, document profit manipulation practices by management controllers. They observe that controllers rationalize their engagement in profit manipulation to an important extent on the basis of the internal legitimacy that they gain by engaging in such practices; or by reference to what they see as an irrational dictate of the financial markets. Similarly, Fauré and Rouleau (2011) demonstrate how controllers team up with operational managers to manipulate numbers (e.g. overestimate project-related work progress or mask monthly shortfalls) and thereby gain the support of internal or external stakeholders (pp. 175-176). The authors show how controllers "play with the numbers in order to make them plausible" and "to preserve the local autonomy of the [operational managers] while assuring global coherence of the budgets" (p. 176).

Maas and Matejka (2009) show that business unit controllers "are willing to compromise functional duties within 'some range'" (p. 1249) and that group controllers even grant business units "some range for the game" (p. 1238) in this respect. Puyou (2014) highlights the resources, tactics, and skills that (financial) managers use when engaging in political gaming. He also reports that local executives would consciously provide reporting information to the parent company that made it more likely that the parent would reach conclusions that were in their favour. In a further study focusing more explicitly on financial controllers, Puyou and Faÿ (2013) argue that "budgeting and reporting is a game in which they [controllers] play an active role" (p. 870). Davis et al. (2006) in this context show that obedience pressure from authoritative superiors can make controllers violate corporate budget policies and pad their budget recommendations, resulting in misrepresentations of facts to higher authorities. In a similar vein, Hartmann and Maas (2010) show that highly Machiavellian controllers "are more likely to give in to [social] pressure by BU [business

[4] The voluminous earlier literature on budgetary biasing started by Argyris (1952) and including e.g. Schiff and Lewin (1968), Lowe and Shaw (1968), Hofstede (1968) and Lukka (1988) typically does not stage controllers in the front, but tends to predominantly focus on examining the budgetary behaviour of line managers.

unit] management to create budgetary slack when they have been involved in decision making" (p. 27).

Prior literature thus focuses on controllers' engagement in quite elaborate forms of data misreporting or budgetary slack building to address particular actors' expectations towards them (see e.g. Davis et al., 2006; Hartmann and Maas, 2010, 2011; Lambert and Sponem, 2005; Maas and Matejka, 2009; Puyou and Faÿ, 2013). Complementing previous work, we argue (and demonstrate empirically) that there is a wide range of also more 'basic', often rather mundane and subtle informational tactics that controllers resort to in their day-to-day work. We also argue that the aim of employing such tactics is not only to satisfy one particular group of actors (e.g. operational managers) and work against the other (e.g. corporate headquarters). Rather, the skilful use of such tactics is often associated with controllers' endeavours to handle different expectations and maintain a compelling front vis-à-vis their different internal stakeholders.

### 2.3. Repertoire of informational tactics

We suggest that information control (i.e. constraining or enabling the organizational information flow) can be broken down into three dimensions that link to specific informational tactics a controller can use in a given situation. The three dimensions of informational control are 'when, 'how' and/or 'what' information is shared with others. Barzilai-Nahon (2008) – although not looking explicitly at controllers – presents a useful taxonomy of individual tactics that actors can use to control the flow of information in an organization and that can enable them to enact an information gatekeeper role. These individual tactics can be categorized according to the three dimensions of information control introduced above (i.e. 'when', 'how' and 'what'). They also vary in terms of how radical they are with regard to the level of information distortion and range from mundane to (from an etic point of view) even unethical tactics (see table I). Table I displays this broad repertoire of tactics that controllers can use in their interactions with various stakeholders.

We submit that this overview is a useful starting point when it comes to investigating how controllers – as information workers – deal with their dual accountabilities in situations when they share information with and/or collect information from others having specific role-related expectations towards them.

**[Insert Table I here]**

As already indicated above, it seems important to examine, in a first step, how much room for manoeuvre a controller actually has in an information-centred situation and in enacting his or her accountabilities (see also Maas and Matejka, 2009). Different situations or contexts offer different degrees of freedom as to how a demand for accountability can be responded to. In some contexts, there is little flexibility as to the 'when', 'how' and 'what' of meeting one's accountability, because information flows are precisely defined and enforced. In other cases, however, more flexibility exists because accountabilities are not that precisely specified. We hence suggest that the informational tactics that a controller can use in a specific situation are associated with the leeway that exists with respect to *'what' should be reported*, *'how' it should be reported* and *'when' it should be reported* to meet one's accountability. For instance, if there is some leeway in terms of when to inform different stakeholders, "timing" may serve as an informational tactic for the controller that enables him to also time the enactment of certain accountabilities associated with the respective information exchange. This implies that at a specific point in time they can focus on one particular group of actors and address other groups' expectations later.

There are situations, however, in which controllers may not have flexibility in terms of when to provide information (and enact specific accountabilities) but can still decide *how* to do it. In these situations, controllers can decide in what way a certain number, for example, should be presented (e.g. displayed or contextualized) (i.e. "framing") or transported (i.e. "channelling") so as to influence how others will make sense of it.

If there is little discretion for the controller with respect to when and how to share information with others, they may need to resort to informational tactics that help them to control *what* information they share. These tactics include "selection" and "withholding" of information. By using these tactics, business unit controllers can hide, for instance, certain accounting numbers from the corporate finance function or corporate controllers, or they can provide business units only with information that they think are likely to evoke specific actions on the local level.

As already mentioned above, prior accounting literature has discussed controllers' involvement in different forms of 'manipulation' (see e.g. Davis et al., 2006; Hartmann and Maas, 2010, 2011; Lambert and Sponem, 2005; Maas and Matejka, 2009; Puyou and Faÿ, 2013). We add to these studies by examining how exactly the use of these and other tactics enables controllers to cope with their accountabilities. We argue that controllers mobilize these tactics especially in contexts in which they have to handle multiple and potentially conflicting expectations, in particular those emanating from the finance function and from local management, respectively. In such situations, controllers will often not choose *either* the 'independent' *or* the 'business involvement' role (Lambert and Sponem, 2012, p. 586) but will try to present themselves as competent and trusted partners to all their stakeholders or, in Goffman's (1959) terms, to the various 'audiences' evaluating their performance.

## 3. Fieldwork and research design

This study builds on cross-sectional interviews conducted in three European countries, namely Austria, Germany and Finland. After having started the research with a broader focus on global/local tensions in controllers' work and having conducted a few interviews, employing the idea of contrastive thinking (Lukka, 2014), we narrowed our focus down to the most striking observations having unfolded in some of the early interviews: controllers' notable employment of what we refer to as informational tactics, which thereby was chosen as the specific *explanandum* for our analysis. In this way, our research turned to employing the abductive approach, where the key idea is to make sense of empirically interesting observations by means of an iterative research process, i.e. by constantly positioning these empirical findings against theoretical concepts and findings from previous literature (e.g. Dubois and Gadde, 2002; Lukka and Modell, 2010).

Our interview materials consist of 16 interviews with 15 controllers. One of the controllers was thus interviewed twice[5]. Due to the sensitive research focus that emerged during the process, after the pilot interviews, we decided to contact controllers we already knew from the various set of our prior studies and with whom we already have a 'trust basis', which allows speaking openly about such issues. In this sense, one could say that we used a 'convenience sample' of controllers. However, despite the sampling principle applied, in our view there is no reason to believe that our sample would be somehow biased regarding informational tactics of controllers and their role in handling different expectations or accountabilities. We had notable variation in our sample (i.e., it included business unit and corporate controllers as well as senior and junior controllers), which suggests that the phenomenon under study has empirical and theoretical relevance irrespective of the position or seniority of a controller. Despite the relatively small number of interviews, we managed to acquire numerous episodes of controllers using informational tactics in various ways and contexts. As our findings will demonstrate, the chosen cross-sectional interview method turned out to be well suitable for

[5] The pilot interview of IP12 turned out so extremely open and informative that we decided to conduct another interview with this interviewee once our study had become focused on the use of informational tactics.

adding to our existing knowledge on the information handling by controllers and how this enables them to cope with their different stakeholders and accountabilities.

The interviews, of which all but two were conducted in our interview partners' company facilities (the remaining two were conducted in one of the researcher's office), lasted between 60 and 150 minutes and were all recorded. Those (13) interviews that – against the background of our emerging research focus – seemed worth a more detailed analysis were later fully transcribed. Regarding the three first interviews, which had a pilot study nature, we only wrote a memorandum and extracted those parts which added richness to the phenomenon in question. In our interviews, we used an iteratively developing semi-structured interview guide that – in line with the abductive approach – reflected the trajectory of our theorizing and helped us in analysing controllers' use of informational tactics. Table II provides an overview of our interviews.

**[Insert Table II here]**

Our initial set of interviews indicated that the skilful control of information flows plays a crucial role in controllers' day-to-day work and especially their interaction with different internal stakeholders. Accordingly, we coined the notion of 'informational tactics', the central anchor concept of the study. As already mentioned above, by 'informational tactics' we refer to the set of actions through which controllers skilfully manage the information flows between them and their various internal stakeholders and that help them to handle their different and sometimes conflicting accountabilities.

To conduct a fine-grained analysis, we carefully read and re-read our interview transcripts and memos and then extracted those accounts in which controllers talked about activities related to the sharing or collecting of information in the context of different accountabilities. We eventually came up with 73 empirical episodes reflecting a wide array of informational tactics that the various kinds of controllers in our sample employed. The diversity and richness of the informational tactics that surfaced during our fieldwork suggested that a suitable taxonomy was needed, not only to analytically distinguish the different types of informational tactics, but also to form a solid basis for going forward towards examining *how* controllers mobilise these tactics and *why* using these tactics helps them manage their accountabilities towards other organizational actors. We thus carefully coded our interview partners' accounts about their engagement in informational tactics. To do so, we drew on the taxonomy by Barzilai-Nahon (2008) introduced in the second section of this paper, which provides a fine-grained and comprehensive categorization of informational tactics. As the analysis proceeded, we realized that some slight modifications to reduce the complexity of the taxonomy would be helpful. We first consolidated the original categories of "integration" and "addition" as well as "localization" and "translation". Subsequently we placed these new broader categories "integration" and "localization" together with "display" and "shaping" as possible exemplary sub-categories of a broader category called "framing".

Even though we felt that we had a rich set of examples of informational tactics in our interview materials, our careful iterative analysis showed evidence of only "selection", "withholding", "framing", "channelling", "manipulation" and "timing". These formed the majority of the categories employed in the analysis. However, our analysis also brought forth a few new categories, which further demonstrate the many-sidedness of the notion of informational tactics. These were coined as "give-and-take", "counter-manipulation"[6] and "misleading".

Hence, altogether we found evidence of nine types of informational tactics, clustered according to "when", "how" and "what" information is shared with others (see Table III). It is notable that while we were able to analytically separate these nine types of informational tactics, empirically these are often used jointly.

**[Insert Table III here]**

The overall goal of our analysis was to shed light on *how* informational tactics help controllers to cope with the (sometimes conflicting) expectations of their different stakeholders. To do so, we carefully discussed and analysed each of our 73 empirical observations of informational tactics. We thereby tried to make sense of each of them and to understand how and why the controller in the specific situation engaged in a certain kind of informational tactic. Doing so, we developed a detailed spreadsheet with all relevant empirical accounts, their interpretations, the respective coding of the informational tactics as

[6] While counter-manipulation was not part of the taxonomy of Barzilai-Nahon (2008), this notion is well-established in the accounting literature on budgetary biasing (e.g. Lukka, 1988).

well as an analysis of the context in which this action was carried out. A detailed coding list with definitions of each category helped us making our analysis consistent. The latter was also facilitated by the fact that each row and column in our spreadsheet was intensively discussed in the researcher team. Throughout the entire research process, in the spirit of an abductive research process, we took both the emic and the etic perspective[7] into consideration and drew upon relevant literature. The results of this in-depth analysis are presented below.

## 4. Informational tactics as a means to cope with different accountabilities

We will demonstrate in this section how controllers employ various informational tactics in an effort to control information flows to the parties they interact with, most notably the finance function in the headquarters (HQ) and operational management, respectively. We examine how the skilful mobilization of particular informational tactics enables controllers in specific situations to balance their accountabilities towards these actors by creating a compelling front that makes them look competent in the eyes of their various internal stakeholders. Importantly, although controllers in most situations indeed seem to emphasize their accountability towards one group of actors, the use of informational tactics highlights that they typically also consider other actors' interests and expectations.

### 4.1. When to inform HQ – Timing information exchange to balance the corporate watchdog and business partner role

Business unit controllers act at the boundary between their business unit (division) and the corporate finance function (HQ). As such, they will often be the first ones to learn about concerns within HQ regarding the performance of the business unit. Such concerns can lead to increased control efforts and 'disciplining' mechanisms on the part of HQ. From the perspective of the business unit, such control efforts are often deemed undesirable, as business unit managers tend to prefer autonomy over tight control. Business unit management will thus expect controllers to help them avoid interference from HQ. The corporate finance function, in contrast, will expect the controller to openly share information about potential problems and to point to possible needs for HQ intervention. In such a setting, informational tactics can become an important tool for controllers to deal with these dual accountabilities.

[7] The emic perspective refers to an examination on how the research subject his/herself develops his/her meanings, whereas for the etic one the issue is the researcher's interpretation and theorization on the studied phenomena (see Jönsson and Lukka, 2006).

Indeed, our empirical findings illustrate how the skilful *timing* of information flows can be one way of dealing with such competing accountabilities. The illustrative example below comes from a business unit controller (IP1) who sees her main loyalty towards the business unit but also clearly acknowledges the need to support the corporate centre. She reports that, when interacting with HQ, she would sometimes perceive an increased level of 'attention' on the part of corporate controlling concerning the performance of the business unit. In such a case, she considers it important to protect the business unit from too early an intervention from the HQ if such intervention is, in her view, not really warranted *at this point in time*. To do so, she actively manages the timing of information flows:

> "Corporate controlling gets nervous if, at the beginning of the year, the results do not look good. So we have to be careful to keep a balance and to not make them too nervous. Because we at the local level can better assess the situation and, well, or manoeuvre tactically a little bit […] You know your own budget slack better than they [corporate controlling] do and so you try to calm them down. And this is of course political because what is at stake here is the credibility of the local management. They committed themselves to certain targets and the question is how long do they adhere to their targets or when do they start saying, 'OK, we are not able to reach our sales target'. This is a highly political topic. The timing is crucial and sometimes this is put off a bit to find the right moment [for announcing that the set targets cannot be met]." (IP1, business unit controller)

In order to support local management when she reports to the HQ, IP1 feels the informational tactic of timing is helpful to buffer the (hopefully later irrelevant) worries related to the unit's financial performance from the HQ, thereby buying some time for the business unit management. The dual accountability in this example relates to the controller's local responsibility to be a "supporter of the local management and, for instance, help them to give a good account of themselves" (as IP1 puts it in our interview) while at the same time maintaining the image of a trusted reporter to the HQ. By employing this particular informational tactic (i.e. "timing"), she tries to handle these different expectations and also hide the locus of her loyalty. This example demonstrates that controllers sometimes use informational tactics not only as a "defensive" strategy (Goffman, 1967) to save their own face, but also as a "protective" strategy (ibid.) to save the face of others (such as operational managers) to whom they feel loyal.

The tactic of "timing" relies on the *leeway* that the controller has regarding when exactly to disclose specific information as well as when to enact her functional accountability associated with the corporate watchdog role. The example hence shows that even though the controller emphasizes her local accountability[8], she does not simply ignore her functional accountability but rather skilfully decides *when* to enact it. If the problem still persists at a later date, it will probably be easier for the controller to justify vis-à-vis the local management why she needs to disclose it. It may then even be in the local manager's interest to inform HQ in order to prevent serious consequences and they may then not feel that the controller has violated her local accountabilities. Timing the exchange of information can therefore be seen as closely associated with timing the enactment of certain accountabilities.

### 4.2. When and how to inform business unit managers – Timing and channelling of information exchange and different accountabilities

Our empirics also show that concerns with *when* a particular piece of information is provided can closely go along with a concern for *how* such information is shared. This becomes particularly visible in the case of so-called 'pre-meetings' which controllers use to inform line managers about critical issues, which will later on be discussed in an official meeting with representatives of the finance function and/or top management. In such a setting, the combined informational tactics of "timing" and "channelling" allow controllers to maintain loyalty towards both the CFO/HQ and local managers. Timing here refers to the fact that the pre-meeting takes place before the official meeting. Channelling means that there are two different channels (unofficial and official meeting) through which the same information is shared or discussed.

These pre-meetings are relevant for balancing dual accountabilities since if controllers revealed critical information only in the official meeting without having the respective line manager informed in advance, the latter may not feel supported or even betrayed, as IP7, a business unit controller, reported. Consequently, conflicts may arise and the manager might sanction the controller by, for example, not involving her anymore in internal discussions about important topics. This, in turn, may harm the controller's business partner role but also her role as information gatekeeper who is supposed to be informed about what is going on in the organization. It transpired from our interviews that controllers use informational tactics not least to build or maintain a trust basis with operational managers, which they consider fundamental for facilitating information exchange and ongoing collaboration. Pre-meetings are one means that controllers can use to this end.

[8] In an interview IP1 said: "To be honest, I feel predominantly responsible to the local management. […] I don't feel caught in the middle because when I have to decide I know what to do."

At the same time, pre-informing local management also helps the controller to keep some distance to local managers in the formal meeting and thereby display their loyalty towards corporate headquarters. The official meeting constitutes a different ‘stage’ (Goffman, 1959) for the controller. Here, the CFO/HQ expects the controller to enact her functional accountability and to take the role of a corporate watchdog. However, due to the pre-meeting, the operational manager is aware of how the controller will play this particular part in these official meetings, and this helps reduce the potential for open conflict. Even more, if a controller’s position in a formal meeting with the CFO/HQ does not allow him to directly engage in “protective face-work” aimed at supporting his managers, he can use a pre-meeting to help them “employ face-work for themselves and him” (Goffman, 1967, p. 29) by, for instance, pre-informing them about critical topics that he will raise in the formal meeting. In doing so, the controller allows the managers to prepare answers or even initiate actions that address this particular issue (see also Mack and Goretzki, 2017) but also manages to enact his different accountabilities.

This example illustrates how controllers can exploit the leeway that accountability relations offer regarding *when* and *how* to enact their different accountabilities. Controllers can use different timings and channels to communicate with different parties and, in doing so, can skilfully balance between their roles as local business partner and corporate watchdog, respectively. We therefore suggest that timing when and how to inform other actors enables controllers to align functional and local accountabilities and eventually to uphold their face towards different stakeholders.

### 4.3. How to report to others – Framing accounting numbers as a way to cope with dual accountabilities

Business unit controllers sometimes find themselves in situations where they have to report numbers to the HQ even though these numbers may cast a negative light on the business unit and its managers. In such a situation, the informational tactic of “framing” can help controllers avoid an open role conflict. Framing refers to a specific contextualization, presentation or visualization of information that enables controllers to subtly influence how others interpret this information and its implications. It is important to note that by using this tactic, controllers do not actually manipulate information but rather exploit the leeway they have in terms of how to present it. Framing is a useful tactic especially in those settings where formalized reporting processes provide little leeway as to *what* and *when* information is reported. In such a setting, discretion in reporting thus exists only with respect to *how* information exchange takes place.

Framing allows business unit controllers to fulfil both their role of corporate watchdog (or trusted reporter) and local business partner. On the one hand, controllers come up to their functional responsibility by reporting the information requested by the HQ. On the other hand, they meet their local responsibility by framing this information in a way that allows them to protect the business unit from an overly negative evaluation and/or interference from the HQ. IP1, for example, recounted that the HQ of her company would basically see all the numbers from the subsidiary, which makes it very difficult for the business unit to manipulate or hide information in the standard reporting process. Paradoxically, the complexity of the global information system and the fact that corporate controllers "miss the forest for the trees" gives her some leeway to contextualize the numbers reported and embed them in lines of argumentation in a way that flatters the business unit managers:

> "Actually, they [HQ] have a crazy amount of numbers. They just miss the forest for the trees. So actually if someone is sitting there [HQ] who is very familiar [with the business] you have only very little chance. […] But not all of them [HQ actors] understand the big picture because they have very detailed information they can look at. […] But when it comes to things like provisions you always can find a local argument, why you have to make them. You can't really check things like that on the [HQ] level. With other things it is more difficult. […] At the end of the day, the numbers are as they are and they are discussed. But then it is about finding arguments that show why the numbers are as they are. […] And for the [local] management it is important to find good arguments in order to be able to, so to speak, sell the results." (IP1, business unit controller)

This example shows that "framing" accounting information is an important resource for the business unit controller to cope with her dual accountabilities. In other words, there are situations where she cannot really decide what or when to report something but even within such a tight framework she has some leeway in terms of *how* to frame a result and hence to take influence on how others will make sense of it.

Moreover, our interviews revealed that also corporate controllers sometimes resort to "framing" to influence operational managers and convince them to take certain actions.

> "We perform variance or time series analyses that serve as bases for discussions [with operational managers] and provide top management with the documents. So we have time charts where you can see the market development. […] I mean, we use the actual numbers but graphically you try to point to certain things: 'Look, you can do more here or this trend is very positive.' Or, if things are not going so well, you would try to show that they actually can do better." (IP6, corporate level controller)

Although the dominant accountability in such situations is clearly that towards the corporate or functional level, it can still be argued that “framing” is related to the controllers’ dual accountabilities. Corporate controllers need to find ways to convince and take influence on local managers that the latter consider as not too obtrusive. Otherwise, this may harm the relationship between the corporate controllers and local managers and make collaboration more difficult. Again, in these cases, corporate controllers only have limited leeway or not even the intention to manipulate information, but they contextualize, display or visualize it in ways that make them subtly call for actions and combine elements of challenging and supporting.

### 4.4. What to report – Selection, withholding and give-and-take as informational tactics to handle different stakeholders

Our interviews show that controllers in some situations also have the flexibility to decide *what* information they actually exchange with others. The skilful ‘filtering’ of information is, again, important for the controller to handle different expectations. IP1, for instance, recounted in this context that she would sometimes use the informational tactics of “selection” and “withholding” in her interactions with HQ. She described, for example, how in the planning process, and in collaboration with the business unit manager, she would attempt to cope with her dual accountabilities by deciding what information to forward to HQ and what not:

> “In the planning process we […] have a PowerPoint presentation which is, so to speak, the local board’s ‘sales presentation’ they give to the holding board [HQ]. And we invest hours, days, months in this presentation and it is updated 100 times and […] we discuss it internally but [we also] align it with the corporate controllers. And they provide some input like ‘could you please provide more detailed information on this or that’ or ‘could you elaborate on this and that a bit more’. Typically, we, of course, already ran all these analyses but sometimes the results do not look that good […]. This can happen. So we already ran 100 analyses but we show only one because it represents us best. Well, but they [corporate controllers] always say ‘we also want to see this and that’ und we say ‘yes, we can do that’ but we then simply don’t do it.” (IP1, business unit controller)

What seems important here is that the controller is familiar and has considerable experience with the information process and the actors involved. For instance, if she experienced in the past that corporate controllers would ask for a particular information at some point but would forget about their demand later on, the local controller will consider the possibility to ignore such initial requests and withhold information that may have negative consequences for the business unit. Having such "strategic secrets" (Goffman, 1959, p. 142) allows her to meet her local accountabilities without, however, overtly ignoring her functional ones.

Another and even more colourful example of withholding information comes from IP12, who openly talked about his intensive political behaviour in the context of exchanging information with operational managers. The interview partner reported that he would sometimes mobilize informational tactics that we refer to as "selection" and "withholding" to enable a restrictive information exchange with other functions. This business unit controller apparently is very strategic in his ways of handling information requests from line managers. Only his boss gets the information he asks for, while requests from others will often be ignored:

> "Some people just, you know, ask for information. Sometimes I can just ignore it fully like just delete it […] because it's worse to respond than not to respond at all. So when you [do not] respond at all they're not quite sure if you got the mail […] it'll take them few months to figure out that you just deleted it. You know and if they ask again then you go and, if they insist, then you ask like: Why you need to know, why you really need to know? For what is this?" (IP12, compliance-focused business unit controller)

The controller is obviously aware of his accountability (as information worker) to provide line managers or HQ with information. However, he found ways to control the flow of information in such a way that he only fulfils information requests in cases where it cannot be avoided.

Our interviews show that not only business unit controllers experience conflicting expectations and use such tactics to control what information is exchanged with different groups of actors. Also corporate controllers, even though they may generally appreciate the favourable effects of keeping the local controllers well-informed, at times use, for instance, "withholding" as an informational tactic. IP5, a corporate controller, mentioned in this respect that she would sometimes perceive tensions in how much information she should give to local actors. While she believes that business units can, in general, work better if they have more information, some information should not be disclosed as it is too sensitive (e.g. information about restructuring plans):

> "On the one hand, I think that the more information you forward [to the local controllers] the better they can work because different information can lead to different decisions. On the other hand, however, it is always a question of what am I allowed to share with them and what not. […] I think it is difficult to decide. And I must say that in such situations I personally tend not to share information. […] I think this is a question of trust that I think is essential. The controller gets a lot of information that should not be shared with everyone and it is a difficult question to

> decide what information do I keep for myself and what do I share with others?" (IP5, corporate controller)

This is a very clear instance of a controller having two directly conflicting expectations regarding how to control the information flow in interactions with others, here specifically regarding *what* to report. She wants to support the operations of the business units by offering them information, but she also feels that giving away trusted sensitive information would lead to notable sanctions on the part of the finance head she reports to. Interestingly, the same corporate level controller also wished to develop her relationships with the local controllers by employing the very same "withholding" strategy towards the corporate level. IP5 recounted that she was not giving all information about business units to her boss [at the corporate level]:

> "When I talk to the local controllers about their budgets and […] of course the local controllers want to have as much slack as possible because it makes their work easier, at least with regard to the budgets … so I made the experience that when I talk to them and try to detect potential slack it is of course important that I then do not directly go to my boss and say 'neener-neener! I have found something that we need to delete.' Yeah, I think this is an important thing." (IP5, corporate controller)

In such situations, saving the local controllers' faces is not merely an altruistic act. IP5 is aware that she sometimes has to help the local controllers by "withholding" information about them vis-à-vis HQ to build trust towards the local controllers and that this is an important foundation for her future collaboration with the local controllers. This is also an example of what we refer to as Janus-faced behaviour that is quite typical and effective with regard to dealing with different expectations that actors have vis-à-vis a controller. None of the parties she works with – neither the HQ nor the business units – can easily find out the informational tactic of "withholding" that she tends to use.

Furthermore, our analysis reveals that controllers sometimes deliberately share sensitive information, which they are actually supposed to withhold, with selected others to get important information the latter would basically not share with someone else in return. We refer to this informational tactic as "give-and-take". IP8, a regional controller, in this context explained that he would sometimes strategically use this particular tactic in informal (or 'conspirative') meetings with colleagues:

> "Information is quite powerful and you can 'shine' with great analyses if you have information that others don't have because you found something out yourself or you have connections that others don't have. It is a give-and-take. You have a trust-based conversation with someone and you go for a coffee, for example, and intensively exchange information and you perhaps pass sensitive information or information you

> are not allowed to share and the other person does the same. In doing so we could both strengthen our role. But this happens very selectively and you have to be very careful.” (IP8, regional controller)

He further emphasized that due to delicate nature of this informational tactic, he would use it exclusively with colleagues that he really trusted and in situations where both parties involved accepted that no one else should know:

> “I have to feel certain that agreements will be adhered to, so I have to know the person for a long time … and perhaps also validate via other colleagues who have a similar relationship to that person that he or she is trustworthy.” (IP8, regional controller)

Selectively sharing information with some actors is a way to deal with one’s accountabilities. It is essential for a controller to be well informed about the organization and the example above illustrates that this may sometimes require playing the “give-and-take” game. By doing so a controller can manage to overcome the position of being the “gated” in a certain situation and get access to sensitive and otherwise not accessible information that she can then use for her own impression management and to present herself as a competent information worker. At the same time, the controller does not overtly renounce his role as information gatekeeper as this particular form of information exchange only happens behind closed doors or ‘backstage’ (Goffman, 1959) and with very few, selected and (most importantly) trusted others who also have an interest in keeping it secret. Instances in which controllers use this informational tactic are thus further examples indicating that they sometimes need to behave in a Janus-faced way to cope with their role(s) in the organization. Below we will further discuss this specific type of behaviour in the context of situations in which controllers even manipulate information.

### 4.5. What to report – Manipulation, counter-manipulation and misleading

Our empirical materials include numerous cases in which informational tactics, especially related to budgeting processes, were used in controllers’ interaction not only with other members of the finance function, but also with line managers. For instance, in the budgeting process, business unit controllers often seem to be involved, sometimes even taking an active role, in “manipulation” to different directions in the hierarchy respectively. IP7, a business unit controller, recounted in this context that she would try to “incorporate opportunities” in the budgets together with the local management to ensure that the business unit would achieve its targets. When communicating with the sub-units within the business unit, however, she would argue for very tight budgets and try to identify and eliminate any kind of slack. The purpose of this action pattern of this controller is, on the one hand, to safeguard the business unit from overly challenging targets from HQ and, on the other hand, to support executing some pressure on the managers and employees within the business unit so as to be sure to make the targets.

This again illustrates the Janus-faced behaviour: talking or acting differently towards different directions in the organization (e.g. HQ and business unit managers) regarding a specific matter. If controllers did not use informational tactics in this way, they would need to choose to promote overly much the expectations of one of the parties involved, which would likely lead to a strained situation towards the other one.

Our findings suggest that the use of informational tactics like manipulation is not merely linked to a question of how much leeway the information system leaves for the controller. It is also a question of how skilful the controller is and how he uses his accounting expertise to manipulate the numbers to support or protect his business unit from HQ interference while at the same time appearing as a trusted reporter to HQ. Consider, for instance, the following example from IP1:

> "For analysts [the cost ratio] is obviously a major topic and they always want to see [it]. So we always give thought to what we can do to make certain things not appear in our cost reports but somewhere else to reach our cost ratio target. […] Normally, in the first half of the year we have a higher cost ratio than in the second half. […] So what you can basically do is to simply put the costs into our reports and plans and explain to everyone in the group why this is so. And they will ask you 15 times why in the first quarter you have such a high cost ratio and why your business is running that badly. And then you would answer that it is not the business per se and that this is only a typical progression. And over the years we found out that it is much easier to form provisions that allow us to smoothen our results. […] The results are what they are but you allocate them differently over the months. […] This can be quite complex sometimes because you, of course, still need to know what is real and what happens only due to these provisions." (IP1, business unit controller)

Additionally, we encountered empirical episodes in which controllers use "counter-manipulation" tactics to respond to line managers' overt political behaviour and manipulation efforts. IP7, a business unit controller, for instance, recounted that line managers would typically try to present information that supports their own interest. The controller would therefore try to frame information in such a way that makes it difficult for line managers to challenge them. In our interview, he mentioned the example of discussions about sales reduction that often remind him of "horse-trading" and in which managers present information very strategically to support their own interests. In these situations the controller tries to present analyses that look 'objective', 'neutral' and 'transparent' to convince them of his view. By doing so, he tries to address what the CFO expects from him, namely to challenge line managers while, at the same time, maintaining the image of a business supporter and partner.

In addition to manipulation and counter-manipulation, our empirical material shows that controllers sometimes use "misleading" as an informational tactic through which they intentionally bias financial plans or reports. IP12, for instance, narrates how he deals with 'inquisitive' corporate controllers by setting them on the wrong track, similar to how he would deal with auditors:

> "Sometimes he [the corporate controller] asks very particular questions about some details and it's funny. Almost like an auditor, you know, with auditors … you manage audits by planting something that they'll find and that is peanuts thing. So [you] plant something that they'll probably find. And then when they find it, then you have a conversation for two weeks about that until they are out of time and they have to go to the next project. So it's kind of the same things [with corporate controllers], so it's like […] we call it "mushroom management" [...] You know how you do the mushrooms? You keep them in the dark and feed them shit. So that's kind a like that. So in some instances you use the mushroom management so that they won't know and plus you put smoke screens everywhere so that they won't really find out and they don't know what you are really doing. In order for you to have the freedom, the autonomy, the liberty". (IP12, compliance-focused business unit controller)

This is a vivid example of how the fact that controllers may also have tactics in their repertoire that, from an etic point of view, can be referred to as 'radical' or 'extreme'[9]. Even when using such tactics, however, controllers seem aware that they 'serve two masters' and that there are always different expectations and interests involved. In consequence, they have to use such tactics in a way that does not disclose their own interests or those they are representing in a given situation and that still makes them appear as reliable and trustworthy to *all* stakeholders involved.

Our empirical material suggests that more 'extreme' forms of informational tactics are predominantly associated with the question *what* to report and to some extent even with what accountability to emphasize in a given situation. Additionally, these tactics require solid accounting skills, 'courage' as well as a profound knowledge of the information system in place and the actors involved in the information process. Otherwise controllers may run the

[9] We acknowledge that what counts as 'extreme', 'radical' or 'unethical' is eventually an empirical question and depends on the actors' emic views that, to an important extent, are shaped by the specific context in which they act (e.g. organization's value system). We, nevertheless, believe that there are specific tactics that, from an outsiders' (e.g. a researchers') point of view, can be regarded as more 'extreme or 'radical' as controllers use them to deliberately distort the flow of information with the aim to cater their own or others' interests. The use of these tactics thus leads to 'dark' rather than 'strategic secrets' (see Goffman, 1959, pp. 141-142).

risk of making mistakes and revealing the agenda they have, which could have severe consequences for them:

> "Because the thing is that you get exposed in a big organization like this when you do shit. […] You get caught and you get fired. No doubt. But if you do the right thing for the business [..] it is like with this […] fire department. The fire chief [business unit manager] always comes after the fact. He comes in his Mercedes and he rolls in and he comes and he says like "Boys, you put out the fire wrong". But does it matter 'cos you in the end put out the fire." (IP12, compliance-focused business unit controller)

The study demonstrates how important it is especially for business unit controllers to master also such 'extreme' informational tactics that enable them to subtly enact their local supporter role while, at least on the surface, maintaining their image as trustworthy reporter and watchdog vis-à-vis the corporate level. As illustrated above, our data also supports previous findings that this behaviour is related to controllers with a pronounced sense of Machiavellianism (Hartmann and Maas, 2010). Employing informational tactics to support local interests enables controllers to socialize with business unit managers, which is important for them to make sure that these managers trust and cooperate with them. The managers' willingness to cooperate with the controller is, in turn, important for him to enact not only his role as a local business partner but to some extent also as a corporate watchdog. The controllers hence often help the business unit managers in the information process so that these, in return, help the controllers enact their roles and manage their associated accountabilities.

Controllers, however, consider using radical informational tactics to socialize with line managers also for another (explicitly self-interest related) reason. Although controllers are typically expected to work closely together with managers, they are still often regarded as 'outsiders'. Line managers might therefore not be willing to share information with them or might not even trust them. Our data shows that this can be especially problematic if controllers want to shift from the finance function to an operational area or want to be promoted. Using informational tactics in this respect enables the controller to create a favourable image and positive impression vis-à-vis line managers (rather than the CFO) for promotional reasons. We hereby also indicate that controllers who try to avoid such potential conflicts with line managers sometimes even compromise their independence and professional integrity. They, in this sense, also seem to stop balancing their different accountabilities and – on career-related grounds – focus only on their operational counterparts' interests and expectations. For IP12, for example, controllers' career ambitions explain much of their behaviour and use of radical informational tactics in particular. He thinks that especially those considering themselves as ‘business partners’ often go too far to please the line managers to have their career progressing:

> “Then I went to financial planning and analysis (FP&A) […] I was like almost like shocked because I was still quite young then and I was thinking, you know, finance as my career at least. I […] was shocked to see that most of the people in FP&A, they were regarded as good FP&A people. [But] their dream was pretty much to go to marketing or business development always. And that’s where, so what they did is they basically were sucking up to all the bosses. In order for those bosses who were then running the marketing and business development to put them in there. So all they did was kind a like, you know, do every request and fulfil.” (IP12, a compliance-focused business unit controller)

It was obvious in the interview that IP12’s world-view and handling of information had become deeply affected by the belief that one simply has to act politically – or at least take politics intensively into consideration – in order to be successful in organizational life. For him, mastering informational tactics and controlling the flow of information is crucial for a successful impression management. He, nevertheless, accepts that there are limits to these actions for at least the image of professional integrity needs to be preserved, which, again, reflects how important it is for controllers to always consider the dual accountabilities in their everyday work and use informational tactics in a way that enables them to do so. IP12 is actually convinced that a controller wishing to cross the professional ‘glass-ceiling’ towards becoming a potential line manager of some seniority, needs to clearly mark his position and indicate to the line managers that he knows the ‘rules of the game’. However, he also mentioned in this context that it is up to the individual controller to decide on his own how far he is willing to go in this sense. This confirms the idea that the intensity of a controller’s informational tactics is indeed related to his or her personality and related ambitions (see Hartmann and Maas, 2010).

## 5. Concluding discussion

Drawing from cross-sectional interviews, our paper examines how controllers deal with their dual accountabilities. Our focus is on interactions in which accountabilities cannot be easily aligned and when controllers do not want to face the negative consequences of ignoring one of their accountabilities or to escalate a role-related conflict upwards to the next hierarchical level. Our study thereby contributes to the literature which already shows *that* controllers often have to deal with different sets of expectations and hence role conflicts (e.g. Byrne and

Pierce, 2007; Hopper, 1980; Maas and Matejka, 2009; Sathe, 1983), but which does not explore in detail *how* they actually do so in their everyday work.

The main argument developed in this paper is that when interacting with actors from the finance function and/or operational managers and facing (potential) role conflicts (Katz and Kahn, 1978, p. 204), controllers make use of a broad set of informational tactics that enable them to skilfully control the flow of information and to thereby navigate within a complex set of different (sometimes conflicting) expectations and interests. Drawing on and advancing a taxonomy introduced by Barzilai-Nahon (2008), we further demonstrate that these tactics range from rather mundane tactics like “timing” or “framing” to tactics such as “manipulation” or “misleading”. These tactics further relate to different dimensions of information control (i.e. “when”, “how” and “what”) and depend on the respective leeway a controller can exploit in a given situation. Shedding light on the broad repertoire of various informational tactics, our analysis thus also adds to the literature on controllers’ handling of information, which has so far focused on selected practices such as budgetary slack building, earnings management or profit manipulation, through which controllers enact their loyalty to operational managers (e.g. Davis et al., 2006; Hartmann and Maas, 2010, 2011; Lambert and Sponem, 2005; Maas and Matejka, 2009; Puyou and Faÿ, 2013).

Overall, we complement previous work on controllers by arguing that even in situations in which a controller’s loyalty goes mainly to one particular actor or group of actors (e.g. the local business unit or HQ, see Maas and Matejka, 2009), she would try to handle information in a way that allows her to create a compelling ‘front’ vis-à-vis *all* her internal stakeholders (Goffman, 1967). Controllers who face role conflicts and the involvement versus independence dilemma (e.g. Sathe, 1982) thus often cannot simply choose either the involved or independent path (cf. Lambert and Sponem, 2012). Rather, they have to find ways to skilfully handle – and at least ostensibly satisfy – all expectations that they face in a given situation if they want to present themselves as competent interaction partners towards all their stakeholders involved. We thus argue that the informational tactics examined in this paper are vital elements of controllers’ impression management and face-work towards their internal stakeholders (Goffman, 1959, 1967) and help them handle their different accountabilities. The importance of the set of informational tactics as a resource for controllers to deal with different accountabilities thereby emanates from their general position within the organization as information workers (see e.g. Abbott, 1988; Alvesson, 1993; Drucker, 1969).

Our paper hence complements studies that look at controllers' allegedly unethical behaviour in the context of budgetary slack building, earnings management or profit manipulation resulting from their predominant loyalty towards the local level (see e.g. Davis et al., 2006; Hartmann and Maas, 2010, 2011; Lambert and Sponem, 2005; Maas and Matejka, 2009; Puyou and Faÿ, 2013). We demonstrate that even if business unit controllers, for instance, (secretly) side with local managers, they would still try to maintain the image of a trustworthy reporter or corporate watchdog towards HQ. This, in turn, affects their role behaviour and their performance (Goffman, 1959, 1967) in situations in which multiple stakeholders are directly or indirectly involved. Informational tactics enable controllers to enact their complex and multifaceted role and deal with role conflicts arising from their positioning near various intra-organizational boundaries (Katz and Kahn, 1978, p. 201). These tactics are 'situationally functional' (Ahrens and Chapman, 2007) for controllers when dealing with their different responsibilities. By selectively creating information symmetry or asymmetry, acting either reactively or proactively, controllers have the capacity to deal with an often quite complex set of expectations and interests. Informational tactics thus do not only help information gatekeepers to control access to information (Barzilai-Nahon, 2008), but can also serve a broader purpose for information workers like controllers.

From a theoretical point of view, we argue that informational tactics help controllers save their 'front' (Goffman, 1959) towards their different claimants within the organization by appearing competent and reliable to the different parties involved in information-centred interactions. Given the frequent experience of role-related tensions, it becomes understandable that the employment of informational tactics as a coping strategy emerges so often in their day-to-day work. Our study therefore suggests that using these tactics is just 'business as usual' in controllers' aim of 'getting things done' and a crucial element of their social skill set through which they manage their interactions with "and induce cooperation in others" (Fligstein, 2001, p. 105). Controllers wish to be seen by their various stakeholders as competent in their work and hence care about their expectations as well as potential challenges or tensions. They usually try not to lose the acceptance of even one, and surely not all, of their stakeholders; especially when it comes to conflicting situations where different interests collide and where controllers are somewhat caught in the middle.

In light of the above mentioned, our study also sheds light on the ambiguous position of the controller in the (social) process of informing (see e.g. Preston, 1986) and has implications for our understanding of their identity and image as so-called 'producers of truthful knowledge'

(Lambert and Pezet, 2011). The process of informing is characterized by actors' political interests and agendas. Information can be mobilized, or kept secret, so as to further the particular interests and support the respective position of an actor or a group of actors (see Burchell et al., 1980). Since controllers have to cope with a boundary-spanning role located at various intra-organizational (e.g. functional or hierarchical) boundaries and are thus often confronted with different or even conflicting expectations (Katz and Kahn, 1978, p. 201), the skilful use of informational tactics is crucial for their role enactment and their status in the organization. Sometimes, controllers may use unethical tactics in order to control the flow of information with the aim of creating or maintaining a certain 'front' (Goffman, 1967).

Informational tactics thus have a somehow 'double-edged' character as controllers use them situatively to either constrain or enable the information flow, to create information symmetry or asymmetry or to present information differently to different parties. Controllers hence often exhibit what we refer to as a Janus-faced behaviour, which problematizes the idea that they always seek to produce or communicate 'truthful' information. Our study rather suggests that controllers have to consider very carefully when, how and what to report to which other organizational actors. This could also mean that controllers act differently to different directions in order to enact their accountabilities and meet the expectations of their different stakeholders. With a view of creating a compelling 'front' of a competent or 'strong controller' (see Sathe, 1983), it is, however, important that the picture that controllers skilfully and carefully create through the information that they report appears 'truthful' to those confronted with it. What has been referred to as controllers' gaming behaviour in the literature (see e.g. Davis et al., 2006; Hartmann and Maas, 2010, 2011; Lambert and Sponem, 2005; Maas and Matejka, 2009; Puyou and Faÿ, 2013) thus seems to be an integral element of their work rather than an exception. There is usually a certain level of gaming involved when controllers handle information and at the same time deal with their different accountabilities, especially in cross-functional or cross-hierarchical interactions.

A further important insight from our study is that controllers use informational tactics for two interrelated types of face-work, namely what Goffman (1967) refers to as defensive and protective face-work. A defensive orientation means that a controller uses informational tactics in the first place to create a particular front for *herself* that makes her look competent to her stakeholders. Engaging in protective face-work, however, a controller would skilfully use informational tactics to save someone else's face. For instance, our study shows that a controller would sometimes use informational tactics to protect a business unit manager from a negative evaluation, if the current performance does not look reasonable from a HQ perspective. This, however, is not simply an altruistic act of the controller but a strategic move. Controllers typically behave in this way to help, for instance, a local business unit manager in order to, eventually, help themselves (Goffman, 1967, p. 14). Controllers know that in many situations they are dependent upon the support or willingness of others and hence need to find ways to persuade them to collaborate. By using informational tactics to help a particular actor, controllers thus try to subtly create a trust basis that helps them to successfully enact their role(s). This could mean, for instance, that in the example outlined above, the local business unit manager becomes more willing to share information with the controller, which ultimately supports his information worker role or enables him to act as local business partner and/or corporate watchdog. Our analysis also reveals that in some situations this could even mean that using informational tactics with an apparently protective orientation with the aim of saving others' (e.g. managers') faces can help a controller to improve her status and associated career-related situation in the organization. Using informational tactics can therefore be part of controllers' set of persuasion strategies (see Mack and Goretzki, 2017) through which they exert influence on others.

What seems crucial when using informational tactics is the controller's expertise and personal judgement. For example, setting up a provision that appears legitimate to others requires profound accounting expertise, business knowledge and persuasive power on the part of a business unit controller. Otherwise it could be difficult for her or him to convincingly justify vis-à-vis HQ why this particular provision should be regarded as acceptable. Expertise and judgement are also important because the controller has to decide how far she can go in a given situation without causing damage for the actors involved as well as herself and her image. For instance, a business unit controller can sometimes decide when to report something (i.e. use "timing" as an informational tactic) in the belief that a problem can or will be solved locally later on. If this problem cannot be solved however, she will also have to decide when to reveal the problem in order to avoid negative consequences for local management, the entire company or even herself because this may stain her image as trusted reporter or corporate watchdog. If local managers place reliance on the controller to deal with the situation properly, revealing certain information too late (or not at all like in the case of "withholding"), may even harm the controller's business partner role. Thus, not only the use of informational tactics itself but also the skilful evaluation and handling of such situations is crucial for establishing oneself as a 'strong controller' (Sathe, 1983). Our findings therefore also add to our understanding of the complex role that controllers – as information workers – have in the organization (see Jönsson, 2009).

As typical of any piece of research, our analysis is not only subject to certain limitations, but also creates some avenues for further research. One limitation of our approach of interviewing controllers is that it ignores managers' perceptions of the informational tactics used by controllers. Interviewing managers and learning about their views on controllers' handling of information would certainly enrich our understanding of how such tactics function and how transparent they are to the different parties involved.

It is also worth mentioning that our analysis did not evidence notable differences in the use of informational tactics between junior and more senior controllers. Yet, one may ask how junior controllers actually learn how to deal with the various accountabilities that they face. What type of experiences influence the development of the skills that they need in order to recognize the need for using informational tactics and their ability to know which tactic to use?

Finally, and relatedly, we consider it worthwhile to shed more light on the way in which the handling of information flows is part of controllers' identity work (see Morales and Lambert, 2013). For controllers, information is both a source of power and vulnerability and further research could examine in more detail how dealing with information shapes (and is shaped by) their aspired-for-identities.

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**Appendix**

**Table I: Overview of informational tactics (adapted based on Barzilai-Nahon, 2008, p. 1497)**

| **Dimension of information control** | **Informational tactic** | **Description** |
|---|---|---|
| **When** | *Timing* | Selecting the precise moment for beginning, doing, or completing an information process |
| **How** | *Repetition* | Saying, showing, writing, restating; making; doing, or performing again |
| | *Channelling* | Conveying or directing information into or through a channel |
| | *Framing:* | Re-presenting information in a particular way |
| | *E.g. Display* | Presenting information in a particular visual form designed to catch the eye |
| | *E.g. Shaping* | Forming, especially giving a particular form of information |
| | *E.g. Localization (incl. translation)* | Process of modifying and adapting information, products, and services to distinct target audiences in specific locations in a way that takes into account their local characteristics |
| | *E.g. Integration (and addition)* | Integration: Forming, coordinating, or blending into a new functioning or unified whole; Addition; i.e.: Joining or uniting information (we think integration and addition are similar and will use the term Integration) |

| | | |
|---|---|---|
| **What** | *Selection* | Making a strategic choice or choosing from alternatives |
| | *Withholding* | Refraining from granting, giving, or allowing a certain information |
| | *Disregard* | Paying no attention to information, treating it as unworthy of regard or notice |
| | *Deletion* | Eliminating information especially by blotting out, cutting out, or erasing |
| | *Manipulation* | Changing information by artful or unfair means to serve the gatekeeper's purpose |

**Table II: Overview of interviews**

| # | Code | Position of interviewee | Industry | Length of interview | Date of interview | Recorded |
|---|---|---|---|---|---|---|
| 1 | IP1 | Head of Controlling (Business Unit) | Insurance | 1h30m | 11.09.13 | yes |
| 2 | IP2 | Head Finance/Controlling (Plant) | Manufacturing Company | 1h19m | 16.10.13 | yes |
| 3 | IP3 | Head of Controlling (Business Unit) | Manufacturing Company | 1h10m | 17.10.13 | yes |
| 4 | IP4 | Head of Controlling (Business Unit) | Manufacturing Company | 1h40m | 24.10.13 | yes |
| 5 | IP5 | Global Financial Planning and Analysis Manager (Corporate Level) | Manufacturing Company | 1h19m | 28.07.14 | yes |
| 6 | IP6 | Controller (Corporate Level) | Manufacturing Company | 56m | 13.08.14 | yes |
| 7 | IP7 | Senior Controller (Business Unit) | Manufacturing Company | 1h35m | 17.09.14 | yes |
| 8 | IP8 | Strategic controller (Regional Level) | Telecom Company | 1h48m | 23.09.14 | yes |
| 9 | IP9 | Divisional Controller | Energy Company | 1h10m | 18.10.13 | yes |
| 10 | IP10 | CFO | Manufacturing Company | 1h18m | 18.11.13 | yes |
| 11 | IP11 | Controller | Manufacturing Company | 1h 57m | 19.02.14 | yes |
| 12 | IP12 | Controller (Business Unit) | Manufacturing Company | 2h25m | 26.08.14 | yes |
| 13 | IP13 | Country Manager and Controller | Manufacturing Company | 2h15 | 27.08.14 | yes |
| 14 | IP12* | Controller (Business Unit, Compliance-focus) | Manufacturing Company | 1h20m | 30.10.12 | yes |
| 15 | IP14* | CFO | Engineering Service Company | 1h20m | 08.11.12 | yes |
| 16 | IP15* | Finance Supervisor Marketing & Sales for two Scandinavian Countries | Manufacturing Company | 1h30m | 09.11.12 | yes |

* Pilot interviews

**Table III: Types of informational tactics in controllers' work**

| Dimension of information control | Informational tactic | Description | Examples from our field work |
|---|---|---|---|
| **When** | *Timing* | A controller chooses the moment of communicating specific information | Important to calm down people in HQ who might get nervous when numbers are not what they should be early in the year. In order to keep HQ calm, information about earnings is sometimes timed tactically (e.g. wait in order to see whether it improves) (IP1, business unit controller) |
| **How** | *Channelling* | A controller chooses a specific route in either collecting or disseminating information | If managers do not respond to email requests for information, the controller sometimes decides to visit them personally (sometimes together with a colleague who is more experienced in a specific area but also because it is easier if you show up as a team). (IP8, regional controller) |
| | *Framing* | A controller chooses to present or contextualize information in a specific manner | Numbers are sometimes what they are (i.e. cannot be changed much), but it's crucial to have a good argumentation/storyline towards HQ why the numbers are like that. (IP1, business unit controller)<br>When reporting towards the divisional CFO, the controller tends to smoothen the situation of missed targets by trying to narrate about corrective actions and an improving future. (IP11, business unit controller)<br>Controller prepares analysis for the CEO/CFO about sales numbers, which the CEO/CFO uses to challenge sales managers. The analysis is visualized in such a way that this becomes evident. (IP6, corporate level controller) |

| | | | |
|---|---|---|---|
| **What** | *Give-and-take* | A controller shares information with somebody with a view of getting other types of information in return | Sharing some rather sensitive information (e.g. while having a coffee together) with another person (you trust) in order to get other important information the person would basically not share with someone else in return. (IP8, regional controller) |
| | *Selection* | A controller chooses specific information that s/he communicates | Different information is reported within the unit (towards the business head) and towards the financial organization (less). Yet if the superior in the financial organization asks for more information that is delivered "without bending" as the CFO has the possibility to find out the figures if he wanted to." (IP13, business unit controller) |
| | *Withholding* | A controller chooses not to disclose/report specific information towards other parties | Sometimes information sharing towards the group level [HQ located in the UK] is limited and some information is not forwarded to the group level; especially if it could lead to higher targets (e.g. if the forecasts suggest an increase in sales but it is not clear if this is really a trend or just a short-term effect) or if it casts a negative light on the unit. (IP8, regional controller) |
| | *Counter-manipulation* | Having sensed manipulation of another party, a controller is counter-acting by employing her/his capacity to control the information flow | "I'm sure there's a lot of sandbagging in the sales organization [...] So then it's only so that the controller's job is to try to squeeze the air as [much] as possible from those figures" (IP13, business unit controller) |
| | *Manipulation* | A controller is involved in, or is a driving actor, in intentionally biasing | For the interview partner budgetary biasing, which he calls "sandbagging", is a natural part of budgetary processes. E.g. "but of course we set the budget so that we can reach it. We can reach our result target with the minimum volume we can achieve. And of course |

| | | | |
|---|---|---|---|
| | | financial plans or reports | we reached better volume than we set.” (IP13, business unit controller) |
| | *Misleading* | A controller intentionally distorts financial communication | IP12 thinks he has found effective ways of dealing with auditors in such a way that he can control what they pay attention to (leave them little things to find) and what they don’t. He calls that “mushroom management” (“You keep them in the dark and feed them shit.”). (IP12, compliance-focused business unit controller) |