

Accountability for “negative” sustainability values

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Abstract

Issues to be accountable for, and values, have usually both been seen as positive and desirable. This paper presents a case company in which accountability for both positive and negative values in relation to different forms of sustainability is prevalent. However, all values are always positive from the point of view of the accountable person, but others may see some of these as negative. The study shows how accountability for “negative” values is justified, and what the differences between the two forms of accountability are. The two competing accountabilities presented here are accountability for sustainability and accountability for the economic. The first mentioned accountability is dominant and seems to require less justification, while the second one is more peripheral and is justified more extensively. This justification takes place by tying this form of accountability to the dominant form of accountability and to wider ideas such as private sector practices (promoted as preferable) and rationality. Consequences for an understanding on the relations between rationality and non-rationality are discussed.

1 Introduction

Issues to be accountable for have usually been seen in principle as positive and desirable, as targets worth aspiring (Sinclair, 1995; Ahrens, 1996; Roberts, 1991, 1996, 2009). However, it is also shown in the literature that many forms of accountabilities can eventually lead to less than desirable consequences, such as excessive individualization (Roberts, 1991, 1996), ethical burdens such as too much focus on the process of evaluation instead of the evaluated action (Messner, 2009), excessive focus on transparency that is not physically attainable resulting in a blame avoidance mentality (Roberts, 2009) and conflicts between different accountabilities (Messner, 2009). The good intention does not always get realized.

Accountability literature has detailed different accountabilities in terms of the discourse within (Sinclair, 1995) and the form of accountabilities (Sinclair, 1995; Roberts, 1991, 1996; Ahrens, 1996; Shearer, 2002) shown, for example, as individual and collective accountabilities (Roberts, 1991, 1996). Some of this literature has taken stands as to certain accountabilities sometimes being more desirable than others, implying that the collective accountabilities have many positive sides although the individual could also be beneficial in certain situations (Roberts, 1991, 1996). Here this dichotomy of “good/bad” is focused on; it is shown how certain forms of accountability could be seen and justified by people as “better” or “worse”.

The issues to be accountable for have usually been seen as valuable, positive and inherently “good”, and thus an integral relation between these issues and values is considered in this study. Values have also been treated as exclusively positive issues, something “valuable” albeit unclear and perhaps difficult to define, based on the culture of a given company or group of people (Meglino &

Ravlin, 1998; Merchant & Van der Stede, 2007; Alvesson & Kärreman, 2004; Langfield-Smith, 2008; Chenhall, 2003; Ouchi, 1979). Accountability literature has traditionally implicitly taken the issues to be accountable for as rather clear and quantifiable, such as performance measures or more specific tasks (Munro, 1996; Willmott, 1996), although clear steps have been taken to the direction of seeing issues to be accountable for as vague concepts not always easily definable (Messner, 2009; Roberts, 2009, see also Sinclair, 1995, as an early example of this). This also relates to the different forms of accountabilities; the individualizing form of accountability takes place for rather measureable performance indicators, while the socializing form of accountability seems to assume an inherent idea of values or something non-concrete behind the more specific performance indicators; in order to be socially accountable, an individual has to subscribe to certain common values in addition to purely mundane work tasks (Roberts, 1991, 1996, 2009; Messner, 2009, p. 922).

The study employs an empirical setting of a state-owned company in the building industry. This setting is particularly interesting in that there are two accountabilities in this company that are in certain ways exclusive to each other, and competing against each other, although one of them is clearly more widely accepted and the other more peripheral. This setting allows us to look at how the dominant and peripheral accountabilities can be justified in different ways, the more dominant accountability being taken as the more “obvious” choice and the peripheral as needing to be justified more explicitly. We analyze how people justify their own values as positive compared to others who see those values as clearly negative. The paper thus presents a case company in which accountability for both “positive” and “negative” values is prevalent; values are always positive from the point of view of the accountable person, but others may see some of these as negative. The research question can be presented as: What is accountability for negative values and how is it justified?

The study contributes to the literature on accountability (Munro, 1996; Willmott, 1996; Roberts, 1991, 1996, 2009; Messner, 2009) by showing how accountability for “negative” values is justified. The study presents the differences between two forms of accountability, different from those as outlined by authors such as Ahrens (1996) and Roberts (1991, 1996, 2009). The two competing accountabilities presented here are accountability for sustainability and accountability for the economic (see Messner, 2009, p. 931). The accountability for sustainability is dominant and for that reason requires less justification, at least openly, while the forms of the accountability for the economic are less dominant in the organization and these forms are thus justified to a larger extent. The forms of the accountability for the economic range from a focus on the amount of money one can receive from the scorecard-based compensation system to more general ideas about the preference for certain features such as professionalism, control, rationality, effectiveness, result and customer orientation, many of them often being presented as tied to the private sector. The justifications thus tie the accountability to more extensive ideas outside the case company such as private sector practices (presented as admirable) and general rationality. The justifications for the more peripheral accountability are also tied to sustainability, the dominant form of accountability in the company, in order to raise the perceived weight of these justifications. Interestingly, both forms of accountability seem to claim allegiance to rationality and implicitly or explicitly attribute to the other form of accountability the position of non-rationality.

The study is structured as follows. The theoretical section presents accountability, values and discourse of sustainability and its alternative, as shown in earlier literature. This is followed by the presentation of the methodology, empirical study and discussion and conclusions.

2 Theoretical directions

2.1 Accountability

Accountability involves certain basic questions such as what accountability is, who is the accountable one, to whom one is accountable, regarding which issues, and in what ways (Munro, 1996, p. 16). In the heart of accountability, there is always a question of one's own identity and the related identity work (Munro, 1996, p. 16; Willmott, 1996). However, in this paper we take an approach towards more of the outside; towards whom accountability is directed and how.

There are complexities in defining accountability. Accountability has been seen as the potential or obligation of a certain entity, perhaps a person, to explain, justify and take responsibility for certain issues (Messner, 2009, p. 918; Cooper & Owen, 2007). Overall, accountability is related to the very general ideas of answerability, responsiveness, dialogue, justifications and responsibility (Shearer, 2002; Sinclair, 1995; DeZoort, Harrison & Taylor, 2006; Cooper & Owen, 2007). Accountability is about the formal or informal giving of accounts (Munro, 1996). Embedded with the construct of accountability there is intersubjectivity (Shearer, 2002, 545; Schweiker, 1993) or certain relations between "the self" and "the other".

Varying forms or styles of accountability have been presented in the literature. Ahrens (1996) studies and compares two different styles of accountability, the British risk-and-return accountability and the German accountability that can be seen as based on functional expertise. Sinclair (1995) sees accountability in its different forms as political (being related to political and rather formal institutions), public (accountability of e.g. politicians to the general public), managerial (responsibility in and for organizations), professional (general professional conduct or accountability to a certain profession), and personal (related to very personal values and experiences) (Sinclair, 1995). Moreover, Sinclair (1995) presents two discourses of accountability: structural discourse as formal and often normative, and personal discourse that contains the individual experience of accountability. Roberts (1991, 1996) discusses and compares two forms of accountability, the hierarchical/individualizing and the socializing one, representing two kinds of focuses on the relation between the self and the others; the hierarchical/individualizing constructing a solitary self and the socializing an interdependent self.

Accountability to stakeholders, "the other", has been considered beneficial and desirable (Shearer, 2002; Cooper & Owen, 2007; Sinclair, 1995; Bebbington, 2009; Unerman & Bennett, 2004; Freeman, 1984). The (potentially) reciprocal relationship between organizations and (the rest of) society has been called "ethic of accountability" by Dillard (2007), and public interest has been seen as being integrally tied to accountability (Dillard, 2008).

2.2 Values

Values have been extensively studied in the context of both individuals and companies. In the literature on strategy, company values relate to such ideas as the mission, vision and strategy of a certain company (Lipton, 1996; Johnson, Scholes, & Whittington, 2008). The existence of individual values should also be recognized, although in this paper values are seen as rather collective constructs (Meglino & Ravlin, 1998) representing certain collectivities.

Values have been presented as an integral part of management control systems (Malmi & Brown, 2008; Merchant & Van der Stede, 2007); as companies' cultural controls, alongside symbols and clans (Malmi & Brown, 2008) or as forming a part of belief systems (Simons, 1995), which means that they are explicitly brought up and detailed in companies' mission and vision statements or credos (Simons, 1994). When values are seen as management controls, this implies that their purpose is the achievement of company objectives (Malmi & Brown, 2008; Merchant & Van der Stede, 2007). Recruitment and placement procedures (personnel controls) could in principle be used to affect company culture towards the direction wished for by company executives (Merchant & Van der Stede, 2007).

Values have been treated in the literature as rather vague and informal; however, not all authors agree on this to the same degree. Simons (1995) presents values as formally inscribed in credos and other material instruments of company control, while most of the other literature (see e.g. Alvesson & Kärreman, 2004 on socio-ideological controls; Merchant & Van der Stede, 2007) treats values generally as very informal. Values have been seen as a loose and contextual frame (not even a framework) (Malmi & Brown, 2008, p. 295), a certain "way of thinking" in company context. The property of values as being incoherent and loose also causes difficulties to the literature on values in defining their nature (Meglino & Ravlin, 1998). In the literature, values are assumed and presented as unclear, imprecise, implicit and qualitative (Langfield-Smith, 2008; Malmi & Brown, 2008; Chenhall, 2003; Merchant & Van der Stede, 2007; Alvesson & Kärreman, 2004; Ouchi, 1979). Despite their unclear nature, values have been seen as rather unchangeable and durable (Malmi & Brown, 2008).

Values have also been presented as exclusively positive (Meglino & Ravlin, 1998; Merchant & Van der Stede, 2007; Alvesson & Kärreman, 2004; Langfield-Smith, 2008; Chenhall, 2003; Ouchi, 1979), as "valuable", and negative values have not been acknowledged. However, there are values that can be contrary to each other; for example, speed could be a value and slowness (possibility to take things slower) could also be a value. Here these values would be negative compared to each other: the person who advocates speed would see slowness as a negative value while the person who advocates slowness could see speed as a negative one. Here the idea of "excessiveness" or "degree" is also important. For a person preferring speed, a certain slowness can be acceptable as a value, but not if this slowness becomes "excessive" relative to a certain standard.

2.3 Sustainability and the economic view

Sustainable development has usually been defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs (WCED 1987, 43). Sustainability can also be perceived as the impacts of companies and these companies' actions on

the external environment of these companies and the implications for future (Aras & Crowther, 2009, p. 279; Burritt & Schaltegger, 2010). Corporate Social Responsibility (CSR) promotes the idea that organizations should acknowledge stakeholder need widely, stakeholders being seen as not merely shareholders, but also including creditors, consumers, or the general public (Carroll, 1979; Freeman, 1984; Windsor, 2006). Sustainability and CSR are often presented as consisting of three pillars: economic, social, and environmental (GRI, 2013), representing “the Triple Bottom Line” (Gray, 2010); the three pillars of People (i.e., social), Planet (i.e., environmental), and Profit (i.e., economic), promoting the importance of all of these “bottom lines”, not just the profit (Elkington, 1999).

There have also been alternative, different interpretations of sustainability. The most famous of these is probably that of Friedman (1970) who claims that companies are organized for the sole purpose of increasing shareholder value, and doing anything else is unethical for shareholders and in effect represents the stealing of shareholder money. This relates to the more general view in neoclassical economics within which increasing the performance of a given economic entity is sustainable and ethical; this relies on the assumption that if economic transactions, in principle, are voluntary, they are all beneficial for all of the parties involved (Benston, 1982; Friedman, 1970). The consideration of shareholders and shareholder value, and the economic, is thus vital and ethical – although this has been criticized extensively (e.g. Aglietta & Reberieux, 2005). There can thus be conflicts between accountabilities, as simultaneously directed to only shareholders and other, wider groups of stakeholders (Messner, 2009, p. 931).

The sustainability accounting literature has considered sustainability widely in terms of the roles accounting practices have within sustainability (Burritt, 2004, 2012; Burritt & Schaltegger, 2010; Epstein & Roy, 2001; Ferreira, Moulang, & Hendro, 2010; Gray, 2010; Gray & Bebbington, 2000; Henri & Journeault, 2010; Hopwood, Unerman, & Fries, 2010; Schaltegger & Burritt, 2010). Within this literature, the focus has been on what sustainability means for business and for accounting (e.g. Gray, 2010; Virtanen, Tuomaala & Pentti, 2013). Accountability, the giving of accounts, has been seen in relation to sustainability as the triple ensemble of the environmental, the economic, and the social (Gray, Brennan & Malpas, 2013, p. 5).

3 Methodology

The research purpose of achieving an in-depth understanding of the actions and mindsets in a given empirical setting has necessitated the use of an intensive case methodology (Stoecker, 1991). This kind of an understanding assists in answering the research question on the accountabilities in the organization. The data that the paper relies on have been gathered through interviews and as archival data.

The case company, termed BuildingCo, fits this research well because there are two sets of competing values in the company context and interviewees have themselves been able to distinguish between them and provide rationalizations for each of them. Sustainability discourse has been powerful in the company; BuildingCo has received several nationally well-known awards for its sustainability reporting, produced since 2002, first on paper, and at the time of the study on the internet. State ownership is particularly vital here as it was acknowledged by several interviewees to

promote a real concern for the accountability for sustainability, the organization not being derailed from this goal by excessive profit focus. However, there are also voices in the company that can be interpreted as alternative to this discourse. The way these voices emerge and are justified is particularly interesting here, as they are not perceived as legitimate and natural in the same way as they would be in a private company aiming for profits.

Sustainability is also a particularly important issue in the building industry due to accusations according to which many companies in this industry generally perform their business in a non-sustainable way. These companies have been seen to do quick fixes that threaten the quality of the buildings and the health of the people stationed within those buildings, and some of these companies have even been engaged in illegal practices regarding e.g. immigrants without work permits. Thus there are controversial characteristics in this industry regarding sustainability, making it an interesting context. The empirical case material thus assists in answering the research question on controversial accountabilities.

Altogether 55 interviews were carried out with company (former) personnel and with its stakeholders. The employees interviewed were selected very widely, including people from many different layers of the organization, the board and executive layers, the executing layer (property managers of individual buildings), and other management layers in between. People in both the line organization and in support functions were interviewed, as were people whose direct responsibilities included CSR reporting as well as other employees who did not have direct contact with CSR (but see below on how the company policy was that everybody in the company should be involved in CSR anyway). Former employees with experience from multiple organizational levels and from diverse tasks at BuildingCo were also interviewed and these proved particularly helpful because they provided access to well-thought-out commentaries when people had taken a certain distance to the case organization and were able to reflect on their own experiences in the organization from that distance. It is also noteworthy that all of the former employees had left the organization so recently that we judged we could trust their accounts; they were able to provide very specific examples on the issues discussed. We also interviewed representatives of many of the stakeholders of the case organization in order to gain context to the company environment and to shed additional light on the two different accountabilities; several stakeholders brought up general views on these accountabilities, acknowledging their existence. Stakeholders interviewed were representatives of service and materials providers, the owner (state representatives), competitors, customers, and the overall community.

When interviewing BuildingCo (former and present) employees, we focused on what sustainability concretely means for the employee in his/her own work and why, as well as for the organization in general and why, and as a part of this, relations with and accountability to stakeholder representatives. Values emerged as very apparent in the interviews particularly in relation to sustainability. In stakeholder interviews the interview outline was focused on how the stakeholder representative in question viewed BuildingCo in the frame of reference of sustainability. It was rather common that a previous employee of BuildingCo was also a stakeholder to the organization, for example a competitor or a customer representative. When this happened, interview questions from both internal and stakeholder perspective were used and these people were particularly

valuable for the study as they had very specific experiences with BuildingCo from (at least) two different angles. Appendix A details the interview themes.

We used semi-structured interviews in order to encourage interviewees to talk freely based on their own ideas on the proper answers to the themes presented (Rubin & Rubin, 1995). We used probing questions to understand more general issues the interviewees brought up and in order to bring up specificities in relation to these generalities presented in the interviews. All interviews were conducted as face-to-face meetings in Finnish as this was the language with which both interviewees and interviewers were very familiar with. Both researchers were present in all interviews except for one.

As an integral part of the interview protocol, we explained to interviewees in the beginning of the interview about the confidentiality of the issues to be said and that we were doing an “objective” research study, not a “subjective” commercial study paid by the case company. We did not receive any payment from BuildingCo except in the form of the generous donation of time the interviewees provided to us. As a part of the protocol, we also enquired for a permission to record each interview, and this permission was denied by one interviewee, in which case the interview was transcribed while interviewing (one of the authors focused on writing and the other on asking questions). The final written version of this interview was then prepared immediately after the interview as a document that both of the researchers present in the interview agreed on. Again, as an important part of the protocol, we asked interviewees to suggest additional interviewees by the so called snowball sampling method. This not only resulted in interesting interviewees with varying points of view, but also allowed us to see how certain interviewees were organized as clusters or clans who would always suggest interviewees from within their own cluster.

As a process issue, the authors performed a reflective discussion after each interview, consisting of critical evaluation of the interview and the issues discussed; their novelty and importance for the theoretical issues. These reflective discussions became shorter as the data saturated and there was less novelty. However, due to the processual nature of the interviews, being temporally located within three years (2013, 2014 and 2015), there were always new developments in the organization and therefore some novelty was always present in each interview.

Archival data (Vaivio, 2008) were also used mostly to increase the researchers’ understanding on the context under study. These data were varied and included CSR reports and other material on the company web site, internal BuildingCo documents, histories, other publications by BuildingCo, publications by the stakeholders (including building infrastructure information in relevant areas), National Audit Office publications on BuildingCo, the Government Premises Strategy and the State Real Estate Strategy as the most important documents related to BuildingCo business and designed by the Finnish Ministry of Finance, and finally, articles of BuildingCo in Finnish magazines and newspapers. Appendix B lists the sources of data.

The analysis was implemented as follows. We began interviewing the sustainability experts in the company and soon noted that some of them considered that not all employees were entirely sustainability-oriented, or that there were at least certain differences on how this sustainability was understood by people. With our snowball sampling method, we were also quite soon able to locate some of the people with divergent views, many of them former employees and some quite new to

the company. We then studied the differences in these two views and in the rationalizations for these views, listing them, making notes of them, and presenting them in the empirical section. The differences in these two views were compared and extensively analyzed.

4 Empirical findings

The strategy and operations of BuildingCo

The case company is 100% owned by the Finnish state. Its sales in 2014 were 660 million euro (in 2013, 630 million euro) and it employed a little less than 300 people during the period of study. It relies on subcontractors in the actual work, doing more of the high-profile design and planning work itself. Here it is possible to see that the sustainability-related¹ target as stated by company executives, that the sales and business of the company should be reduced in order for it to become more sustainable (based on certain degrowth principles and the efficiency of space used), had not materialized – albeit it has to be admitted that the growth had not been very high either. Appendix C shows the organizational structure of BuildingCo as built based on the company internet site. Appendix D presents a construction prepared by the researchers on the wider network of BuildingCo operations.

The formal and stated primary goal of BuildingCo was the fulfilment of any of the premises-related needs of the state. This was done by offering physical spaces and important services that had the quality of supporting the efficient/effective use of the premises and state's space so that the other state organizations could focus on the achievement of their own goals, in a cost effective manner. This thus represented the strategy of BuildingCo.

It was felt by company management that “sustainability” should not remain as a separate entity, taken as the mere interest of the communications department for outside brand building purposes, as it often does particularly in private companies. Rather sustainability should optimally be perceived as an integral part of all of the operations of BuildingCo. The sustainability director, who was also Chief Operating Officer (the right hand and stand-in for the CEO), was very eager and excited to talk about sustainability and was mentioned by a few interviewees as the energetic driving force behind sustainability, as exemplified below.

Yes, I think that [CSR] is a strong theme here and it is seen as vital. And then, I think it is important that the Chief Operating Officer is strongly committed with his own values and actions. In my mind it is quite a powerful single factor and strength, I appreciate it. But [CSR] is here widely [acted on], it does not depend solely on him but [it is] widely [done]. The employees at BuildingCo admit and acknowledge that they should operate in this way. (CFO, BuildingCo)

Stakeholders often said that they perceived BuildingCo as the frontrunner and exemplary company in the field of construction in terms of sustainability. This view was heightened by the fact that the industry as such suffered from serious difficulties in terms of the quality of the output and processes employed. An interviewee described his views on BuildingCo:

¹ Sustainability and CSR were both referred to in the interviews; often interviewees did not see a reason to differentiate between them.

Q: How content have you been with the CSR and the CSR reporting of BuildingCo or have you noticed any problem points [in them]?

A: No, no [problem points]. I am very satisfied. It effectively represents the best practice we have in Finland... It is good that BuildingCo [uses best practices], perhaps BuildingCo should take in use the best practices from service and materials providers and implement them... Perhaps it is more the buyer's responsibility, in a sense, no service provider can do it by force, [the service provider] cannot press but can suggest that hey, [we have such a good practice]. It is good that BuildingCo has been active, so that [BuildingCo] demands [good standards]. They have created standards for the industry, for instance [standards] on how service providers report on environmental issues. It is really so that later on other companies, like [a competitor in the private sector] and others have begun to implement them. So, BuildingCo has been a forerunner in this. (Representative of a competitor)

Here two forms of accountability are presented, accountability for sustainability and for the economic. There were differences regarding these two forms of accountability in terms of how the essence of accountability was seen as well as to whom accountability was directed and for which issues people considered to be accountable for. In addition, there were particularly differences in how, and on what terms, the accountability was justified.

Accountability for sustainability

This form of accountability entailed a certain conceptualization of the essence of accountability as such. Accountability was seen very widely, as an encompassing entity that optimally contained everything that the organization was and did.

[CSR is considered] widely, it was been said in the strategy and through that it is being pushed to all our performance trees² and scorecards – it is quite a nice control system. But... we do not really think about CSR as a word or as an action, it has been a part of our operations for such a long time, that its detachment [from our operations] would mean that the [entire] organization would be paralyzed at once. Our ways of thinking and acting are already so deep within it. It has guided [our] operations for so long that it has become part of the operations. (Expert, BuildingCo)

People who saw accountability in this way usually considered accountability to quite wide entities, such as the globe or the entire (Finnish) society or people. Different levels of accountability, narrow and wide, were acknowledged. It was felt that narrowly perceived accountability was about mere juridical accountability, but widely it was perhaps about societal accountability, as referred to below.

Well, BuildingCo is owned by the Ministry of Finance, so the juridical accountability [of BuildingCo] is surely to the Ministry of Finance, but I think in practice we are more responsible for taking care of the working premises of the civil servants. So, perhaps the financial and juridical [accountability] is to the Ministry of Finance, but if you think

² A way of organizing performance measures, more information on this will follow.

more widely, BuildingCo is of course a part of society. Among other things, [it is] the largest property owner in Finland, so our responsibilities also extend quite a lot further, so that regarding many issues we lead the way in the industry just because of [our] size. Through that [our accountability] extends to the industry; the extent of the responsibility of our operations perhaps will also affect the actions of a few others [in the field]. I think that the prevention of the grey economy and of white-collar crimes is quite a good example of this. We have invested in that much more than the law demands and we also promote sustainable operations. (Investment Director, BuildingCo)

Such an accountability is sometime justified in general press in terms of if the globe (and sustainability that would uphold it) does not exist, then nothing matters anymore; that we have to first and foremost guard our globe. These kinds of justifications did not dominantly emerge at BuildingCo although they were referred to by some. Rather, more often it was said that if you do not have sustainability issues in control, then you do not have any other operations in control either; sustainability was seen as an indicator on how things generally are dealt with and as integrally connected to operations. It was also felt that sustainability in terms of the social and the environmental is the way in which the economic can be made to work sustainably. The following quote illustrates this.

In principle, I have been reflecting this issue so that for me sustainable development has the meaning of the definition of the Brundtland Commission, a mental model I think that is still partly wrongly emphasized. It is said [in the document of the Brundtland Commission] in detail that taking into account the social and the environmental issues will enable an economically sustainable society in the long run. So,... the economic is a kind of emphasized but, in a way, it includes the idea that we have to take into account the society widely in order to ensure economically sustainable development. In addition, the view in sustainable development is the long run future. We are not speaking about the next year or the year 2020 but we are speaking about a historically long time period, for instance a hundred years, two hundred years, like these our constructions. This is my interpretation on and view of sustainable development. (Chief Operational Officer, BuildingCo)

Some interviewees felt that the economic and the sustainable were more or less in line. However, others did point out that there were contradictions between these.

[We should] aim at renovating and maintaining properties at a time when it is still economically reasonable enough, in a way, but so that we are not doing unnecessary repairs. It is such balancing: [if] the roof leaks, do we repair only that acute leaking or do we paint the whole roof or do we coat the whole roof or do we replace the whole roof. Well, it is always case by case... [But] you can always say that functionally the best solution is always to renew totally. If we [completely] replaced the roof, we could suppose that this would form the best result, but the functionality and the economic do not surely go hand in hand then. You cannot have it all. (Property Manager, BuildingCo)

The company employed scorecards, measurement systems that were targeted at all employees at every level of the organization; bonuses were based on them. Measures relied on a balance scorecard model, encompassing different perspectives. There were financial and non-financial measures, such as lease income and energy savings, and employee motivation, both internal and external customer satisfaction, and the number of buildings remotely controlled. In addition to the scorecards, “performance trees” were used; these trees visually showed cause-and-effect relationships between measures (see Appendix E for an example). The measures were presented as very general within a given tree and were much more extensively specified in scorecards. Each employee and the entire BuildingCo had such an own tree.

A connection could be made with the environment and the performance tree, the tree representing the planet in the form of a living plant – although none of the interviewees made this connection. Perhaps the tree could also be seen as standing between the economic and the environmental – representing simultaneously the scorecard and the environment.

It was said that there was a certain “black-and-white” way of seeing things, for example only making those repairs that were stated in a contract or a piece of regulation or only performing those practices that were included in the scorecards. Actually, if working in the spirit of sustainability, in case a new better way of performing e.g. repairs emerged, the company should take up this – and it was said that it usually did – even if that new better way was not required by formal contracts or regulations and was costlier. Sometimes this accountability was connected to the “big picture”; if a person looks at only a certain detail, this accountability would not make sense but would only become understandable based on something wider and larger, the idea of sustainability. The quote below refers to this big picture.

At least one quite a considerable thing is just to make sure that the practices of our co-operators and service providers are all in order. So, we have had much training and information coming out and we repeat at every turn just about [a web page concerning the responsibilities of those who order work] and about these tax number issues that have now appeared. Well, probably these issues would get done [at some level] also in other companies, but you would not necessarily understand what they relate to and that they are a part of this bigger picture [of sustainability]. This is at least one example. (Property Manager, BuildingCo)

It was also felt that scorecards tend to direct employees towards only those issues that are written in the scorecards, leaving other important issues neglected. Thus a more holistic view was preferred. The following quote explains this viewpoint.

I am so bad at looking at bonuses, or where you can get bonuses, I am very bad at looking at them. Because I think that they come into the bargain if they are coming. If you begin to live according to those indicators,... of course such issues in order systems in which you set a target, that is a clear operational control, but otherwise, quite often the bonus and the targets in the scorecards also guide operations to a wrong direction. Well, they, they have the bad habit of directing actions towards only those issues that are written in them. And all the issues over and above that, all those that you of course are not able to fit in the written scorecard drop down into a kind of a B-class which is

always bad and therefore I have never budgeted [the bonuses] in my own economy in any way. So, if they are coming, they come along with the other actions, but... not because I would be watching for them, just to take particular care of those issues. Usually they go hand in hand: if your actions otherwise get through inspection and are correct, then the right issues in the scorecards are also being taken care of, this is how this goes. (Property Manager, BuildingCo)

Although the globe was often not referred to, it was often said that one needed to “do the right thing, first and foremost”. People talked a lot about internal motivation derived from doing good as opposed to external motivation coming from scorecard-based compensation. The following quote shows this side of this accountability discourse.

Q: Is this scorecard a good way to motivate you?

A: Yes [it is], in principle, but it should not be too directive either, well, you should always remember this accountability, I feel that we have to work well and in such a way that our customers and owners and others are satisfied, and after that the scorecard shows some figure. It means that [that figure] is good and sometimes it can also be bad. But quite often they match well. (Regional Manager, BuildingCo)

The justifications also often centered around the view that one achieves something valuable by acting sustainably, such as increased customer satisfaction and through that, company success. The quote below shows how reputation can be achieved with sustainability.

It has been said that a company that has taken a good care of its issues, has been innovative, creates a good reputation for itself, and it is also more durable during bad times. Vultures do not attack right away. And... you can also get through a bad stage because you are trustworthy and you have got so strong evidence [speaking for yourself] – more understanding [by stakeholders] will be found... These kinds of issues apply to any company or organization. (Former CEO, BuildingCo)

There were also highly ethical viewpoints on how people chose sustainability because they wanted to have meaning in their work. This meaning was sometimes talked about in terms of culture, and one interviewee even went so far as to say how he saw two kinds of people in the organization, culture-oriented and economy-oriented people, the former being more interested in the preservation of valuable buildings and the latter about the rents one could extract from those (and any other) buildings. This “meaningfulness” was, however, not so popular way of talking about this accountability and it seemed that only those with the most fervor towards this issue actually raised it. It was possible that this kind of talk would have been considered in such an expert organization as unnecessarily hubris-related. The following quote, however, shows some of this kind of talk.

One of the key reasons... I started to work at BuildingCo, or the most important reason, was that sometimes for the directors in international companies, in listed companies, the return on investment was the only source of motivation. So earnings and dividends... and so on. It did not give me [satisfaction]... Even when I did meaningful work, but as I started to lead such a company, I had very good projects in

which I was motivated through those projects, but as I became a director of a consulting company, it really became concrete that the purpose of my work was to create return on the capital invested. I did not find any reason why I should do such... I was seeking just, genuinely, a job that has a “so called” meaning. And BuildingCo is an organization that serves all the Finns, the Finnish state and this makes the work very motivating. To do work that benefits everybody, every single Finn. If not directly, then indirectly, that is, for taxpayers. Well, this way. You can daily see that a large part of the employees in BuildingCo feels the meaningfulness of the work...And for me personally,... this conservation of buildings and treasuring the cultural heritage, the state being one of the largest owners of the cultural heritage, and working with them, of course, motivates me personally. Well, this has been a kind of cause for inspiration in life. Old buildings and their preservation. (Chief Operational Director, BuildingCo)

This accountability was connected with a certain attitude towards money; maximizing the amount of money was not seen as very important but perhaps leading to opportunistic behavior. The following quote describes how this happens.

I think that you should always be able to reward for good performance, but in a way, is it the final aim of BuildingCo to earn yields... This company should not be given a role based on a performance-related pay... to get enormous executive [stock] options, perhaps it is not that kind of a place... instead, if you think about the management group of [a private listed company], they earn huge money, they earn like four times more than the members of the management group of BuildingCo... So, nowadays such gimmickry with the performance indicators, in the private sector you have certain performance indicators and you get some bonus based on [those indicators], well it drives people in all [possible] ways. So, you fine-tune [the values of] those indicators, you take risk, even dubious risk in order to make the indicators look good. Because it is quite an opportunistic world and the business world here as a whole has become like that. (Representative of a competitor)

Stakeholders sometimes talked about very idealistic and eternal ideas, like the importance of the planet. The cultural heritage was also sometimes connected to these ideas; one interviewee explicitly linked the economic, the ecological, the social and the cultural sustainability together, seeing the ecological as the most important basis for all the others so that for example in the heart of culture is the satisfaction of the ecological demands which then creates important cultural heritage. The quote below refers to stakeholder talk about the nature. Such talk was not present at BuildingCo.

The society... is us all,... not only people, but I think that society also encompasses the nature. No, one cannot differentiate, we are all part of this ecosystem... You cannot separate the nature and... the natural resources that people use, or society uses. So [we] all have the responsibility, [it is involved] in [all of] our existence here, it is all of us who live here [on this planet]. (Stakeholder representative)

Accountability for the economic

In terms of the accountability for the economic, the essence of the accountability was often seen in narrower terms, focusing on the issue of money. The quote below shows some of this talk.

The economic is like the main starting point of this [customer focus], the economic is the head, and then the environmental and then the social... It is the government's money [we] are using here. (Controller, BuildingCo)

It was also noted in several interviews that the economic was important in government in general because this government was increasingly out of money and there was a need to save in everything. It was even said that sometimes sustainability was being overridden by purely economic considerations in governmental processes. Relatedly, it was also pointed out that efficiency in the use of space would assist in keeping rental expenses under control.

An interviewee referred to the kinds of people supporting the accountability for the economic as those for whom scorecards were the most important (this was said in a situation in which the microphone was turned off, perhaps reflecting the sensitivity of the issue). This is interesting in the sense that these people were named after a “scorecard”, not “money”, “economic”, or “management”... The scorecards were therefore a defining issue for this accountability. They represented clarity, objectivity, manageability and money. The interviewee also said that those “scorecard-people” (the term coined by the researchers, not by the interviewee) were those who did not have CSR as the number one value; this issue was thus also connected to values.

BuildingCo proactively brought to its customers so called “multi-space work environments” in which the workplace consisted of different work areas for different purposes such as areas meant for group work, quiet work, informal conversations, more formal meetings, and larger events. When transferring to such work environments, individual offices would be abolished and such novel work spaces could relatively easily be modified; all these changes would save space, and with it electricity and energy. BuildingCo had transformed most of its own offices based on this standard; for example, the CEO of BuildingCo did not have his own office (although for convenience reasons it had been agreed that if he is in the company building, he usually is in a certain area so that employees can easily find him in case they need to talk to him). The interviewee below refers to this “multi-space work environment” when he mentions work environments. He considers that the savings from such environments are more vital than the cultural history; there is a certain condescending attitude towards the history here, productivity today considered as more important. It is also interesting how history is measured in monetary terms in this quote.

[You asked about] the societal effects [of BuildingCo]... Someone could say that we have accountability for four and a half billion [euros] worth of Finnish so called national property... there are those valuable buildings that are tied to the Finnish cultural history... but perhaps more important than that I would say is that we have a chance to improve the productivity of governmental work, meaning work satisfaction... The governmental pain seems to be to get more [work] done with less people and we can contribute our share to that by creating these kinds of work environments. (Leading Expert, BuildingCo)

An interviewee who attributed a high degree of importance to scorecards described in a very detailed and numerical way the content of his scorecards. After this he said that he was ashamed that he perhaps did not remember everything that was in his scorecard, only the most important things. Another interviewee felt that the elements of CSR were being defined with the scorecard and that the “euro is a good consultant particularly in the field of energy efficiency” meaning that scorecard targets measured in euros were good and effective targets. Some interviewees also said that they would be motivated by monetary rewards if those rewards were larger than they currently were.

Those compensation systems, they are [only based on] certain measures and such a small part [of total salary], that you do not think like that I do this job because of them, that they somehow motivated me to do this job... They are kind of artificial... Such small [bonuses], that they somehow affected the daily doing, you do not think that way... They should be larger so that they had some kind of an effect and meaning.
(Former Property Manager, BuildingCo)

In terms of this form of accountability, the idea of to whom one is accountable, was often seen relatively narrowly in economic terms. Here the importance of accountability to owners and to Finnish taxpayers was perceived as vital; it was looked at in monetary terms. Sometimes it was also seen quite simply as in terms of confining to law and order. The quote below shows this accountability.

The normal accountability for us, like in all firms, is that we are accountable to the owners. The finance ministry is the one that defines our work and targets and evaluates us... You sing the songs of those entities whose bread you eat. (Expert, BuildingCo)

This form of accountability was often justified in terms of if we do not have resources and money, then it is impossible to implement anything, even in relation to sustainability, no matter how important that sustainability is. It is interesting that in relation to this accountability, it was also often implied that one needed to “do the right thing, first and foremost” – here the right thing was to take care of monetary issues so that you could achieve other issues. For example, one interviewee described this in terms of how the company cannot increase the satisfaction of its employees if there are limited financial resources to do this. The quote below describes how the economic is important to have first in control.

I fluently mix in my thoughts [these issues] so that for me money and CSR are like the same thing, they have a very strong linkage, without good economic [situation] you cannot be responsible and it is also often funny about this CSR that... somehow the economic side is seen as so obvious, then... the environment [side] is so strong and then comes the social side, but then it is the economic that is often forgotten, that you cannot make something that is good economic-wise from thin air. And it does not mean that you should let people go and fire them and so on, but they are all quite strongly connected. (Former employee, BuildingCo)

This accountability was often justified so that it was said that particularly within energy-related matters, the economic and the environmental were very much in line. Then it was, however, ignored

that regarding some other issues, like indoor air problems, significant monetary investments in buildings were needed to improve the social responsibility for the people affected. To gain legitimacy for this accountability, these two forms of accountability would thus be intermingled albeit this intermingling was not always justified well. The quote below connects the economic and the environmental.

Perhaps it could also be [at BuildingCo] that the economic could be emphasized more than before. I mean how budgets could be tightened or reconsidered, such as regarding issues excluding each other... In a way, I think that acting environmentally responsibly is quite close to acting economically and efficiently. According to my experience, in our industry it is quite often so that if you find economically smart solutions they are also smart in terms of energy [efficiency]. Of course [you can think] in terms of what is short-sighted and what is far-sighted but I think that these issues do not exclude each other. (Former Property Manager, BuildingCo)

The economic accountability was also sometimes connected to the world of the private sector in which people were perceived as more interested in getting a result, paying less attention to specific operations by which that result was to be achieved and to whether the processes and costs were in line with specifications – which were presented as more important issues within government.³ This kind of accountability was sometimes mentioned in terms of how it is easier to manage in the private sector, when the CEO can simply tell people what to do. It was also felt that within economic accountability, ethics were considered something that did not fit business. The following quote refers to the private sector and the need to take its ways in use – and to the issue of the efficiency of the use of space that this interviewee considered very important⁴.

And now, how are we going to implement this, as we now speak about the most important goal, so in the long run it is this issue of savings in the government's working premises, this is the big issue, in which time frame, on which ambition level, and, if the ambition is larger, then [we] have to speculate in a more straightforward way. A bit like in companies [in the private sector]. I think that this is the big question we are reflecting on. (CEO, BuildingCo)

This view was clearly more peripheral in the entire organization. Several of the people who represented this category had either left the organization, were quite new to the organization, or represented the very upper echelons of the organization. This view was also thus very segmented: it was held either by (1) those people who considered themselves to be not in line with the company's ways of acting, or (2) those people who were effectively in a position to affect most of those ways

³ This was explicated by one interviewee with reference to the police department, which had earlier paid attention more to the time the police takes to get to a moose accident site and less to the ways in which the police can decrease those accidents altogether; the department was claimed to be changing now in this respect.

⁴ The CEO liked to talk a lot about the efficiency of the use of space: "But if you look forward – [I] have now many times referred to this Government Premises Strategy. It assigns the task of improving the efficiency of the use of space. It also includes many other issues, but in practice, if you look at the present state and the objective given in [this] Strategy and if you estimate it in euro, it is over one hundred million euro that should be saved." (CEO, BuildingCo)

of acting (previous and current CEO⁵). However, most of the employees in the upper echelons of BuildingCo clearly represented the value of sustainability.

We noted a cluster or a clan of interviewees most of whom held a view related to the value of the economic – although not all, and the extent of this also varied quite highly. Pretty much all of the people in this cluster had left the organization, and we interviewed all of them; some of them were more central to this cluster than others and were recommended for an interview by several people in the cluster.⁶

We explicitly tried to locate people of the economic view to be interviewed. When we asked more direct questions on people who would not be sustainability oriented or would be critical towards sustainability, interviewees typically did not point out anybody and started feeling rather uneasy in answering such a question.⁷ This strategy was thus dropped at an early stage and we used several surrogates for this, like trying to ask for and find people who “have varying views on sustainability”. One good strategy proved to be asking for people who, having left the organization, had gone to work in the private sector, or, having recently entered the organization, had come from the private sector. This was generally seen as a rather neutral question and interviewees easily remembered and recommended people in such situations. It should be noted that not all people who had private sector history were of the view of the economic, and not all people who had public sector history were of the sustainability view; this was not a clear-cut line but provided some useful indications. In general, it appeared that the economic view was rather silenced in the organization and it was not considered good to explicitly point someone out as being of that view.

One interviewee explicitly said a lot of good words about the more “merciless” but effective/efficient world of the private sector when suggesting one interviewee who had entered the company from the private sector (and had been at the company for about four months at the time of the interview):

As a person, he has made a strong impression on me, he is somehow so knowledgeable and you can clearly see in him the side of the private [sector]. Such professionalism.... [The private sector] is a rather harsh world, it is great that we get such people because usually [those people's] know-how is really, really strong. (Property Manager, BuildingCo)

It appeared that in a position such as a CEO, in which there was a need to control the company with scorecards (representing rational rationality), this value of the economic was prevalent. The current CEO talked a lot through the scorecards about the company's operations and goals. The scorecard was seen as a tool that helps management to connect the company's wider targets and each individual's own work. The following quote refers to this and also to the positive side of receiving money based on scorecard-related performance evaluations.

⁵ The new CEO had begun his term slightly over one year before the beginning of this study.

⁶ We suspect that the people in the cluster gave each other hints that they were soon to be interviewed and we probably became a popular topic of discussion in this cluster; we know they sometimes met with each other although they had parted ways organization-wise.

⁷ Sometimes this was formulated as trying to find “somebody who has similar views as person X”, this person X being a “scorecard-person”. This strategy did not prove successful either, producing uneasiness in the interviewees.

Yes, let me say that [performance measurement and compensation systems] motivate in that way that there is a clear direction where to go. Many times, especially in this work, it is possible that you start to wander here and there a bit, as you have so many issues and just because customers also have many different demands. Then you always have to consider which issues are in line with our aim and you have to be able to justify them, so I think it is great that these issues are controlled. So you know also yourself our checking point in the future... And of course, the world of scorecards also gives really concrete rewards: if you have done good work, you can get some extra money. (Property Manager, BuildingCo)

In this framework, it was also sometimes said that speed was important and not paying attention to the economic resulted in a kind of inefficiency, ineffectiveness and laziness.

When the targets are set annually and the given performance measurement and compensation are [implemented] annually, it encourages you to fix or push through those specific decisions, projects for the increased efficiency of space, and [other] development actions with the customers within the time frame of one year. It is strongly doing it, instead of [you] daydreaming and thinking that, well, it will be ready in eight years. If certain decisions are not made during the following year, the target will not be reached,... so it encourages to implement those issues that are measured [in scorecards] during the year. (Leading Expert, BuildingCo)

The scorecards were also seen as important in reminding about important issues, functioning as kinds of checklists. In addition, it was seen that it was easiest to measure the economic and for that reason it was important.

It is like that with many other employees, that there are a few [measures] that are like fabricated which do not have any real meaning... The result of the company actually matters... I think it is much clearer that [you get rewards] based on the company result. Those personal successes are rather difficult to evaluate in the end..., whether you have managed to maintain the budget on target, that is clear, but those other [measures] are like, it feels like the evaluation and the rewards are based on [the so called] “mug or face index”[, being very subjective]. (Former Property Manager, BuildingCo)

One interviewee said that he prefers to not be so hype-oriented like those who were really personally excited about sustainability but instead to be perhaps more rational. Another interviewee felt that those who preferred the accountability for the economic were simply being “neutral” towards sustainability, not against it – implicating what could be interpreted as rationality, wisdom and healthy criticism by these people – and thus justifying their viewpoint. An interviewee felt that sustainability issues could be related to ideology, which he considered rather negatively as probably something that was not very rational:

Well, yes, I would say yes, [sustainability is important to me] but perhaps in a very very pragmatic sense, I cannot believe I could sign that I would find some ideology there that would override everything else. Perhaps I take it more so that in order to ensure that living and being and doing can be sustainable in the long run, it has to be in some way

environmentally and socially responsible and I think this is perhaps that approach. I don't think about it as a direct ideological goal, but [rather] through the idea that in order to be able to live and be, we must act like this. (Leading Expert, BuildingCo)

It was also noteworthy that the previous CEO of BuildingCo had become interested in sustainability very effectively through national sustainability reporting competitions. He had really emphasized how it was important to be sustainable and particularly report well, so that the organization could win as many prizes as possible. Of course it helped in winning the competitions when sustainability was embedded in the operations; it was much nicer and easier to write about sustainability in the company's CSR reports in that case. The CEO was personally very competitive which was seen as the most heightened way in the reporting competitions that were perceived as personally important for him; this competitiveness and the emphasis on winning others fits well the economic accountability.

The new CEO brought a target of "hundred million euros" to the company; this meant that the company began aiming for the savings of hundred million euros to the Finnish state in eight years (50 million in first four years and 50 million in the next). There was a turning point in interviews after which each interviewee within the company begun referring to this target. It was noteworthy that the target was set in such euro terms, not in terms of "saving the planet", "becoming more sustainable" or even "saving the money of taxpayers".

The hundred million euro goal was seen as very much related to sustainability (in terms of using only a necessary amount of space), and also, surprisingly, to customer benefits. It was said that the new strategy aiming for this target was about answering the calls to the government offices that had complained about the company increasing the rental expenses of these offices (a large part of the increase was that as these offices were not in good shape the company had to invest a lot in them).

It was also noted that by paying rewards to subcontractors and by demanding sanctions from those subcontractors if they did not perform according to prespecified agreements and the law, BuildingCo was also extending some of the deemed beneficial impacts of the economic to those subcontractors. The quote below illustrates this.

We trickle this [compensation system] all the way down to the level of maintenance men and janitors, so that if they are able to locate good [potential] for energy savings and such, BuildingCo has committed itself to rewarding the associated service company and particularly those maintenance men and janitors, not the executive level [of the service company] but the employees... I think this is a good thing. Not only are we [as employees of BuildingCo] compensated but those who are a part of the [actual] work being done also [are]. (Property Manager, BuildingCo)

There appeared to generally be two kinds of people regarding this accountability. First, there were the scorecard-people, as referred to earlier, who really followed on their scorecards and for whom scorecards were extremely important. One employee had an added responsibility of directly contributing to CSR, and he explained as follows:

Q: Do you feel that the performance measurement systems... encourage you towards sustainability?

A: Yes, yes. There are specifications in scorecards on whether we have reached [our] targets, for example in terms of electricity, water, and heat [consumption]... In the scorecard there is [detailed], that I do those tasks that are part of this CSR reporting, it is one element there. So, definitely [it encourages]. ... At least I do not perceive it as bad... At least [it helps to] maintain those thoughts and issues in the mind, as a memory aid, [to remind] where [I] have to pay attention... It is better at least than not to have such [a compensation system]. (Property Manager, BuildingCo)

Second, there were people who looked at the issue in a wider way. They considered that it was very important in BuildingCo to manage the company well, especially in business and economic terms. This idea was rather wide and it was connected to issues such as the need to control and direct the business with management tools such as scorecards. It was also pointed out by some interviewees that BuildingCo was not really market-, customer-, and marketing-oriented: for example, one interviewee talked about how the company performed very well based on a certain accreditation system that was more engineering than marketing-based and “regarding which, nobody else [like customers] understands anything” while certain private sector competitors had some American rating system with golden placate level that sounded really impressive but which was actually worse level than what BuildingCo had (but which did not sound very convincing). The interviewee felt that the company focused on “the walls and the concrete” rather than customer needs, and several interviewees echoed these concerns. The business orientation was tied to issues such as customer, efficiency, speed, markets, marketing, money, the economic, result, the scorecard, measurement and management.

Within the accountability for the economic, the attitude towards money was appreciating; money was not something to be wasted but something to be saved and respected. For example, one interviewee explained how he felt that the governmental idea of checking if you have something at the end of the year left on budget and then having to spend it for the sake of spending, was what he called “irrational”. In relation to money, he also explained:

I think that perhaps [at BuildingCo] the economic control is... not at the same level as [at] the other operators in the industry, like if companies now experience scarcity in terms of the economic, but at BuildingCo... the procurement limits and such issues are [set] on a higher level than in the private sector. [I mean] keeping a watch on money, like [following] where the money is really going, how the decisions are made [regarding money]. I am sure [BuildingCo has] more air [within the economic] than a private sector efficient actor, in a way. (Former Property Manager, BuildingCo)

Stakeholders sometimes, but not very often, referred to this accountability for the economic. It was maybe difficult to see it from the outside. One stakeholder representative felt that BuildingCo was perhaps moving towards the focus on a sort of a “building economy” instead of the focus on the conservation of valuable buildings and cultural heritage; this stakeholder referred to “harder” attitudes and actions when talking about the accountability for the economic. Another stakeholder representative felt that a certain environmental program had not been implemented according to

plan during a period when new challenges and changes required the resources of BuildingCo. This interviewee noted that perhaps it was also those who were renting BuildingCo premises who had enquired about the program and its status, waking up BuildingCo representatives in this respect, and it appeared that this interest by the customers about the environmental issues had surprised the representatives of BuildingCo. One more stakeholder representative said that it was possible to sense that BuildingCo employees had scorecards that directed them, as follows. It is also notable here that the interviewee explicitly does not want to give a specific example on the actions that the scorecards drive; this seems to be a sensitive issue.

A: I do not know what kinds of compensation systems... they have. [But] they most certainly have some sort of a bonus system, one can sense that. ... For example, this Earth Hour, which always takes place in the end of March,... it has... been so difficult to organize... We have always [suggested] that... [but] it has not worked out. ... It would be easy [to arrange] as a target, when it comes every year. So that BuildingCo [would] always participate in all of its buildings,... it would get visibility from that...

Q: You said that you can sense that they have a bonus system, how can you sense that?

A: You can sense it in certain actions, that here they have bonuses behind [the actions]. Something either takes place or not.... I do not want to [give] an example. But yes, those personal bonuses always drive the actions.

Q: Probably Earth Hour is not in the bonuses.

A: Probably not. Yes, exactly. If it was, ...it would probably get organized. (Stakeholder representative)

5 Discussion and conclusions

The study has contributed to the accountability literature (Munro, 1996; Willmott, 1996; Roberts, 1991, 1996, 2009; Messner, 2009; Sinclair, 1995; Ahrens, 1996) by indicating ways in which accountability for “negative” values is justified. There were differences in terms of how the two accountabilities were justified. The “mainstream” sustainability accountability did not seem to require many justifications; people often took it rather for granted that they would follow this accountability. The alternative form of accountability, however, required a significant amount of justifications. While the accountability for sustainability was tied to the “big picture”, the accountability for the economic was also tied to another big picture: that of the beneficial sides of the private sector, and sometimes even to the accountability for sustainability. Both accountabilities were mostly justified in terms of their positive consequences, it was less often that it was said that a certain accountability would be valuable purely for its own sake.

The accountability for the economic was not a unified entity but had several manifestations. Its perhaps most brutal manifestation was the idea that one should maximize the money received from compensation systems, while a more refined manifestation tied this rationality to what were often referred to as private sector practices such as professionalism, control, rationality, effectiveness, result and customer orientation. The justifications thus extended outside the focal company for their

support, as well as tying in with sustainability, a form of accountability generally very accepted in this company context.

The accountability for sustainability was tied to rationality by promoting the ideas of how sustainability contributed to company reputation and success, and how it was also sometimes vital in its own right – implicitly this vitality being seen as originating from the need to preserve the planet, to see “the big picture”. Interestingly, the accountability for the economic also tied to rationality by placing the accountability for sustainability to the position of an ideology and itself to the position of rationality (being tied to effectiveness and speed; ideas with favorable connotations). Rationality seemed to be used by both accountabilities as a tool. In the case of the accountability for sustainability, this tool was used by saying that in order to live in the first place and to receive certain other secondary benefits like improvements in reputation, one had to be sustainable. In the case of the accountability for the economic, this tool was employed by tying it to private sector - based rationality that entailed issues like measurability and effectiveness, representing hard facts, and by tying the other accountability to ideologies and subjective, soft emotions. (This was not entirely successful as some of the hard facts uncovered by natural scientists do indeed point out the importance of sustainability.) The ties to rationality by the accountability for sustainability were thus more directly tied to life’s necessities (in the extreme “in order to live, we need to be sustainable”) while for the accountability for the economic the ties to rationality were more indirect, being connected through the private sector rationality.

Both accountabilities offered justifications that claimed rationality for itself and non-rationality for the other accountability. The accountability for sustainability was dominant and it appeared that it did not have to defend its position in any way; thus it did not differentiate itself very clearly from the other accountability but was rather assumed by many actors to be simply superior. Thus it did not attribute very powerful elements to the other accountability. The accountability for the economic was more marginal and thus there was a need, when justifying it, to differentiate it positively from the more dominant accountability. Thus it more clearly tied itself to rationality while more powerfully representing the other accountability as inferior – as e.g. non-rational, emotional, inefficient, and tied to certain aspects of public sector ethos that were promoted as negative. Thus the generally felt negativity of this form of accountability for the economic was attempted to be tied to positivity while the competing, more dominant accountability was tried to be turned into negativity. The study has thus shown how non-sustainability, in a certain form – a position that seems difficult to justify – can still be attempted to be justified (with varying success). More generally, the study has shed light on how values considered negative from a certain dominant point of view can still be justified.

Company values that related to the strategy and targets of this company (Lipton, 1996; Johnson, Scholes, & Whittington, 2008) were prevalent in the empirical context. However, there were also values that could be seen as competing with the formal values, so called “negative” values, showing that values need not always be positive although this is generally the case (Meglino & Ravlin, 1998; Merchant & Van der Stede, 2007; Alvesson & Kärreman, 2004; Langfield-Smith, 2008; Chenhall, 2003; Ouchi, 1979). These “underground” values could be seen in assisting the company strategy and purpose in providing for a certain direction for efficiency and speed, although formally they were set against the strategy and generally accepted values. Thus values can function as a part of

management control systems (Malmi & Brown, 2008; Merchant & Van der Stede, 2007; Simons, 1995) although they may not always be formally in line with the strategy and company objectives. “Underground” values can be useful in achieving “underground” objectives.

The study has shown how two kinds of sustainability are justified, the traditional one based on WCED 1987, 43) and CSR (Carroll, 1979; Freeman, 1984; Windsor, 2006), and nowadays the more controversial one represented by Benston (1982) and Friedman (1970) in which the guarding of shareholder value is vital. In this study, the case company does not have shareholder value in the traditional sense, being a state-owned entity, but implicitly shareholder value is appended into the company reality through the accountability for the economic. This study shows by which means this shareholder value –related sustainability is justified; the importance of money is seen here as vital but the accountability also demands further support from other entities such as the private sector ethos and even sustainability.

There seem to be sequential differences between the two forms of accountability in terms of what comes first. Either economic or sustainability is assumed to come first and the idea of the temporal sequence is thus different in the two accountabilities. This can be compared to time rationalities (Chakhovich, 2013) which also show what is assumed to come first and what next. Within the present-based time rationality, it is assumed that working effectively and fast in the present, a beneficial future is achieved, while within the future-based time rationality, the assumption is that when we first plan the future, we can then derive the necessary actions at present from that future (Chakhovich, 2013). The present-based rationality seems to be tied here to the accountability for the economic, while the accountability for sustainability has more connections with the future-based rationality.

Relatedly, in the data on the economic accountability there is instrumentalism of instrumentality. The “economic” is assumed to be used in an instrumental way to achieve something “good”. Accountability for the economic represented a detour to something preferred; it was assumed that the economic pointed to the most preferred way of performing company operations. However, perhaps surprisingly, accountability for sustainability was sometimes also seen instrumentally as a way towards something beneficial, not necessarily valuable in and of itself.

This paper has shown, in addition to several other research pieces (Roberts, 1991, 1996; Shearer, 2002; Ahrens, 1996; Sinclair, 1995), that there appear to be multiple forms and formats of and contents for accountability. If a normative call is extended to having more accountability, this call would require the specification of the form of accountability that is desired, or, for that matter, considered “negative” or undesirable.

Neither form of accountability was internally completely coherent. The accountability for sustainability was sometimes talked about in terms of the preservation of the planet, sometimes in terms of the need to preserve culturally valuable buildings, and other times in terms of the reputation thereby achieved. As mentioned earlier, the accountability for the economic was similarly polarized: it could be seen very simply as the desire for more money or as the more refined emphasis on issues such as marketing and customer orientation. There was a point of connection between these two forms of accountability within which it was considered important to do right things, whether those “things” were connected to the customer, to culture or to the globe.

There was thus a form of an ethic here at work within this point of connection, an ethic that defined something as “right” and something else as “wrong”, a kind of an ethic of accountability (Dillard, 2007); however, while the ethic of accountability by Dillard (2007) is directed to outsiders constituencies, the ethics in this company were also directed to the inner conscience of a certain person and through that towards the outside. Perhaps this was a lot about following one’s own conscience at a deep level and trying to locate a point of connection with the consciences of others. This issue is made more complex by the fact that the accountabilities were not completely polarized between persons; although it was possible to distinguish people with certain focuses on a given accountability, certain people also sometimes gave answers that seemed to represent two forms of accountability; such as feeling an enhanced accountability to wider stakeholders but still considering money as important.

Future research could be directed towards the rhetoric and other usage of “negative” values, on an organizational as well as on an individual level. How can these “negative” values be used for organizational or personal improvement, or are they simply a rhetorical category? How does the discourse of “negative” values take place and get used in organizations, and towards which purposes?

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Appendix A

Interview outlines

Interviews within the company:

- the meanings of complex terms such as “short term”, “long term”, “the present”, “the future”, and “stakeholders” for the employee
- meaning and importance of “sustainability” for the employee
- the relation of “sustainability” to other complementary terms such as “CSR” and “corporate citizenship”
- meaning of “accountability”
- the history of the implementation of CSR reporting and experiences with it
- current CSR reporting practices
- plans for the development of CSR reporting
- the implementation of sustainability accounting, if any, within the company (its history, current practices and plans for it)
- stakeholder relations
- performance measurement and compensation in relation to sustainability

Interviews with stakeholders:

- the meanings of complex terms such as “sustainability”, “CSR”, “short term” and “long term”, “the present”, and “the future”, as well as “accountability” for the respondent and the relations between these terms
- company relations with stakeholders
- company practices regarding “sustainability”, “CSR”, “short term”, and “long term”

Appendix B

List of interviewees and archival material

Interviews

BuildingCo, Chief Operating Officer	23.9.2013	2 h 5 min
BuildingCo, Leading Expert on CSR	3.10.2013	1 h 25 min
BuildingCo, Communications Director	4.11.2013	1 h 40 min
BuildingCo, Strategy Director	13.11.2013	1 h 30 min
BuildingCo, CFO	18.11.2013	1 h 35 min
BuildingCo, Head of the Controller Team	21.11.2013	1 h 25 min
BuildingCo, Human Resources and Development Director and Personnel and Development Manager	7.2.2014	1 h 10 min
BuildingCo, CEO	28.2.2014	1 h 25 min
BuildingCo, Legal Adviser	10.4.2014	1 h 30 min
BuildingCo, Investment Director	16.4.2014	1 h 40 min
BuildingCo, Legal Director	6.5.2014	1 h 30 min
BuildingCo, Regional Manager	17.6.2014	1 h 30 min
BuildingCo, Property Manager	23.6.2014	1 h 35 min
BuildingCo, Property Manager	18.8.2014	55 min
BuildingCo, Controller	5.9.2014	1 h 45 min
BuildingCo, Property Manager	15.9.2014	45 min
BuildingCo, Property Manager	19.9.2014	1 h 5 min
BuildingCo, Leading Expert in the Offices field	27.10.2014	1 h
BuildingCo, Expert on Building Technology	6.11.2014	1 h
BuildingCo, Leading Expert on CSR (stand-in for the Expert)	6.11.2014	1 h 10 min
BuildingCo, Account Manager	7.11.2014	45 min

BuildingCo, Director of Internal Control	4.2.2015	1 h 30 min
BuildingCo, Development Manager, Northern Finland	10.2.2015	1 h 35 min
BuildingCo, CFO	20.5.2015	45 min
BuildingCo, Former Regional Manager	21.10.2013	1 h 20 min
BuildingCo, Former CEO	5.3.2014	1 h 35 min
BuildingCo, Former Leading Expert on CSR	9.4.2014	1 h 35 min
BuildingCo, Former Planning Director	16.5.2014	1 h 50 min
BuildingCo, Former CFO	4.6.2014	1 h 50 min
BuildingCo, Former Lease Manager	5.6.2014	1 h 15 min
BuildingCo, Former Work Environment Specialist	26.6.2014	1 h 20 min
BuildingCo, Former CSR and Quality Manager	6.10.2014	1 h 10 min
BuildingCo, Former Building Director	26.1.2015	1 h 30 min
BuildingCo, Former Property Manager	3.3.2015	55 min
BuildingCo, Member of the Board, CEO of a service provider	27.3.2014	1 h 35 min
Ministry of Finance, Budget Counsellor	25.2.2014	1 h 25 min
Ministry of Finance, Consulting Officer	7.3.2014	55 min
Ministry of Finance, Director of the Administrative Governance and Development	24.6.2014	1 h 10 min
Competitor A, Vice President, Asset Management, former employee	13.2.2014	1 h 35 min
Competitor B, Regional Manager, former employee	14.2.2014	1 h 10 min
Service and materials provider A, BuildingCo Customership Director	28.2.2014	55 min
Service and materials provider B, Project Planning Manager	6.3.2014	1 h 25 min

Service and materials provider C, Senior Project Manager	4.6.2014	1 h 5 min
Service and materials provider D, Consultant	22.5.2015	1 h 35 min
Customer A, Director of Department	5.3.2014	1 h 30 min
Customer B, Facility Services Manager, former employee	8.4.2014	1 h 25 min
Customer C, Materials Director, former employee	11.4.2014	1 h 25 min
Customer D, Real Estate Manager	14.5.2014	1 h
Customer E, Real Estate Manager, former employee	12.6.2014	1 h 40 min
Customer F, Manager, former employee	3.11.2014	1 h
Environmental Organization (NGO) representative, Manager	6.3.2014	1 h 10 min
Consultant in the CSR project	26.9.2014	1 h 30 min
Head Architect, Building Inspection Agency	3.3.2015	55 min
Architect, City Museum, Cultural Environment Unit	30.3.2015	1 h 10 min

Here “former employee” denotes a former employee of BuildingCo. There was a change of CFOs during the research period and we have interviewed both of them, not the same CFO twice.

Other material

BuildingCo sustainability reports 2002-2013

Other material from BuildingCo websites

History of state building works 1811-2011

History of BuildingCo 1811-2011

Advertisement by BuildingCo’s “creative premises”

Stakeholder magazines of BuildingCo

Document of the targets for BuildingCo for 2014, proposal to the state

Measurement scorecards of selected employees at BuildingCo

Sustainability reports by BuildingCo stakeholders

“Responsibility in real estate business”, published by KTI Kiinteistötieto Oy, 2013

“Measures and key ratios for real estate ecological and energy efficiency”, published by KTI Kiinteistötieto Oy, 2011

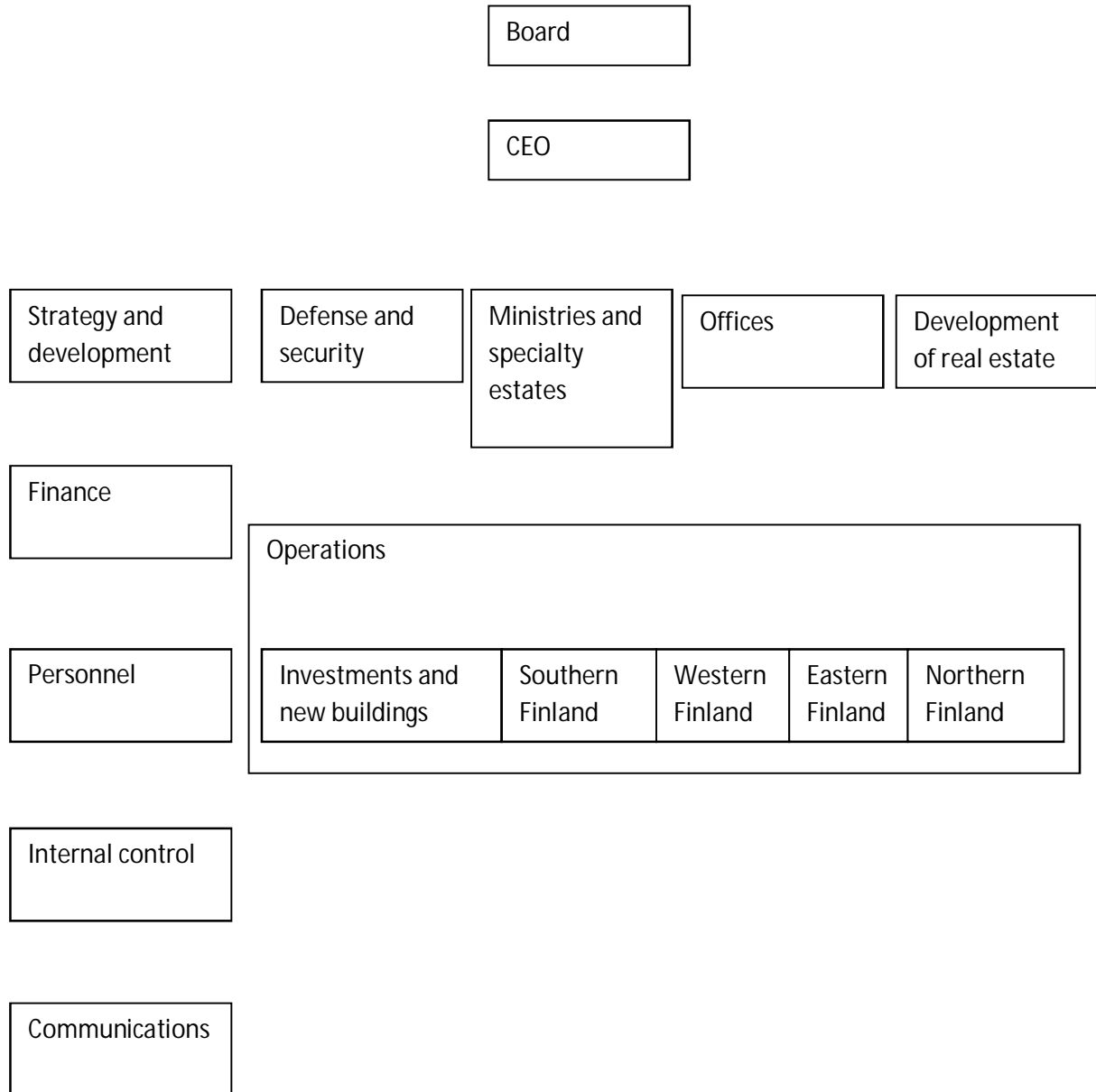
Three National Audit Office’s publications regarding BuildingCo

The Government Premises Strategy and the State Real Estate Strategy by the Ministry of Finance

Press coverage of BuildingCo

Appendix C

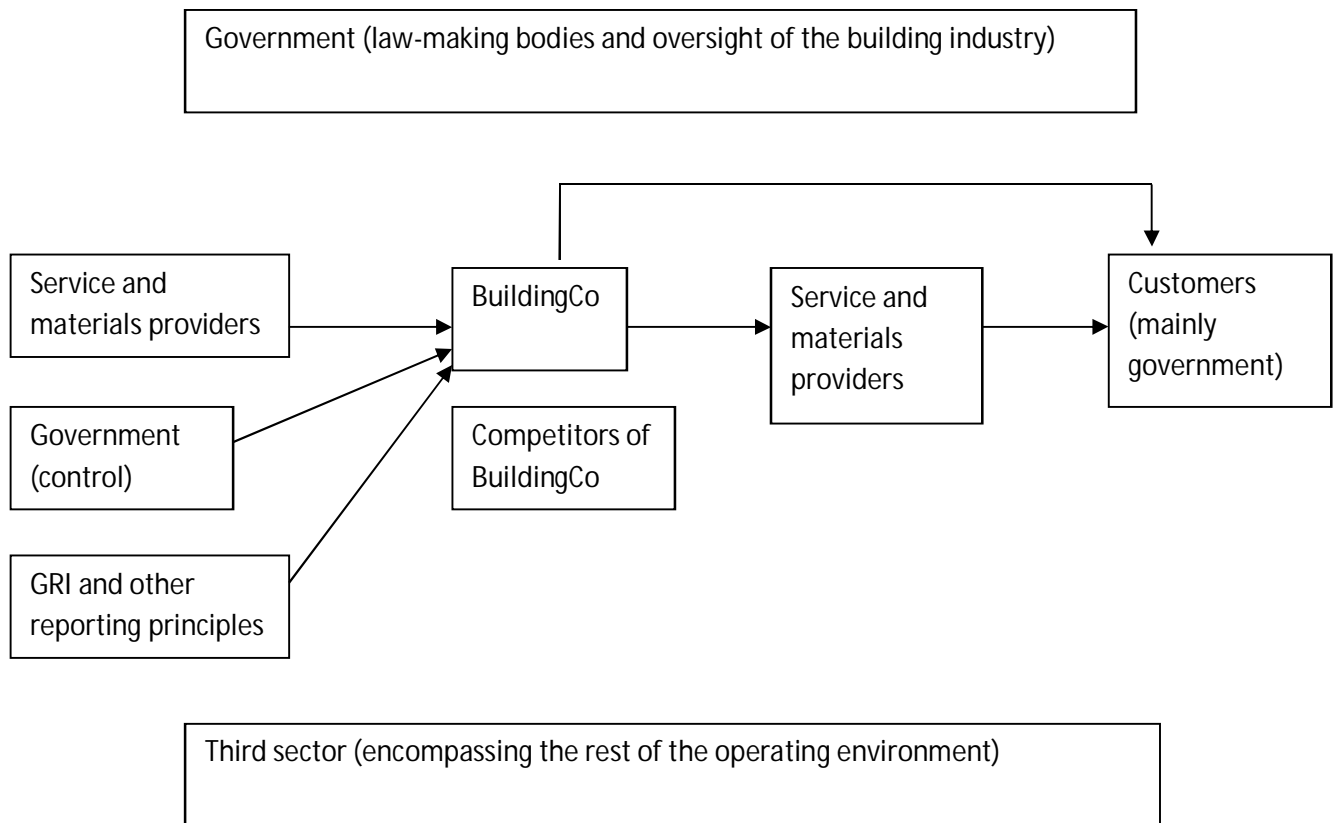
Organizational structure



“Specialty estates” refers to real estate with special development and maintenance needs and listed buildings, such as museums, hospitals, research facilities, or the National Opera. “The development of real estate” refers to making alterations to existing buildings in order to sell them or lease them to outsiders.

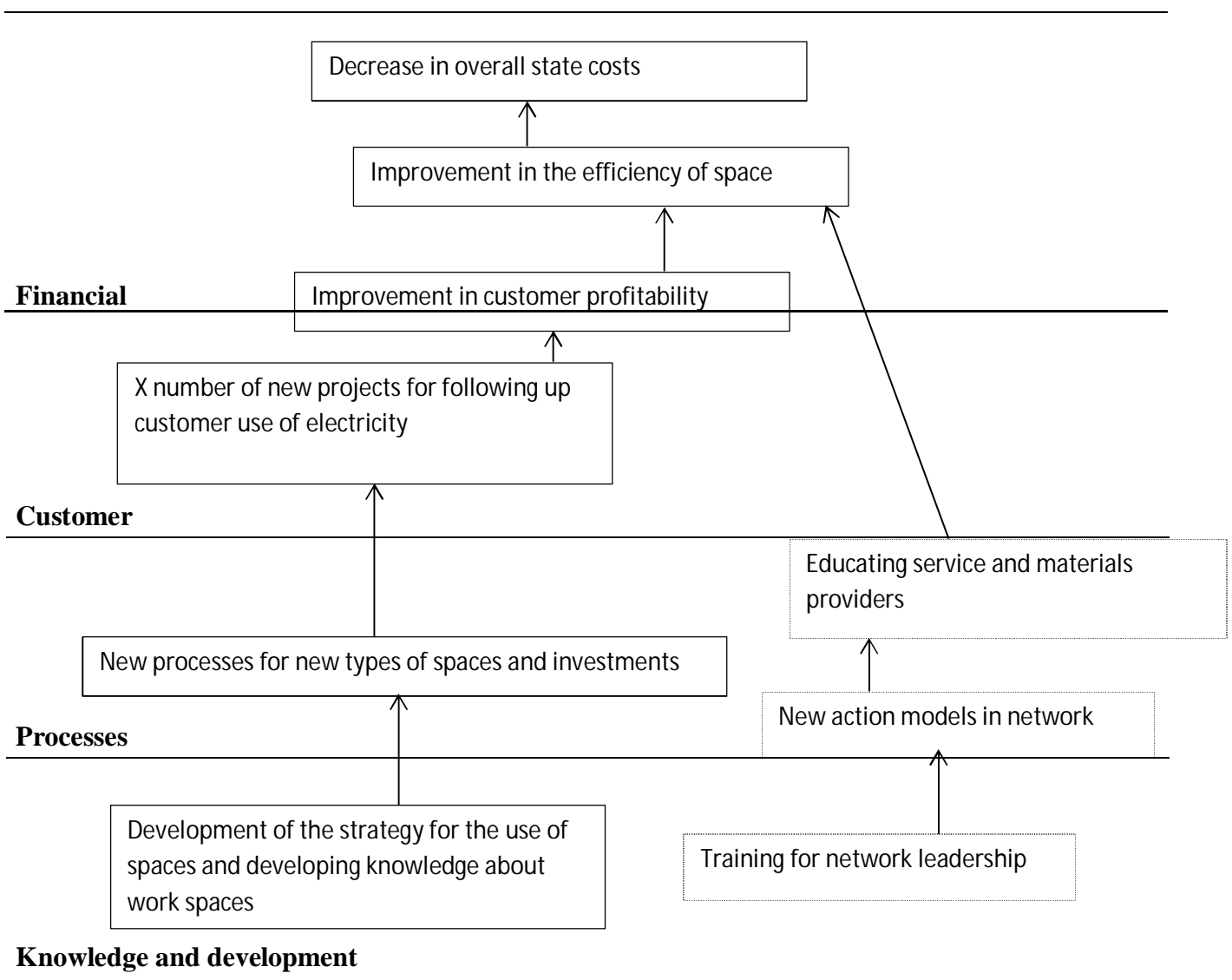
Appendix D

Company position in its field of operations



Appendix E

A stylized example of a performance tree



This performance tree has two branches, one with boxes with a solid line and another with boxes with a dotted line. The tree has been constructed based on an actual performance tree used in BuildingCo. However, it has been stylized: many branches have been omitted and the texts in the boxes have been anonymized. It is not necessary for all the boxes to be connected with an arrow, although that is the case with this specific tree. Boxes unconnected to others have looser connections with the overall tree and with the other boxes.