



## The Presence of Bureaucracy in the Balanced Scorecard

Helena Costa Oliveira<sup>a</sup>, Lúcia Lima-Rodrigues<sup>b</sup>, Russell Craig<sup>c</sup>

*a) Centre for Organisational and Social Studies of P. Porto, Porto Business and Accounting School, Polytechnic of Porto, Porto, Portugal*

*b) NIPE, School of Economics and Management, University of Minho, Campus de Gualtar, Braga, Portugal*

*c) Durham University Business School, Durham University, Durham, United Kingdom*

<sup>a</sup>Corresponding author.

E-mail address: [helena@iscap.ipp.pt](mailto:helena@iscap.ipp.pt)

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### ABSTRACT

Despite being widely pilloried, bureaucratic processes are present in many organizations as a form of neo-bureaucracy. In this paper, we analyse whether a technique used in Management Accounting Systems (MAS), known as the Balanced Scorecard (BSC), represents a bureaucratic order. We propose the following set of concepts to identify a bureaucratic order: authority, jurisdiction, professional qualifications, knowledge, rationality, discipline, accountability, systematization and transparency. We discuss the presence of such a set of concepts in the design and implementation of the BSC and conclude that the BSC is an example of a neo-bureaucratic order. This paper also underlines another important finding, the value of bureaucracy in attaining good MAS. The theme we explore is overlooked in the accounting literature. This paper can be a starting point for further research.

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#### RESUMEN

A pesar de haber sido ampliamente criticado, los procesos burocráticos están presente en muchos modelos organizacionales como una forma de neo-burocracia. En este artículo analizamos si una técnica utilizada en los Sistemas de contabilidad de gestión (MAS), conocida como Balanced Scorecard (BSC), representa una orden burocrática. Proponemos el siguiente conjunto de conceptos para identificar una orden burocrática: autoridad, jurisdicción, calificaciones profesionales, conocimiento, racionalidad, disciplina, responsabilidad, sistematización y transparencia. Discutimos la presencia de dicho conjunto de conceptos en la concepción e implementación del BSC y concluimos que el BSC es un ejemplo de un orden neo-burocrático. Este trabajo también subraya otro hallazgo importante, el valor de la burocracia para lograr un buen MAS. El tema que exploramos se pasa por alto en la literatura contable. Este artículo puede ser un punto de partida para futuras investigaciones.

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## Introduction

This paper focuses on the relationship between the concept of bureaucracy and the operation of Management Accounting Systems (MAS). We understand bureaucracy to be a management method that aims to control human uncertainty through rules and formal procedures. We regard MAS to be a set of processes that provides accurate, reliable, relevant and timely information to facilitate sound decision-making by management. We argue that a component of many MAS, the Balanced Scorecard (BSC), incorporates bureaucratic principles that are beneficial to the satisfactory overall operation of MAS.

Mere mention of the word “bureaucracy” usually elicits a negative response. This attitude is something that is difficult to change, particularly given the many failed promises of politicians to cut “red tape” and to “de-bureaucratise” (Jones, Parker, & Ten Bos, 2005). The discrepancy between the widespread contempt for bureaucracy and the continued presence of bureaucracy in various domains (Styhre, 2007) is mildly perplexing. This has prompted us to enquire whether the phenomenon of bureaucracy exists in contemporary organizations – and, in the current instance, whether it exists in the BSC.

We begin by critically reviewing literature about bureaucracy. Our purpose in doing so is to highlight the relationship between bureaucracy and a specific MAS technique, the BSC. We then identify a set of nine concepts that define organizational bureaucracy, before analysing whether these defining concepts are present in the BSC. The work of Weber (1922) and Styhre (2007) is invoked to propose nine concepts that define a bureaucratic organization. These are *rationality, systematization, authority, jurisdiction, professional qualifications, knowledge, discipline, accountability, and transparency*. We explore whether there are relationships between the design and implementation of the BSC and these nine concepts. We find that the BSC embodies bureaucratic concepts in seeking to provide accurate and relevant financial and non-financial measures to facilitate decision making in organizations.

To the best of our knowledge, this is the first study to explore the link between MAS and bureaucracy. We contribute by proposing an extended set of nine concepts to identify bureaucracy in contemporary organizations; and by drawing attention to the existence of bureaucracy in the BSC.

The following section reviews the evolution of the literature on bureaucracy, seeking to understand its main concepts. Next, we present the research method of this study; discuss the presence of bureaucracy in the BSC; and offer conclusions, limitations and suggestions for further research.

## Literature Review: Bureaucracy Over Time

Bureaucracy is a management method originally characterized as possessing the features of rationalization, division of labour, and the institution of rules and regulations defined by an organization’s guiding authority. According to this view, bureaucracy represents a process of formalizing practices and anchoring them in organization-specific rules and formal procedures (Stinchcombe, 1959). In a bureaucracy, people are regarded to be instruments of labour (Guillén, 1994). Furthermore, bureaucracies give much attention to maximizing control of the uncertainty inherent in human behaviour.

Bureaucracy has increased in importance because of the development of technologies that facilitate recording, shar-

ing and reproducing information. For some observers, bureaucracy is an organizational form that epitomises modernity (Kallinikos, 2004). Over time, bureaucracy has changed such that it is now more likely to embrace an interdisciplinary perspective. This has been prompted by emerging technological opportunities and cultural changes (Garston, 1993). There has also been a greater commitment more recently to elaborating procedures and decision-making by involving workers and fostering teamwork and peer-review (Thompson, 1993).

When observing bureaucracy, we must be careful not to consider it as a uniform way of management. Bureaucracy varies because organizations are diverse and develop differently (Du Gay, 2005; Weber 1922). Bureaucracy can be classified as *coercive* or *enabling* (Adler & Borys, 1996). *Coercive* bureaucracy constraints workers to particular desired behaviours. *Enabling* bureaucracy supports workers to achieve good individual performance. There are three alternative descriptors for this enabling nature. In a *soft* bureaucracy (Kärreman & Alvesson, 2004) procedures are used to support, rather than control: that is, skills are encouraged, assessed and linked to organizational objectives. In a *selective* bureaucracy (in some companies, like knowledge-intensive companies) procedures are needed to face uncertainty (Styhre, 2007). In a *learning* bureaucracy, learning-oriented characteristics of the organization’s “formal” systems are combined with the distinctive characteristics of its “informal” systems (Adler, 1992). These varieties of bureaucracy (*enabling, soft, selective and learning*) characterize what is widely known as “neo-bureaucracy.” What is also more apparent is that bureaucracy has evolved. It has done in two ways: first, by ceding its perception of control and its dominating “grip” in favour of an image of cooperation and flexibility; and second, by adapting to social mood and technological changes.

A neo-bureaucratic concept that covers the diverse classifications of bureaucracy is embodied in a hierarchical organizational structure in which responsibilities are defined by recognized rules, and decisions are justified by obedience to a higher authority. Also important in understanding neo-bureaucracy is a greater commitment to informal means of communication and an appreciation of the influence of power relations (Garston, 1993). Thus, a bureaucrat can be defined as a person whose authority and status depends on his/her position in the hierarchy or as someone whose behaviour is supported by rules — even informal or cultural ones. This definition allows a flexible interpretation in which a worker can sometimes be considered a bureaucrat, despite his/her work not being bureaucratic.

### Weber and bureaucracy

The core concept of bureaucracy is still much the same as espoused almost 100 years ago by Max Weber (1922) in his seminal work, translated as “Economics and Society”. Weber considered bureaucracy to be the ideal type of legal domain associated with public administration. He defined ten commandments of this ideal regime (see Table 1).

Based on a reading of Weber (1922), Styhre (2007) derived the following four concepts as contemporary bureaucratic traits: *authority, jurisdiction, professional qualifications and knowledge*. He also identified some other defining characteristics: administrative science, “tight organization”, controls, instruments of power and means of administration, and concerns for record keeping. These last four characteristics are expressed in this paper by the following three concepts: *rationality, discipline and accountability*. We add two further concepts to this list: *systemization and transparency*. We

**Table 1**  
Ten Bureaucratic Commandments

| Commandments   |
|--|
| 1. Bureaucrats are free and subject to authority only with respect to their impersonal official obligations.   |
| 2. Bureaucrats are organized in a clearly defined hierarchy of offices.  |
| 3. Each office has a clear defined sphere of competence in the legal sense.  |
| 4. Each office is filled by free contractual relationships. In principle, there is free selection.   |
| 5. Candidates [for posts in the bureaucracy] are selected based on technical qualifications.   |
| 6. Bureaucrats are remunerated by fixed salaries in money [usually] with a right to pension [...] The salary scale is graded according to rank in the hierarchy ... responsibility of the position and requirements of the incumbent's social status ... |
| 7. Bureaucratic office is treated as the sole, or at least the primary, occupation of the incumbent.   |
| 8. [Serving in the bureaucracy] constitutes a career. There is a system of "promotion" according to seniority or achievement, or both. Promotion depends on the judgement of superiors.  |
| 9. A bureaucrat works entirely separately from ownership of the means of administration and without appropriation of his/her position.   |
| 10 [Bureaucrats] are subject to strict and systematic discipline and control in the conduct of office.   |

Source: Weber (1922: 220-221), with some minor editing.

identify *systematization* as a bureaucratic concept since there will be a strict and systematic discipline and control in the conduct of office (Weber's Commandment No. 10). Additionally, we note that an ideal bureaucratic organization requires *transparency* because it searches for a secure and predictable environment in which a worker can recognize his/her career prospects and whether his/her likely advancement is protected against arbitrary action by authorities (Weber, 1922).

So, our interpretative analysis of Weber's work suggests the presence of the following nine concepts in a bureaucracy: *authority, jurisdiction, professional qualifications, knowledge, rationality, discipline, accountability, systematization and transparency*. Thus, we extend Styhre's (2007) work by introducing and considering the concepts of *systematization* and *transparency* as characteristics of bureaucracy.

We use this set of concepts to argue that bureaucracy is present in the BSC.

### Theorising about bureaucracy

Some authors describe bureaucracy as a process that emancipates workers. Others consider it promotes stricter control of subordinates and managers, in a network of labour dependency. Thompson and Alvesson (2005) contest the claim that the era of bureaucracy has passed. Such claims gained currency in times when rules and procedures lost importance. However, such loss of importance does not necessarily mean less bureaucracy or the end of bureaucracy (Torsteinson, 2012).

Bauman (2008) queries whether there can ever be a non-bureaucratic organization. The existence of such an organizational form would create a state of permanent tension by demanding mobilization of rational and emotional resources, thereby implying it would result in more costs than benefits. In response to this query, our reading of recent literature points to the lack of unanimity about the nature of bureaucracy. Some observers find bureaucracy benign, others pernicious; some say it has been surpassed, others claim it is actual. Some authors point out that innovation and bureaucracy are opposing states (Dougherty & Hardy, 1996) and that highly innovative companies are less bureaucratic. Hlavacek and Thompson (1973) argue that large firms will become non-bureaucratic. Feldman (2000) suggests that bureaucratic routines are more flexible and adaptive than is gen-

erally believed.

The emergence of new institutional theory (NIT) for the study of organizations (DiMaggio & Powell, 1983) has led to a questioning of previous ideas about bureaucracy. NIT assesses bureaucracy as if it was a myth of rationalism, because many bureaucratic organizations are not ruled by a conscientious rationality. Rather, they just follow what others do. Thus, bureaucracy is not justified by efficiency or technical reasons, but by a quest for legitimacy.

Rapid advances in information technology have had an important impact on how work in organizations is conducted. This has led to increased criticisms of bureaucracy. Some of this criticism seems well-founded because of the inability of bureaucracies to deal with new socio-economic organizational models, involving:

- virtual organizations that take advantage of technology by overcoming the physical proximity of their workers (Alexander, 1997) and the spatial and formal limits of companies (Kotorov, 2001);
- organizations in networks based on inter-company collaboration (Oliver, 2004);
- project organization, based on autonomous interrelationship projects under common coordination (Midler, 1995); and
- learning organizations (Senge, 1990).

These models are characterized by new forms of control and discipline. They are concerned more with the consequences of behaviours rather than with norms. They value commitment over obedience. Because of this, the models are called *post-bureaucratic*. Core values of bureaucracy such as centralization, hierarchy and formality are replaced by new buzzwords such as flexibility, cooperation and dialogue. However, scrutiny of these models shows that, given an absence of rules, workers try even harder. Paradoxically, this is a way for these models to achieve domination (Robertson & Swan, 2003). Thus, a question arises as to whether this new order envisages the refinement of bureaucracy or the surpassing of it.

In view of the above, we contend that it is more sensible to refer to *neo-bureaucracy* than to *post-bureaucracy*. Farrell and Morris (2003) offer support for such a view.

### Neo-bureaucracy

Bureaucratic organizations are continuously affected by the social environment (Styhre, 2007). This has encouraged them to adapt to modern times, legitimating the idea of neo-bureaucracy instead of post-bureaucracy (Farrell & Morris, 2003). There are strong grounds to argue that the concept of bureaucracy remains relevant, despite its modifications and re-formulations. This is because the bureaucratic organization has proven capable of managing opposition, absorbing cultural changes and adapting to technical innovation (Adler & Borys, 1996; Styhre, 2007). Bureaucratic rules and procedures are claimed to be an answer to contemporary challenges because they can enhance the adaptability of companies and lead to better performance (Callon, 2002).

Salaman (2005) considers that the most recently adopted management practices enhance bureaucratic order and help to maintain centrally-determined rules and control behaviours in the majority of organizations. As examples of this, observers have drawn attention to the case of call centres (now ubiquitous and completely standardized) (Taylor &

Bain, 1998); and to the diversity of activities with well-defined behavioural rules, that apply to fast-food chain employees (Ritzer, 1993). In such settings, the relationship with the client is pre-established and determined by management. This way of understanding the reality is described by Ritzer (1993) as the McDonaldization of society. Korczynski (2002) uses the term “client-oriented bureaucracy”. The new technologies and their complexity do not eliminate the centralization of power. Instead, they facilitate the exercise of power at a distance (Miller & Rose, 1993) and lead to improvements by adapting to an unstable environment (Reed, 2005).

The bureaucratic order has been adapted, rather than transformed, in modern times (Hales, 2002). The hierarchical division of bureaucracy is not as rigid as in the past, since employees can be distinguished by their capabilities and not by the functions they perform (Castells, 2000). However, organizations continue to focus on control issues and regulations in distinctive ways. One virtue of bureaucracy is its capacity to deal with ambiguity: it is adept at creating procedures that introduce some predictability (Styhre, 2007).

Public administration in Western countries has undergone a form of reorganization in which it incorporates the same management principles as do private organizations operating in a competitive market context (Newton, 2005). Such reorganization often promotes the market economy as being instrumental to a process of de-bureaucratization. However, the reorganization involved has increased central control and audits, introducing new levels of bureaucracy (Clarke & Newman, 1997). Empirical studies have revealed that de-bureaucratization in Western society has been very limited (Thompson & Alvesson, 2005) and that the complexity of public service is best managed by a centrally-controlled regime (Holmes & Sunstein, 1999).

In the corporate sector, some companies are not perceived as bureaucratic. This is because they value cultural aspects or are concerned with developing an amenable, friendly environment in which employees feel fulfilled and recognized. However, companies can be structured bureaucratically through the hierarchy they adopt or through their strict regulation of functions.

In defending bureaucracy, Feldman (2000) presented a set of techniques intended to streamline the bureaucracy and make it innovate and creative. These techniques involve the use of leadership methods, artificial intelligence and/or market-oriented management. They promote responsiveness and adaptability to economic and business dynamics. Mechanisms that create predictability and order are crucial in dealing with important innovative processes (Craig, 1995). Large bureaucratic enterprises have proven capable of innovation (Styhre, 2007). The bureaucratic principle of not identifying work with a worker facilitates flexibility. In this way, work functions are more amenable to change than are the personalities of workers (Kallinikos, 2004).

Two other reasons for advocating bureaucracy as an organizational model are first, that it provides labour security and social security (Jones, Parker, & Ten Bos, 2005); and second, that it helps build a stable and predictable identity, even in an unstable and culturally-fragmented environment (Du Gay, 2005). Bureaucracy has the capacity to promote the right context to stimulate better behaviours (Courpasson, 2000). Bureaucracy is important too because it discourages people from taking voluntary actions that can generate unconscious risks. Bureaucratic constraints on the freedom of managers are good reasons for the maintenance of bureaucracy and not for its extinction (Du Gay, 2005). Bureaucracy balances the dangers of arbitrary power.

Thus, in view of the above, the idea that we live in a post-bureaucracy world should be denied. Many observers have perceived the social and technological changes that have occurred in recent decades as the end of the bureaucracy. However, this is a gross exaggeration, since organizations have adapted bureaucracy to new contexts. There continues to be a focus on control issues and regulations, within hierarchical divisions of bureaucracy. This focus may not be as rigid as in the past, and may place high value on organizational culture. Thus, bureaucracy is presented as an enabling factor, not a coercive factor (Adler & Borys, 1996). Bureaucracy today is not the same as it was in the mid-20<sup>th</sup> century – it is a neo-bureaucracy. Nonetheless, the organizational form, bureaucracy, continues. This is partly because it has benefited from informational and technological innovations.

Goodsell (2004) advocates bureaucracy by presenting it as a means for giving coherence to the complexity of public action. Through the regulation that is an inherent part of bureaucratic endeavour, it is possible to create an environment that limits, but also allows, commitment to a mission beyond profit. Under such a view, bureaucracy represents a condition, rather than a limitation, for freedom. According to Styhre (2007), bureaucracy is, and will always be, one of the main forms of organization.

In the following section, we present the research method and the main objectives of this study.

## Research Method

The main objective of this paper is to understand whether the phenomenon of bureaucracy exists in the BSC as a component of MAS in contemporary organizations. We address this objective by drawing on the work of Weber (1922) and more recent literature on bureaucracy (especially Styhre, 2007). We use a coding scheme developed during the reading of this literature to relate it to the BSC literature. This involved a set of nine themes/concepts that we use to identify bureaucracy. Then, after reviewing the work of Kaplan and Norton (1992; 1996; 2004) on the BSC, we address the relationship between the BSC and the bureaucracy. This relationship is explored by looking for correspondences between each of the nine themes/concepts and the processes, rules and features of the BSC. A conceptual matrix summarising the main themes/concepts we relied on is presented below in Table 2.

## Discussion: Bureaucratic Principles of the BSC

Initially, management accounting was considered mainly as providing cost information for organizations. However, understanding of management accounting is viewed now as being much more complex — as a set of processes known as MAS that provide information to help management make the best possible decisions and thereby create value. MAS are not simply mechanical processes. They also have a persuasive and narrative role, and a community creator role (Hoskin & Macve, 1986). MAS are conceived as a way of communicating that represents reality so as to assist decision-making (Quattrone, 2015). Individuals mentally construct MAS with virtuosities and limits. MAS should be seen as more than simple collectors and processors of information, but as a way of influencing behaviours, proposing questions, and stimulating new analysis. The BSC, a component of broad conceived MAS, incorporates these traits.

Bureaucratic organizations are based on record-keeping (Maniha, 1975). The emergence of bureaucracies cannot be separated from new technologies. Both are based on saving, sharing and reproducing information. Therefore, just like management accounting, bureaucracy is based on the information capabilities of an organization. There is an immediate relationship between the two concepts. MAS are well suited to impartial systems of performance evaluation. This arises because of their capacity to validate disciplinary order by saving and dealing with relevant information.

Over time, the bureaucratic form has adapted to new contexts and challenges (Hales, 2002). Contemporary MAS have adapted similarly too. For example, new accounting systems call for forms of bureaucratic control of routines and rules (Clegg, Kornberger, & Rhodes, 2005). The BSC is an example of a component of MAS that evidences bureaucratic form. To illustrate this, we now describe the concept and processes of the BSC and highlight its main traits in relation to the nine bureaucratic concepts we proposed (*authority, jurisdiction, professional qualifications, knowledge, rationality, discipline, accountability, systematization, transparency*).

The BSC is a strategic management tool developed by Kaplan and Norton (1992). Its constant evolution has led to an aligned and global measurement model that allows the organization to be oriented towards value creation (Pérez Granero, Guillén, & Bañón-Gomis, 2017). The BSC focuses attention on four fundamental analytical perspectives of an organization: learning and growth, internal business process, customer, and financial (Kaplan & Norton, 1992). Learning and growth is often regarded to be the most important perspective, since it helps an organization to change and improve (Kaplan & Norton, 1996). This perspective values and enhances learning ability, at an organizational and individual level. The BSC cares whether all functions are performed by capable, qualified workers; and it tries to foresee new competitive advantages. From this, the presence of the bureaucratic concepts of *knowledge* and *professional qualification* is evident.

The BSC also helps to display the integral vision of an organization and how innovation is actively supported by an organization's culture (Ax & Greve, 2017). Furthermore, the BSC aligns all organization perspectives with central objectives (Quesado, Guzmán, & Rodrigues, 2014; Kaplan & Norton, 1992), idealizing a system. The BSC seeks to help understand what happens in an organization that is committed to cooperation, control, learning and adaptation. Thus, this means that an organization is committed to *systematize* the organizational order — a concept crucial to bureaucratic order.

The BSC uses a strategic map to highlight co-relationships between the four perspectives and each of their designated performance indicators (Kaplan & Norton, 2004). This helps to engender a rational order by eliciting a coherent sense of organizational reality, and by preventing managers and employees from going in different directions and with different interests to those of the organization (Kaplan & Norton, 1996). Although Ittner and Larcker (1998), Nørreklit (2000) and Malmi (2001) have questioned such a deterministic relationship, these relationships are consistent with *rationality* — a defining trait of bureaucracy. Accordingly, every plan and measure operates from the strategic level to the operational level; and from the general level to the individual level. As such, an *authority* principle is present. The strategic design serves as a central authority that instigates a participative culture and identifies major responsibilities.

To achieve the major goals of a BSC it is important to

**Table 2**  
Bureaucracy Concepts and the Balanced Scorecard

| Bureaucracy concepts        | Balanced Scorecard<br>Kaplan & Norton (1992; 1996; 2004) |
|-----------------------------|--|
| Rationality                 | Strategic map.   |
| Jurisdiction                | Procedures. Tasks. Functions. Control.                   |
| Discipline                  | Collaborative Regime.                                    |
| Accountability              | Responsibility. Reward.                                  |
| Systematization             | System idealization. Alignment.                          |
| Transparency                | Feedback.  |
| Authority                   | Hierarchy. Participative culture.                        |
| Professional qualifications | Learning and growth perspective.                         |
| Knowledge                   | Learning and growth perspective.                         |

design procedures and define tasks accurately. The formal definition of different functions and tasks represents the bureaucratic concepts of *jurisdiction* and *discipline*. Workers know what their obligations and functions are, the criteria by which they will be evaluated, and consequences of divergent behaviors (Kaplan & Norton, 1996). They receive the information needed to perform their functions, as well as feedback to help them improve. Here, the *transparency* concept is present. The BSC tries to be as objective as possible, whilst caring for organization flexibility and adaptive capacity.

In implementing a BSC, managers should be concerned about motivational factors too. They should involve workers in a collaborative regime, not a imposed one, in defining procedures and clarifying their various functions and sensible performance measures (Cokins, 2014). In such an organizational culture, commitment overlaps obedience. However, it should do so within the security and transparency that an established order guarantees, in line with the idea of neo-bureaucracy.

The BSC evolved from linking an organization's strategic management system with its reward system (Speckbacher, Bischof, & Pfeiffer, 2003). This occurred in a management control framework that was anchored by accurate and continuous performance evaluation measures (Kaplan & Norton, 2004). The BSC is based on performance evaluation and features metrics and patterns established in a way that is symptomatic of the bureaucratization of control (Ferner, 2000). Personal *accountability* is based on *transparent* and known responsibility criteria — both bureaucratic concepts. The BSC emphasizes the link between rewards and *accountability*. Goals and performance evaluation are defined to encourage workers to adopt organizational interests, and promote self-control (Du Gay, 2005). Although there is *discipline*, this is not intended to be oppressive, but respectful. Therefore, the BSC is an evaluation and control process that strives to evince personal responsibility. It is *neo-bureaucratic* in the sense that workers are induced to feel some autonomy in their position.

Thus, we contend that the BSC incorporates bureaucratic principles in a way that counterbalances negative perceptions of bureaucracy. Table 2 synthesizes the relations between bureaucratic concepts and the BSC traits described above.

The BSC is one manifestation of how management accounting has evolved technologically and socially, by making use of bureaucratic concepts. These concepts convey the ideas of *soft* bureaucracy (Kärreman & Alvesson, 2004), *selective* or *enabling* bureaucracy (Adler & Borys, 1996; Styhre, 2007), and *learning* bureaucracy (Adler, 1993). In the era of neo-bureaucracy, traits of coercion and rigidity have been eliminated. Commitment is valued over obedience in a culture committed to a sense of order or discipline. This conditions and contextualizes individual freedom and keeps the organization flexible and adaptive.

The BSC can be conceived to be bureaucratic because it maintains a hierarchical organizational structure in which re-

sponsibilities are defined by recognized rules and decisions are justified by obedience to a higher authority.

## Conclusion

To the best of our knowledge, this study is the first to address the relationship between bureaucracy and the BSC. We have reviewed the relevance of bureaucracy for MAS in contemporary organizations. We have outlined features of bureaucracy that are evident in current BSCs.

We find that the BSC reflects a neo-bureaucratic order by tacitly recognizing positive aspects of bureaucracy. However, the bureaucratic order we highlight differs from nineteenth century conceptions of bureaucracy. New terms have arisen (such as learning, enabling or soft) to describe bureaucracy. This leads to a new conception of bureaucracy that is assimilated in the design and implementation of the BSC. Like any bureaucratic regime, the BSC develops control processes and defines tasks accurately. However, the BSC should also be recognized for pursuing commitment rather than obedience; and for operating under a hierarchical order that involves employees in defining goals and functions.

We present a new analytical perspective of the BSC, thereby broadening the scope of extant studies on the BSC. As a theoretical contribution, we have highlighted the value of nine concepts that define a contemporary bureaucratic organization. We apply these concepts to develop a theoretical understanding of the BSC as a neo-bureaucratic tool. The summary of findings in Table 2 can be used in future empirical research on the topic. The perceived relationship between bureaucracy concepts and the BSC suggests that a good way of assessing the degree of bureaucracy in an organization is to study its MAS.

The present research can be a starting point for further research on a topic that is largely unexplored in the literature: the presence of bureaucracy in the MAS. This paper does not offer empirical support for the arguments made. Thus, future research would be beneficial if it used case studies to validate the relationship between the bureaucracy concepts and the BSC concepts proposed in this paper. Future research could also evaluate other prejudices about bureaucracy (especially in the context of other management accounting techniques, such as Total Quality Management or Activity Based Management).

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## Conflict of interests

The authors declare no conflict of interests.

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