

Formal Rationality as Ideal: The Textbook Approach to Management

*By Karin Brunsson**

Two approaches to rationality characterize the understanding of management accounting and control: one descriptive, based on empirical research and allowing for a variety of versions of rationality; the other normative, explained to undergraduate students through voluminous textbooks on management accounting and control and based predominantly on the idea of formal rationality. Whereas the descriptive approach is often presented as a contrast to the normative approach, the normative approach seems largely independent of empirical research or new management methods. It is suggested that the teachings of management accounting and control be based on insights from academic research prevalent within the descriptive approach to rationality.

Keywords: *management accounting, management control, formal rationality, textbook*

Introduction

What managers need to know and what support they need for managing has been contested ever since Fayol (1916/1999) dismissed managers' need for advanced mathematics and asked instead for a management education for engineers, the future managers. However, over the years, the nature of management education has been equally contested. In Sweden, "bookkeeping" was found to be neither practical, nor theoretical; therefore, non-academic. Similar objections were raised in the US – should the shrouds of Chaucer and Shakespeare be tainted by people whose only motivation was gold (Engwall 1995)?

The discussion on practical skills versus academic insights has continued into the 21st century, when management education has been found to be irrelevant for managerial practice (e.g., Mintzberg 2004, Bennis and O'Toole 2005). Should students learn the techniques of collecting information, calculating, and pondering about the future that the authors of textbooks on management accounting and control describe as vital? Or should they be given an opportunity to familiarize themselves with relevant academic research, which would give them generic skills and prepare them for a future as either managers or academics (Burnett 2003, Starkey and Madan 2001, Webb and Chaffer 2016)? Should they even be taught to reflect on the nature of accounting and control, and to understand the "conceptual underpinnings" and ideological overtones of existing rules, procedures, and practices (Chua 1986, 1996, Jönsson and Macintosh 1997, Jönsson 1998, Porras 2000, p. 2)? Recent discussions point to the need for curricula that include flexibility, reflexivity, and skepticism and are founded in sociology rather than the

*Associate Professor, Uppsala University, Sweden.

technical skills that the professional bodies traditionally asked for (e.g., Agrawal et al. 2021, Boyce et al. 2019, Terblanche and De Clercq 2021). The fact that that big accountancy firms value interpersonal and communication skills and prefer to hire graduates from other academic disciplines than that of accounting might threaten the legitimacy of the accounting education, it has been argued (Douglas and Gammie 2019).

One reason for the discrepancy between management research and the teachings of management accounting and control concerns diverging understandings of rationality. Whereas empirical research acknowledges alternative ways of reasoning as rational, management accounting and control textbooks favor formal rationality as the only acceptable – rational – type of rationality¹.

This paper builds on the contrast between two approaches to management accounting and control: that of empirical research – the descriptive approach – and that of management accounting and control textbooks – the normative approach. I discuss the relationship between these understandings and the rationale for the discrepancy that has persisted over the decades. What are the arguments for digressing from the Humboldtian ideal of a close relationship between academic teaching and research and promoting instead an ideal of formal rationality at universities worldwide?

I start by characterizing the two approaches to management accounting and control; their relationships to decision-making and to ideas of rationality. Because research on the complexity of managerial practice and the criticism of formal rationality as a basis for decision-making are well known, my interest lies with characterizing the normative, textbook approach. I then relate the two approaches to each other. I recapitulate arguments in favour of a distinction between research and teaching; then ask the question whether academics' loyalty to the textbook version of management is a token of disloyalty to the university and its Humboldtian ideal. Do management scholars distrust their own research results? Are they captives of the idea that formal rationality is superior to other types of reasoning? Are there other reasons for them to learn one thing and teach another?

The Descriptive Approach

Numerous studies of managerial practice at different points in time and in different countries show almost identical results: What works in practice *depends*. Managerial practice is idiosyncratic and situation specific, far from the idea of

¹Formal rationality is the type of rationality that builds on Weber's (1924/1964) means-end rationality (*Zweckrationalität*) and serves to make decision-making a systematic enterprise that precedes action. What is often referred to as the model of rational decision-making (Simon 1957/1965) expects decision makers to have clear and stable preferences – goals – that they can rank according to their importance. They need accounting and other types of information to investigate all conceivable consequences of alternative modes of action; then should choose the alternative that conforms with their goals in the most economically advantageous way. This model has been discussed since the early 1960s, and repeatedly found to be unfeasible for real-life decision-making (Brunsson and Brunsson 2017).

formal rationality (e.g., Carlson 1951/1991, Kotter 1982, Mintzberg 1973/1980, Stewart 1967, Tengblad 2000).

There is little support for the presumption that managers know their preferences in advance and do not change them with time, as they see the consequences of their decisions (Cyert and March 1963/1992, March 1976). Further, it is time-consuming and costly to collect information and choose among alternatives; managers may have to contend themselves with a far from exhaustive sample (Cyert and March, 1963/1992, Simon 1955). And because managers work in organizations, they must find support for propositions that they like through discussions and compromises (Douglas 1986, Simon 1957/1965, Weick 1969/1979).

Overall, the idea that the main task of managers is to make decisions is overrated. Managers are busy getting all sorts of information; they make decisions as a matter of routine, or when they feel obliged to, but in many instances, they avoid explicit decision-making in favor of delegation and unobtrusive initiatives (Barnard 1938/1968, Carlson 1951/1991, Tengblad 2000). Their use of accounting information as a basis for decisions is far from clear (Jönsson 1996, 1998). Perhaps managers are more impressed by gossip or their “wandering around” in the workplace (Feldman and March 1981, Peters and Waterman 1982), and perhaps trust functions as a substitute for advanced accounting systems (Tomkins 2001).

In short, academics have learnt that managers face intricate, idiosyncratic, and situation-specific expectations that cannot easily be standardized, and where it is far from certain that what has been decided is ever implemented (Barnard 1938/1968, Cohen et al. 1972, Pressman and Wildavsky 1973/1984). In managerial practice, many types of rationality, whether ecological, social, situational, flexible, selective or retrospective, make sense, and have been accepted as rational in certain contexts (Habermas 1981/1984, March 1978, Perrow 1986). Managers may claim to have made active use of accounting information and appeal to the idea of formal rationality for post hoc legitimization of certain decisions (Brunsson and Brunsson 2017). But this type of behavior is rather the opposite of what textbook authors propose.

The Normative Approach²

Why do managers need accounting? Why do they need management control systems, even “packages,” or hierarchies of control tools (cf. Malmi and Brown 2008)? Textbook authors provide one answer to these questions: to make decisions.

Starting from this premise, the presumption of decision-making along formal-rationality lines proves fundamental to the teachings of management accounting and control. This presumption, in turn, is based on a presumption of general relevance. It makes management into a matter of calculation, with part descriptive, part normative connotations.

²This section is based on a study of six introductory textbooks on management accounting and control; see appendix.

Presumption of formal rationality: An insistence on formal rationality means that goals become the very rationale for management accounting and control; they constitute an integral part of hierarchies of visions, strategies and numerous other planning activities. Management accounting should provide information specifically intended to support managers' decision-making, thereby facilitating their proactive, future-oriented behavior. The need to simplify complicated calculations or planning procedures for practical reasons is a regrettable limitation to the formal rationality ideal.

The presumption of stable goals allows textbook authors to treat management accounting and control as if they entail methods of a separate nature from those found through research or in managerial practice. Moreover, this presumption makes it possible to distinguish between "good" and "bad" decisions: "You should now know how to make good decisions based on relevant data" (Horngren et al. 2011, p. 260).

By omitting references to wider social concerns, the textbook authors make management accounting and control into apolitical, neutral undertakings, devoid of explicit political implications, but requiring managerial expertise. It is assumed, even seen as self-evident, that the rules of formal rationality promote effectiveness and strengthen a relationship between management and organizational success: "... organizational success depends on a good MCS [management control system]" (Merchant and Van der Stede 2007, p. 12).

Presumption of general relevance: In line with the argumentation of the "management forefathers" Fayol (1916/1999) and Taylor (1911/1998), the teaching of management accounting and control is *not* situation-specific but based on generalized notions of organizations. Textbook authors take the organization as their starting point and see management control as an integral organizational element: "Management control is a must in any organization" (Anthony and Govindarajan 2007, p. 1).

A calculative approach: In the textbooks, elaborate planning and calculative procedures provide order by reducing managerial leeway. Related to the rational outlook is an interest in measurements: "In other words, what you measure is what you get" (McWatters et al. 2008, p. 202).

The idea of balanced scorecards is one example of how "planning decisions" and "control decisions" (a terminology used by McWatters et al. 2008) may be combined. Despite certain drawbacks, the scorecard should function as a superior method of creating order; it is "a tool and a method to work directly towards the chosen strategy" (Greve 2009, p. 67).

A similarly noticeable area of interest is that of budgeting. Anthony and Govindarajan (2007) assume that specific operating budgets be compiled for each business unit as well as the organization in its entirety (p. 384). McWatters et al. (2008, p. 280) describe the budget process as comprised of thirteen different budgets.

The calculative approach is coupled with a non-emotional attitude to people, who appear rather as mechanical devices, to be set in motion and guided in the right direction by a clever design of incentives. A top-down perspective makes the management control problem into one of inciting subordinates to exert themselves.

Consequently, the question of motivational targets becomes a question of calculation, because “stretch goals” are seen to be stimulating only to a certain degree. Merchant and Van der Stede (2007), for example, propose budget targets with a 50% probability of achievement. The textbook authors ignore intricate problems related to the work or personality of their subordinates; nor do they discuss how managers should deal with their own shortcomings or biases (cf. Bennis 2000, McCormack 1984, 1989, Stein 1999) – or situations where subordinates take the role of managers (Carsten et al. 2010).

Between is and ought: The management accounting and control textbooks may seem overly idealistic, even unrealistic. Yet American textbook authors refer to an abundance of existing organizations to illustrate their discussions. Anthony and Govindarajan (2007), for example, refer to 338 organizations; other US authors to at least 100. Having few such references, Swedish authors use phrases like “often,” “in practice,” “it is common that ...” and similar such expressions (translated from Swedish). The differences probably reflect traditional ideals of style, but serve the same purpose – in both cases, the references function as empirical support for the proposed tenets.

Still, the textbooks are clearly normative. For example, the authors describe hierarchical relationships between long-term and short-term planning procedures, instruct the students to learn the names and meaning of various types of budgets, and recommend them to be alert to opportunity costs, but forget about sunk costs. Horngren et al. (2011) caution against the use of unit fixed costs and recommend total fixed costs as an information basis for “good” decisions. They further stress the importance of congruence between analytical decision-making and the evaluation of performance:

... knowing how to make these [good] decisions and actually making them are two different things. ... To motivate managers to make optimal decisions, methods of evaluating managers’ performance should be consistent with their appropriate decision model. (p. 260)

Other examples of similar, general, and principle-based advice include the design of reports on budget evaluations (Ax et al. 2009, pp. 258–259), performance measurements (McWatters et al. 2008, p. 202), and the number of performance measurements in a balanced scorecard (Merchant and van der Stede 2007, p. 475).

In sum, the textbooks are simultaneously descriptive and normative. Even when the authors describe an accounting or control method in a non-committed, apparently neutral way, the texts become implicitly normative by the examples or the value-laden evaluations that they bring forth. (Incidentally, authors of popular self-help books, who seek to install an entrepreneurial spirit in their readers, use the same technique, when they let stories from their own lives prove the effectiveness their advice; see for instance Vallas and Cummins 2015).

When an issue is clearly problematic – when for instance an organization has multiple objectives, and its staff find their motivation in a variety of ways – the authors tend to formulate their recommendations as general principles:

Design incentives so that individuals who pursue their own self-interest also achieve the organization's objectives. Because there are usually multiple objectives, multiple incentives are appropriate. Do not underestimate the difficulty of balancing these incentives ... (Hornngren et al. 2011, p. 388).

In sum, textbook authors provide recommendations that they expect their readers to accept at face value. Students or the teachers who recommend the textbooks must trust the authority of the authors, believe that they are right, and find their instructions valid.

The Descriptive Versus the Normative Approach

Although empirically based, thus realistic, the descriptive approach to management appears pessimistic. It questions the simple rules of formal rationality, the feasibility of decision-making according to these rules, and the overall importance of accounting and managerial decision-making. It accepts alternative understandings of rationality, and describes management as a mishmash of confusing and frustrating reactions and initiatives, and managers as hopelessly enmeshed in all sorts of depressing "people issues." To assess managers' contribution to organizational achievements is difficult. Whether managers use accounting information as a basis for their decisions – or claim to use or have used such information is contingent and situation-specific.

The normative approach, in contrast, comes with optimistic connotations. It makes decision-making into a systematic enterprise. The arrangement of concepts into hierarchies, the calculative approach, and the reference to accounting systems all underline the orderly character of management control, designed to create order also in the organizational future (Brunsson 2017, Malmi and Brown 2008). Founded on presumptions of formal rationality and a clear relationship between managerial decision-making and organizational success, it strengthens the role of managers and makes their job seem worthwhile and rewarding. Because the idea of formal rationality entails informed decision-makers, the need for accounting information seems obvious.

So far, I have described the two types of approaches as if they are independent of one another, but this is only partially true. Whereas the normative approach appears largely self-sufficient, the descriptive approach depends on ideals put forth in management accounting and control textbooks.

Authors of management accounting and control textbooks recognize and accommodate to new management methods but reluctantly. For example, Ax et al. (2009, p. 53) argued that new methods would be more widely accepted, if they were truly functional; moreover, managers always had the option of choosing among methods, they noted. McWatters et al. (2008, pp. 551–552) defined *lean* as "old wine in new bottles." Nor did these authors acknowledge the much-discussed phenomenon of management fashions, which Greve (2009, p. 14) described as adding "one new idea on top of the other." This attitude helps stabilize the textbook approach. Although the very purpose of the methods and systems described is to initiate change in turbulent organizational environments, the recommendations

remain stable, largely unaffected by external circumstances, research findings, or the academic discourse (cf. Maher 2000).

Many academics presumed familiarity with textbook presumptions of formal rationality, as they contrasted their observations of managerial decision-making and practice to expectations of order and control, like that described in the textbooks. They used apprehensions of how management ought to be performed – “conventional wisdom,” “managerial folklore,” or “managerial half-truths” (Mezias and Starbuck 2003, Pfeffer and Sutton 2006, Scapens 1985) either to question the feasibility of rational decision-making, or to admonish managers to work more in line with normative ideals. At times, their empirical observations even induced academics to recommend a return to formal rationality and a more orderly managerial practice (Holmblad Brunsson 2007).

When related to preconceived ideas of formal rationality, observations of decision-making based on ad hoc occurrences or emotions appeared novel and critical, and studies of managerial practice surprising. The textbook ideal of formal rationality served as a background for empirical studies of rationality, decision-making, and managerial practice and made these studies appear interesting. Without a background of formal rationality and a calculative type of order they might have been found commonplace. There would be little reason for an experienced academic to be surprised by the effectiveness of an unwieldy managerial practice:

One cannot help wondering if, perhaps, all these intelligent, successful managers indulge in managerial work characterized by brevity, variety and fragmentation because it is an efficient way of running a company! (Jönsson 1996, p. 146)

In sum, the relationship between the two types of approaches to management accounting and control has been one-directional: Whereas the normative textbook approach has been largely independent of research or the appearance of new management methods, the descriptive, research-based approach has been dependent on a preexistent understanding of formal rationality as a basis for decision-making. Explicitly or implicitly, this approach served to make academic research interesting.

The question remains, however, whether this observation is a good enough reason for teaching students all over the world the rules of formal rationality as a basis for decision-making and order, which academics disavowed many decades ago. In the next section, I recapitulate (and contest) some arguments for the use of textbooks as an introduction to management accounting and control.

Arguments for Textbooks

Different rationales help explain the use of textbooks. One is trivial and unrelated to the discussion of what students should learn: the fact that, by now, there is a worldwide industry producing and marketing textbooks. Many are voluminous and come in numerous editions. For example, *Introduction to*

Management Accounting by Horngren et al. (2011) had 845 pages, in its 14th edition. *Management Control Systems* by Anthony and Govindarajan (2007) with 768 pages was also in its 14th edition. A similarly peripheral rationale is that textbooks are meant to make students aware of the historical development of their topic; therefore, they are designed as history books, which repeat, though in a verbose manner the recommendations of Henri Fayol (Harding 2003, Holmblad Brunsson 2007). There is little evidence of any such intention in the textbooks, however; rather, the authors insist that their instructions are relevant and useful.

Another type of rationale relates to pedagogy: Authors introduce the idea of formal rationality (though unobtrusively, as if it were self-evident) because they have found that students must be familiar with basic concepts and expected relationships before they can appreciate empirical studies of managerial practice. A management education takes several years. Later in the curriculum, the students will be introduced to academic research on rationality, decision-making, and other management-related complexities. These arguments are reminiscent of the situation Fayol (1916/1999) described in the early 20th century, when engineering students were taught advanced mathematics as an exercise to develop their intellectual faculties. Similarly, high schools of the early and mid-20th century taught classic Greek and Latin as a basis for their education in modern languages. In both instances, the idea seems to have been that students' mental abilities need special training and development before the education in their chosen subject can begin.

However, there is little to indicate that the textbook recommendations are "easier" than empirically based research reports. To the contrary, the sheer size and weight of the management accounting and control textbooks indicate that a basic textbook understanding of management accounting and control requires patience, not unlike that of learning advanced mathematics or classic languages. But in this instance, normative and ideological implications are added to concepts and complicated relationships: Managers need accounting information to make "good" decisions.

Whether or not – and when – management teachers introduce their students to academic research probably varies, as does the teaching of management accounting and control in the classroom. Textbooks do not cover teaching in its entirety. Academic journals on management and accounting education are replete with suggestions for pedagogical improvement and examples of successful experiments and learning projects. Teachers have the option of experimenting. They can add research-based observations during lectures and seminars (Greve 2007). By using case studies, online material, or their own experience they may mitigate the formal-rationality bias of the textbooks.

But chances are that the authority of the well-established authors of textbooks makes a greater impact on students' understanding of management than empirical evidence of managerial practice presented by local teachers later in the curriculum. The textbooks become the most "persuasive representations of accounting" (Cuganesan et al. 1996, p. 433). The question why students must adopt the idea of formal rationality if their understanding is to be modified anyway is left unanswered.

In Favour of Research-Based Understanding

Over the years, management accounting practice has continuously changed depending on, among other things, globalization and variable business environments, new technology and improved opportunities for the delegation of decisions, reorganization and new roles for management accountants, and blurred distinctions between management and financial accounting (Burns and Baldvinsdottir 2005, Burns and Vaivio 2001, Maher 2000, Taipaleenmäki and Ikäheimo 2013).

The role of academics has changed in parallel. Rather than providing recipes for practical use, which was perhaps a pressing charge one hundred years ago (cf. Engwall 1995), their task has become one of critically assessing and understanding practice (Nisbet 1962, Merton 1967, Davis 1971). By now there is ample evidence of the idiosyncratic and situation-specific character of managers' use of accounting. Whereas, earlier, academics used textbook views on management as a contrast to their empirical observations, making them appear novel and surprising, any such comparison no longer merits attention. There is a general understanding that various types of rationality make sense in a managerial environment. The observation that managers' use of accounting may serve post hoc rationalization purposes as much as they provide bases for decision-making has become "conventional wisdom" (cf. Brunsson and Brunsson 2017).

Yet students of management accounting and control are told the very opposite – by pretending to apply to all types of organizations and through their calculative approach to people, textbooks lead students to believe that formal rationality is the only valid type of rationality. Their insistence on stable sets of concepts and relationships – systems or models in support of proactive decision-making – will further induce students to see reactive or emotionally-based decisions, or decisions based on gossip, as unprofessional instances of management.

The textbook approach appeals to a specific type of students; those who like straightforward *yes* or *no* answers to difficult questions and feel gratified by mastering complicated calculations and exercises. In real-life organizations these students must develop personality traits considerably different from the ones endorsed during their education (cf. Hill 1992). Like the former students of advanced mathematics or classic languages, they will find that their academic education is of little avail, and the many hours spent on the textbooks wasted. At worst, their education will function as a barrier to their ability to learn from experience (cf. Livingstone 1971).

For university teachers, textbooks provide a convenient outline for their teaching. To rely on tradition and continue to use well-established textbooks involves few risks; possibly it appeals to anxious teachers, who like some students appreciate the order and calculative approach of the textbook authors. To others, the addition of currently hyped topics, such as ethics, sustainability, or some pedagogical experiment, may provide a sense of revitalization of their teaching. Only rarely do academics find reason to question the "conceptual underpinnings" of what they tell their students. Rather, an insistence on theory development seems to side-track them into ever more subtle research questions and to reports that

make little or no impact, because they are “formulaic, cautious, dull, and unreadable” (Peters and Thomas 2020, Tourisch 2020, p. 101).

A close study of one management accounting textbook led to the conclusion that the teachings of management accounting was disconnected from wider social, economic, and political issues and did little to inspire a critical and emancipatory mind (Cuganesan et al. 1996). A study of five textbooks twenty years later (Golyagina and Valuckas 2016) similarly concluded that students were deprived of fully understanding accounting as a discipline, because these books focused on techniques, but did little to encourage critical thinking, or help students become aware of predominant ideologies inherent in current practices.

The authors of these studies suggested – twenty years apart – that management accounting textbooks be used not as instructive textbooks, but as empirical evidence of a specific worldview, to be analyzed and evaluated in a critical vein by teachers and students. A more radical proposal is to abandon the very idea of textbooks and make management accounting into an academic discipline.

In the end, the question becomes one of academic education generally and the type of personality this education should seek to develop. Arguably, business students misunderstand what matters in life because their curricula are replete with economic models, an emphasis on material values, competition, and the need to motivate ethics financially, a “naïve, limited, impoverished, or simply mistaken” understanding of management (Fellenz 2019, p. 425, Giacalone and Promislo 2019). Worse, students may misunderstand the very nature of what they are taught and believe that there are objective and unambiguous truths (Brahm and Jenert 2019). Arguably, all teaching within the social sciences is biased and based on ideology (e.g., Charlier et al. 2019), Yet the question remains whether “intellectually embarrassing” textbooks on management accounting and control should continue to incite students to conform to situations of “functional stupidity” (Alvesson and Spicer 2012, 2016, Demski 2007, p. 156). Should the (authoritative) authors of management accounting and control textbooks remain uncontested, as they disseminate the specific ideology that comes with formal rationality?

In the end, the question is also one of honesty, even morality. By supporting an industry of textbooks, promulgating recommendations that disregard evidence from empirical academic research, academics abandon the Humboldtian ideal of a close relationship between research and teaching to which some 800 universities in Europe subscribe (Nyborg 2014). They ignore the social orientation that should characterize a discipline within the social sciences (Swedberg 2014). Ideals of formal rationality proliferate in contemporary society, and both families and individuals are encouraged to live goal-oriented and productive lives (Covey 1989, Meyer and Bromley 2013, Bromley and Meyer 2015). The popularity of this idea is yet another reason to question whether it should receive unreserved support from an academic discipline presumed to honor critical attitudes and high moral standards.

Conclusion

After more than one hundred years of business studies, there is sufficient academic research on which to base the teachings of management accounting and control. Engineers no longer need a degree in advanced mathematics to become managers. Students can learn modern languages without previous knowledge of classic Greek or Latin. In the 21st century, students come to the university to develop their critical and creative thinking and to grow as intellectual, emancipated, and socially conscientious citizens. They need neither textbooks, nor a programmatic attitude to rationality. A reorientation of the teachings of management accounting and control does not seem unfeasible – but urgent.

References

- Agrawal P, Birt J, Holub B, van Zyl W (2021) Professional scepticism and the accounting classroom. *Accounting Education* 30(3): 213–233.
- Alvesson M, Spicer A (2012) A stupidity-based theory of organization. *Journal of Management Studies* 47(4): 1194–1220.
- Alvesson M, Spicer A (2016) *The stupidity paradox, the power and pitfalls of functional stupidity at work*. London: Profile Books.
- Alvesson M, Gabriel Y, Paulsen R (2017) *Return to meaning, a social science with something to say*. Oxford: Oxford University Press.
- Anthony RN, Govindarajan V (2007) *Management control systems*. New York, NY: McGraw-Hill.
- Ax C, Johansson C, Kullvén H (2009) *Den nya ekonomistyrningen* (The new management accounting). Malmö: Liber.
- Barnard C (1938/1968) *The functions of the executive*. Cambridge, MA: Harvard University Press.
- Bennis W (2000) The end of leadership: exemplary leadership is impossible without full inclusion, initiatives and cooperation of followers. *Organizational Dynamics* 28(1): 71–79.
- Bennis WG, O’Toole J (2005) How business schools lost their way. *Harvard Business Review* 83(5): 96–104.
- Boyce G, Narayanan V, Greer S, Blair B (2019) Taking the pulse of accounting education reform: liberal education, sociological perspectives, and exploring ways forward. *Accounting Education* 28(3): 274–303.
- Brahm T, Jenert T (2019) Untangling faculty misinformation from an educational perspective: rejoinder to “the menace of misinformation: faculty misstatements in management education and their consequences”. *Management Education* 43(4): 446–453.
- Bromley P, Meyer JW (2015) *Hyper-organization, global organizational expansion*. Oxford: Oxford University Press.
- Brunsson K (2017) *The teachings of management, perceptions in a society of organizations*. Cham, Switzerland: Springer Nature.
- Brunsson K, Brunsson N (2017) *Decisions, the complexities of individual and organizational decision-making*. Cheltenham, UK: Edward Elgar Publishing.
- Burnett S (2003) The future of accounting education: a regional perspective. *Journal of Education for Business* 78(3): 129–134.

- Burns J, Vaivio J (2001) Management accounting change. *Management Accounting Research* 12(4): 398–402.
- Burns J, Baldvinsdottir G (2005) An institutional perspective of accountants' new roles – The interplay of contradictions and praxis. *European Accounting Review* 14(4): 725–757.
- Carlson S (1951/1991) *Executive behavior, reprinted with contributions by Henry Mintzberg and Rosemary Stewart*. Uppsala: Acta Universitatis Upsaliensis, Studia Oeconomiae Negotiorum 32.
- Carsten MK, Uhl-Bien M, West BJ, Patera JL, McGregor R (2010) Exploring social constructions of followership: a qualitative study. *The Leadership Quarterly* 21(3): 543–562.
- Charlier SD, Hoell RC, Sproul CR, Stewart SA (2019) Evidence, please? Rejoinder to “the menace of misinformation: faculty misstatements in management education and their consequences”. *Management Education* 43(4): 434–445.
- Chua WF (1986) Radical developments in accounting thought. *The Accounting Review* LXI(4): 601–634.
- Chua WF (1996) Teaching and learning only the language of numbers – Monolingualism in a multilingual world. *Critical Perspectives on Accounting* 7(1): 129–156.
- Cohen MD, March JG, Olsen JP (1972) A garbage can model of organizational choice. *Administrative Science Quarterly* 17(1): 1–25.
- Covey SR (1989) *The 7 habits of highly effective people, powerful lessons in personal change*. New York, NY: Fireside.
- Cuganesan S, Gibson R, Petty R (1996) Exploring education's enabling possibilities, An analysis of a management accounting text. *Accounting, Auditing & Accountability Journal* 10(3): 432–453.
- Cyert RM, March JG (1963/1992) *A behavioral theory of the firm*. Englewood Cliffs, NJ: Prentice-Hall.
- Davis MS (1971) That's interesting! Towards a phenomenology of sociology and a sociology of phenomenology. *Philosophy of the Social Sciences* 1(2): 309–344.
- Demski JS (2007) Is accounting an academic discipline? *Accounting Horizons* 21(2): 153–157.
- Douglas M (1986) *How institutions think*. Syracuse, NY: Syracuse University Press.
- Douglas S, Gammie E (2019) An investigation into the development of non-technical skills by undergraduate accounting programmes. *Accounting Education* 28(3): 304–332.
- Engwall L (1995) Företagsekonomi som akademiskt ämne i Sverige – från Theatrum Oeconomicum till småländsk handelshögskola (Business studies as an academic discipline in Sweden). In L Engwall (ed.), *Föregångare inom företagsekonomi*. Stockholm: SNS förlag.
- Fayol H (1916/1999) *Administration industrielle et générale*. Paris: Dunod. (in English 1949: *General and Industrial Management*. London: Sir Isaac Pitman & Sons.)
- Feldman MS, March JG (1981) Information in organizations as signal and symbol. *Administrative Science Quarterly* 26(2): 171–186.
- Fellenz MR (2019) A deeper malaise: rejoinder to “the menace of misinformation: faculty misstatements in management education and their consequences”. *Management Education* 43(4): 420 – 426.
- Giacalone RA, Promislo MD (2019) The menace of misinformation: faculty misstatements in management education and their consequences. *Management Education* 43(3): 396–419.
- Golyagina A, Valuckas D (2016) Representation of knowledge on some management accounting techniques in textbooks. *Accounting Education* 25(5): 479–501.

- Greve J (2007) Borde ekonomistyrningen vara uppkäftigare? (Should management control be more outspoken? *Økonomistyrning & Informatik* 23(2): 191–199.
- Greve J (2009) *Ekonomistyrning, principer och praxis* (Management accounting, principles and praxis). Lund: Studentlitteratur.
- Habermas J (1981/1984) *The theory of communicative action, volume 1, reason and the rationalization of society*. Boston, MA: Beacon Press.
- Harding N (2003) *The social construction of management: text and identities*. London: Routledge.
- Hill LA (1992) *Becoming a manager, mastery of a new identity*. New York, NY: Penguin Books.
- Holmblad Brunsson K (2007) *The notion of general management*. Malmö: Liber, Copenhagen Business School Press.
- Holmblad Brunsson K (2011) Management – Mitt emellan bör och är (Management – In between is and ought). Paper Presented at *Nordic Workshop XVI*. Skövde, Sweden, February 3–4.
- Horngren C, Sundem G, Stratton W, Burgstahler D, Schatzberg J (2011) *Introduction to management accounting*. Upper Saddle River, NJ: Pearson Education, Inc.
- Jönsson S (1996) *Accounting for improvement*. Oxford: Pergamon Press.
- Jönsson S (1998) Relate management accounting research to managerial work! *Accounting, Organizations and Society* 23(4): 411–434.
- Jönsson S, Macintosh NB (1997) Cats, rats and ears: making the case for ethnographic accounting research. *Accounting, Organizations and Society* 22(3/4): 367–386.
- Kotter JP (1982) *The general managers*. New York, NY: The Free Press.
- Livingston JS (1971) Myth of the well-educated manager. *Harvard Business Review* 49(1): 79–89.
- Maher MW (2000) Management accounting education at the millennium. *Issues in Accounting Education* 15(2): 335–346.
- Malmi T, Brown DA (2008) Management control systems as a package – Opportunities, challenges and research directions. *Management Accounting Research* 19(4): 287–300.
- March JG (1976) The technology of foolishness. In JG March, JP Olsen (eds.), *Ambiguity and choice in organizations*, 69–81. Bergen: Universitetsforlaget.
- March JG (1978) Bounded rationality, ambiguity and the engineering of choice. *The Bell Journal of Economics* 9(2): 587–608.
- McCormack MH (1984) *What they don't teach you at Harvard Business School*. New York, NY: Bantam Books.
- McCormack MH (1989) *What they still don't teach you at Harvard Business School*. New York, NY: Bantam Books.
- McWatters CS, Zimmerman JL, Morse DC (2008) *Management accounting, analysis and interpretation*. Harlow, England: Prentice Hall and Pearson Education.
- Merchant KA, Van der Stede V (2007) *Management control systems, performance measurement, evaluation and incentives*. Harlow, England: Prentice Hall.
- Merton RK (1967) *On theoretical sociology, five essays, old and new*. New York, NY: The Free Press.
- Meyer JW, Bromley P (2013) The worldwide expansion of “organization”. *Sociological Theory* 31(4): 366–389.
- Mezias JM, Starbuck WH (2003) Studying the accuracy of managers' perceptions: a research odyssey. *British Journal of Management* 14(3): 3–17.
- Mintzberg H (1973/1980) *The nature of managerial work*. Englewood Cliffs, NJ: Prentice Hall.

- Mintzberg H (2004) *Managers, not MBAs. A hard look at the soft practice of managing and management development*. London: Prentice Hall.
- Navarro P (2005) *What the best MBAs know, how to apply the greatest ideas taught in the best business schools*. New York, NY: McGraw Hill.
- Nisbet RA (1962) Sociology as an art form. *The Pacific Sociological Review* 5(2): 67–74.
- Nyborg P (2014) *The roots of the European University Association*. Retrieved from: <https://eua.eu/component/attachments/attachments.html?task=attachment&id=853>. [Accessed 15 June 2020]
- Pearson (2020) *Annual report and accounts 2019*. Retrieved from: <https://www.pearson.com/content/dam/one-dot-com/one-dot-com/global/standalone/ar2019/2019-ar.pdf#page=141&zoom=160,-149,787>. [Accessed 8 June 2020]
- Perrow C (1986) *Complex organizations, A critical essay*. New York, NY: Mc Graw-Hill Inc.
- Peter K, Thomas H (2020) The triumph of nonsense in management studies: a commentary. *Academy of Management Learning & Education* 19(2): 236–239.
- Peters TJ, Waterman RH (1982) *In search of excellence: lessons from America's best-run companies*. New York, NY: Harper & Row.
- Pfeffer J, Sutton R (2006) *Hard facts, dangerous half-truths & total nonsense, profiting from evidence-based management*. Boston, MA: Harvard Business School Press.
- Porrás JI (2000) *The business school of the future: some personal reflections*. ODC Winter Newsletter.
- Pressman JL, Wildavsky A (1973/1984) *Implementation*. Berkeley, CA: University of California Press.
- Scapens RW (1985) *Management accounting, a review of contemporary developments*. London: Macmillan.
- Simon HA (1955) A behavioral model of rational choice. *The Quarterly Journal of Economics* 69(1): 99–118.
- Simon HA (1957/1965) *Administrative behavior, a study of decision-making processes in administrative organization*. New York: The Free Press.
- Starkey K, Madan P (2001) Bridging the relevance gap: aligning stakeholders in the future of management research. *British Journal of Management* 12(s1): S3–S26.
- Stein J (1999) Ledarskap och professionalisering (Leadership and professionalization). In S-E Sjöstrand, J Sandberg, M Tyrstrup (eds.), *Osynlig företagsledning*. Lund: Studentlitteratur.
- Stewart R (1967) *Managers and their Jobs, A study of the similarities and differences in the way managers spend their time*. London: Macmillan.
- Swedberg R (2014) *The art of social theory*. Princeton, NJ: Princeton University Press.
- Taipaleenmäki J, Ikäheimo S (2013) On the convergence of management accounting and financial accounting – The role of information technology in accounting change. *International Journal of Accounting Information Systems* 14(4): 321–348.
- Taylor FW (1911/1998) *The principles of scientific management*. Mineola, NY: Dover Publications, Inc.
- Tengblad S (2000) *Verkställande direktörer i arbete (CEO:s at work)*. Göteborg: Göteborgs Universitet, GRI-Rapport 2000:11.
- Terblanche EAJ, De Clercq B (2021) A critical thinking competency framework for accounting students. *Accounting Education* 30(4): 325–334.
- Tomkins C (2001) Interdependencies, trust and information in relationships, alliances and networks. *Accounting, Organizations and Society* 26(2): 161–191.
- Tourish D (2020) The triumph of nonsense in management studies. *Academy of Management Learning & Education* 19(2): 99–109.

- Vallas SP, Cummins ER (2015) Personal branding and identity norms in the popular business press: enterprise culture in an age of precarity. *Organization Studies* 36(3): 293–319.
- Webb J, Chaffer S (2016) The expectation performance gap in accounting education: a review of generic skills development in UK accounting degrees. *Accounting Education* 25(4): 349–367.
- Weber M (1924/1964) *The theory of social and economic organization*. New York: The Free Press.
- Weick KE (1969/1979) *The social psychology of organizing*. New York, NY: Random House, Inc.

Appendix

The section on normative management is based on a study of six management accounting and management control textbooks. Four books were published in English and two in Swedish (Holmblad Brunsson 2011):

- *Management Control Systems* by Robert Anthony and Vijay Govindarajan (2007), 768 pages, 14th edition.
- *Den nya ekonomistyrningen* [The New Management Accounting] by Christian Ax, Christer Johansson and Håkan Kullvén (2009), 532 pages, 4th edition.
- *Ekonomistyrning, principer och praxis* [Management accounting, principles and praxis] by Jan Greve (2009), 592 pages, 1st edition.
- *Introduction to Management Accounting* by Charles Horngren, Gary Sundem, William Stratton, David Burgstahler and Jeff Schatzberg (2011), 845 pages, 14th edition.
- *Management Accounting, Analysis and Interpretation* by Cheryl McWatters, Jerold Zimmerman and Dale Morse (2008), 604 pages, 3rd edition.
- *Management Control Systems* by Kenneth Merchant and Vim Van der Stede (2007), 850 pages, 2nd edition.

I based my selection on different criteria. The two books in Swedish were the most widely used books in a Swedish context, the books by Anthony and Govindarajan and Holmgren et al. were age-old, as indicates their numerous editions (cf. Maher 2000), and the book by Merchant and van der Stede is a similar, though more recent, book, also used at Swedish universities. I chose the book by McWatters et al. because it is somewhat slimmer, thus, perhaps, with a different approach (which, as it turned out, I did not find).

As seen from the list all are voluminous books; they each weigh between one and one and a half kilograms. They are all introductory textbooks, to be used by first- or second-year students; however, their use may vary, and some may be used for more than one course. In later editions, the authors update their texts by commenting on such popular topics as, for example, business ethics, sustainability, or agile project management. They do not change their basic outlook and emphasis, however.

My selection is arbitrary in the sense that numerous textbooks on management accounting and control were omitted – for example, the library at Uppsala University suggested close to 1 200 books or e-books with the words *management accounting* or *management control* in their titles (as of June 8, 2020).

Although there probably exist textbooks with various views on rationality, specifically if the selection is made from other areas of the management discipline (cf. Charlier et al. 2019), there are indications that numerous students worldwide are asked to familiarize themselves with the formal rationality ideal, as it is presented in my selection of textbooks:

- (i) A formal rationality ideal concurs with global tendencies (Meyer and Bromley 2013, Bromley and Meyer 2015).
- (ii) The content of the textbooks has proved stable over the decades, and is still strikingly similar to the recommendations of Henri Fayol more than a century ago (Harding 2003).
- (iii) The books appear in several editions, which indicates a continual demand for these textbooks.
- (iv) Publishers report on sales not only in the US, Canada, and Europe, but also in Asia and “other countries” (e.g., Pearson 2020).

Due to the popularity of business and management studies (Navarro 2005, Alvesson et al. 2017) and because textbooks remain a central resource in almost any course on management accounting and control (Cuganesan et al. 1996), it seems reasonable to infer that the idea of formal rationality is communicated to a substantial number of students in large parts of the world.