

Shared service centres and the role of the finance function: Advancing the Iron Cage?

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Purpose - The purpose of this paper is: to explore the concept of finance shared service centres (SSCs) through an interpretive case study based on a structuration in organizational fields framework; to explore the implications for the finance function, in terms of how finance both drives change within the multi-divisional organisation and also is affected by change; and to interpret the SSC phenomenon in the light of the Iron Cage analogy. **Design/methodology/approach** - A structuration in organization fields approach is used to interpret influences and actions in a longitudinal case study of a finance SSC. **Findings** - The SSC can be seen as an emergent strategic project. The paper argues that the new organisational form of the SSC, together with the finance function's reflexive and recursive position of driving change are influenced by changes in the economic and institutional influences in the organisational field but in a manner that is both evolutionary and nuanced. A further observation is that management accounting systems are both changed and made stable by the SSC. **Research limitations/implications** - The field work consists of a single case study so as to give a sufficiently deep understanding of how external and internal discourse has influenced the development of a SSC over time. **Originality/value** - The paper argues that the unbundling and reconfiguration of support services represents more than simply a rational response to cost reduction and efficiency savings. Indeed, the more fundamental nature of change in the finance function stemming from new structures and processes of the SSC can be understood better once the SSC model has been conceptualised in the context of overall interactions within the multi-divisional corporation and with its organisational.

Keywords: Accounting; Iron Cage; M-form; Management accounting; Managers; Shared services; Structuration theory

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