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Management Accounting Usage in Daily Organizational Routines: A Case of a Manufacturing SME in Pakistan

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ABSTRACT
This research aims to contribute to management accounting scholarship by exploring management accounting routines in a manufacturing SME. Specifically, it concentrates on unveiling how different organizational actors shape management accounting routines. Management accounting usage in daily routines, particularly in the SME context, is a phenomenon of an emerging trend that merits scholarly attention to advance the understanding in this regard. Inspired by the extended Burns and Scapens' framework, this study is drawn upon qualitative data collected via interviews and observations in a single firm (*Co. A*) that was a partnership firm owned by two owners. We demonstrated the usage of management accounting systems by different actors of the case organization (*Co. A*). Our thematic analysis exhibited the presence of situated rationalities, travel of rationality, occurrences of contradictions, and strict controlling measures. Implicitly, experiences and historical strands of *Co. A* has some influence on building rationalities. Furthermore, in management accounting usage, some health-related concerns were revealed by participants. There are different logics involved in shaping management accounting routines. Understanding these logics may facilitate shaping management accounting routines that may direct an organization toward success. Further, it may assist small firms in generating such a working environment where potential tensions may be restricted from evolving due to competing logics. The main contribution of this study is that management accounting usage in daily routines is not an isolated phenomenon; rather, different organizational actors with different rationalities may generate tensions along with the probability of some health concerns.

Keywords*:* Management accounting routines, multiple rationalities, the occurrence of contradictions, SMEs, institutional environment

1. INTRODUCTION

Small and medium enterprises (SMEs) are critical for socio-economic development, employment generation, and poverty alleviation. The development of SMEs is the priority of governments around the globe for improving macroeconomic indicators due to the significant contribution of SMEs to GDP. The extant literature corroborates this assertion of the socio-economic significance of SMEs towards uplifting economic growth and employment generation (Garcia-Martinez et al., 2023; Ademilua et al., 2022; Barbero et al., 2010; Lussier & Halabi, 2011). These reasons substantiate the significance of ensuring SMEs' success and elevating performance (Bilal, Naveed & Anwar, 2017). Pakistan is a developing economy in the South Asian region, where SMEs are confronted with the dilemma of a low success rate (Fatima & Bilal, 2020). Business owners endeavor to establish competitiveness; thus, management deploys a range of techniques (Bakhsh et al., 2019). Each firm's performance depends on adopting necessary measures to ensure sustainability and adequate resource consumption (Ali et al., 2021). The present competitive climate has compelled SMEs to constantly adapt and evolve to face impediments.

In this regard, the significance of information quality in decision-making is surged (Pedroso & Gomes, 2020), and management accounting has evolved into a highly efficient decision-support mechanism for assisting in the management of business processes (Faherty & Stephens, 2016; Weygandt, Kimmel & Aly, 2020; Soobaroyen & Poorundersing, 2008).

In recent years, management accounting scholars have revealed a greater interest in exploring management accounting routines in organizations (Nguyen, Hiebl & Quinn, 2023; Bertz & Quinn, 2022; Quinn & Hiebl, 2018). In general, scholarship in management accounting has emphasized larger firms, contesting the expediency of management accounting for SMEs (Bisbe & Malagueño, 2009). Davila et al. (2009) have asserted that one of the arguments against using management accounting in SMEs is the encouragement of control systems that may imperil the innovation mechanism, arguably SMEs' most influential and competitive resource (Pedroso & Gomes, 2020). On the contrary, Chenhall and Moers (2015) have challenged the inaptness of management accounting for innovation capability. They have asserted that management accounting is a facilitator of innovation that is critical for survival. Nonetheless, the literature has indicated less clarity regarding the usefulness of management accounting systems for SMEs (Pelz, 2019). In this contradictory situation, the suitability of management accounting is evident in some cases depending upon the type and how there are being used (Pelz, 2019), supporting the assertion of Lavia Lopez & Hiebl (2015) that SMEs usage of management accounting must be different compared to larger firms.

Management accounting is considered a routinized practice (Nguyen et al., 2023; Quinn & Hiebl, 2018), and it has many practicing areas that are performed within organizations. Routines are recognized as an essential aspect of organizational life and a critical part of sound organizational practices (Quinn & Hiebl, 2018). Focusing on the usage of management accounting, the work of Burns and Scapens (2000) is of useful value in depicting how routines have been used in management accounting scholarship (Quinn & Hiebl, 2018). Recently, ter Bogt and Scapens (2019) have extended this framework, emphasizing the situated nature of management accounting practices. Within any organization, institutions inside and outside may involve shaping rationalities that can influence routines (ter Bogt & Scapens (2019). The revised framework has asserted how different organizational actors portray their rationality in developing routines. Arguably, in the SME context, different actors engage in daily activities and routine work. Different actors are involved in using one or many management accounting systems in these routines. In emerging economies, SMEs confront less stable, changing, or less developed institutional dynamics (Fatima & Bilal, 2020). Nevertheless, actors that are embedded in these institutions may influence and change these institutions (Hiebl, 2018). Therefore, local and broader institutions influence routines based on the premise of an extended institutional framework (ter Bogt & Scapens, 2019). As management accounting is also a routinized practice, therefore in such routines, institutional effects are evident. Nevertheless, scholarship is scarce on how management accounting systems are routinized and used in SMEs; therefore, it requires further exposition (e.g., Latif et al., 2023; Nguyen et al., 2023; Quinn & Hiebl, 2018; Ghosh, Herzig & Mangena, 2019). Based upon these research gaps, we seek to address the research question of how management accounting is used in daily routines in a manufacturing SME by taking the revised Burns and Scapens framework (ter Bogt & Scapens, 2019) as a theoretical lens. The rationale for adopting an extended Burns and Scapens framework lies in its ability to serve as a foundation for comprehending the utilization of management accounting practices in daily routines. As evidenced in recent studies (Modell, 2022; Bertz & Quinn, 2022), scholars have accentuated the significance of employing this framework to investigate management accounting practices.

We have incorporated an embedded case study as a research design for understanding management accounting usage in the daily routines of Co. A (case organization in current research). A significant contribution of this research is to address recent calls drawing upon an institutional-based theoretical lens (Wu & Deng, 2020) on exploring management accounting in the daily routines of organizations (Quinn & Hiebl, 2018), particularly in small organizations (Ruiz & Collazzo, 2021). Our present case has given valuable insights into understating management accounting usage in the daily routines of an organization. Co. A was a partnership firm and later transitioned into a medium-sized one. Due to this transformation, management accounting practices have changed routines in which different organizational actors have portrayed rationalities and travel of rationality across diverse organizational actors. Even conflicts were witnessed between owners and managers of Co. A regarding quality certification. A unique account we explored is that some health-related concerns were present at the production worker level using management accounting.

2. LITERATURE REVIEW

2.1 Management Accounting Usage and SMEs

Management accounting systems assist in improving efficiency, lowering costs, providing information, and managing business resources (Shahzadi et al., 2018). These are also considered “a set of accounting tools designed to assist organizations and their managers in identifying resource needs of business components, the allocation of resources across organizational programs and components, planning, evaluating outcomes, and rewarding performance” (Dillard & Roslender, 2011, p. 144). The main concern of these systems is the provision of information for planning, controlling, and decision-making (Bisbe & Malagueño, 2009). There are plenty of practicing areas in management accounting systems, such as cost management, financial strategy, budgetary controls and management, pricing, product decisions, etc. (CGMA, 2017). In this regard, under management accounting topics, Shields (2015) has asserted certain management accounting tools such as performance measures, performance evaluation, budgeting, product cost, etc. Arguably, management accounting systems cover many aspects and are comprised of tools that assist the organization in planning, controlling, and decision-making. Literature has reflected the adoption of a wide range of tools, as mentioned earlier (e.g., Chand & Dahiya, 2010; Lavia & Hiebl, 2015).

A significant body of literature exists concerning utilizing management accounting systems and their influence on organizational performance. However, there is a dearth of research on the subject of management accounting in SMEs, as argued by different scholars (Latif et al., 2023; Ruiz & Collazzo, 2021; Armitage et al., 2016; Shields & Shelleman, 2016). SMEs are widely acknowledged as a crucial and indispensable driving force in advancing contemporary economies (Pedroso & Gomes, 2020; Ayyagari, Beck, and Demirgu¨c¸-Kunt, 2007). Their competitive advantage, which stems from their capacity to innovate, has elevated them to prominence on the global level, where they compete against large corporations (Pedroso & Gomes, 2020). SMEs possess distinct resources in comparison to larger firms. Therefore, these firms mandate particular attention regarding management accounting (Lavia López & Hiebl, 2015). For instance, the simple organizational structure makes SMEs more flexible and adaptable to change (Mitchell & Reid, 2000). Further, SMEs typically have limited access to capital and are less able to leverage economies of scale (Arago’n Sa’nchez & Sa’nchez Marı´n, 2005). Hence, SMEs need to use control systems to manage their scarce resources (McAdam & Reid, 2001). Considering the specificity of SMEs, in recent years, there has been a paradigm shift toward the usage of management accounting systems (Pedroso & Gomes, 2020).

Literature is diverse in using management accounting and control systems, and certain factors are considered significant in using these systems. Arguing on the firm size, some scholars believe there is no difference between SMEs and larger firms in using management accounting (Joshi et al., 2003; Chand & Dahya, 2010). On the contrary, other scholars (e.g., Becker et al., 2011; Brierley, 2009; Davila, 2005) have asserted that SMEs use management accounting less than large firms due to less complex organizational structure. Other factors, such as the external environment (e.g., change in political systems), also influence the usage of management accounting systems (Lavia López & Hiebl, 2015). In this regard, business competition also induces using management accounting systems (Amat et al., 1994). SMEs situated in developing countries have a low level of education and limited resources access.

2.2 Theoretical Framework

The primary focus of this study is to comprehend the utilization of management accounting practices in the day-to-day routines of an SME. Prior academic researchers have demonstrated a heightened interest in comprehending management accounting practices' emergence, formation, and utilization (Bertz & Quinn, 2022; Quinn & Hiebl, 2018; ter Bogt & Scapens, 2019; Oliveira & Quinn, 2015). The Burns and Scapens framework is considered a foundational basis for conducting research of this nature. This framework posits the notion of rules, which prescribe how tasks ought to be executed, and routines, which describe how tasks are actually carried out within organizational contexts (Burns & Scapens, 2000). This framework stresses the procedural aspect of change and emphasizes understanding how norms and routines evolve given actor-institution interaction (Burns & Scapens, 2000; Moll et al., 2006). According to Burns & Scapens (2000), institutions are shared values and ideas, patterns of thinking and doing, and self-evident assumptions founded in human behavior. Rules specify how things are supposed to work formally, whereas routines describe how things are done. As such, while actors with hierarchical authority set rules, the employees involved in the company's everyday operations enforce these rules through routines (Burns & Scapens, 2000). These, in turn, can be adjusted by everyday practice, necessitating a modification of the rules to mirror the changes. However, routines can also emerge impulsively and subsequently be translated into rules (Burns & Scapens, 2000).

Quinn (2011) has asserted that understanding how management practices change or remain consistent over time can be accomplished by looking at how rules and routines interact. Theoretically, the process of institutionalizing "rules and routines" as a result of the actions of individuals takes place in phases: it begins with the "codification" of rules and routines that are internalized and reproduced by individuals' actions because, over time, they become deeply ingrained as a new way of acting, i.e., they become institutionalized; it continues with the codifying rules and routines that are internalized and replicated by individuals' acts (Burns & Scapens, 2000).

Since then, their model has been employed in a variety of research, and some researchers have argued that it should be updated to include new aspects that have emerged (Van der Steen, 2011; Quinn, 2011; Scapens, 2006; ter Bogt & Scapens, 2019). One of the criticisms that erupted against the model is that it fails to take into account external institutions. However, various studies have found that external institutions can guide the activities of individuals and embrace appropriate management techniques in organizations (Alsharari, Dixon & Youssef, 2015; Cruz, Major & Scapens, 2009; Ribeiro & Scapens, 2006; Scapens, 2006). ter Bogt and Scapens (2019) have proposed a model that builds on the framework developed by Burns and Scapens (2000) by incorporating both internal institutions (at the local level) and external institutions (at the field level). Authors suggest that the interplay between internal and external institutions influences situated rationality, which organizational actors employ to assist them in making rational decisions and defining actions, such as selecting a specific management accounting system. Figure 1 depicts how institutions both inside and outside of an organization determine its situated rationalities and, as a result, how norms, routines, and activities that take place within an organization are influenced. The main emphasis of this research is the exploration of the usage of management accounting in the daily routines of an organization. In such routines, different rules, actions, situated rationalities, and institutions have a recursive association, as depicted in Figure 1. Therefore, it is plausible to incorporate this framework as a theoretical lens.

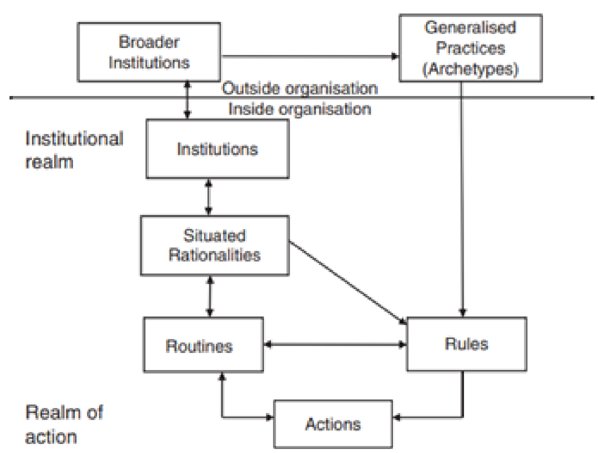

Figure 1 Extended Burns and Scapens Framework (ter Bogt & Scapens, 2019).

3. METHODOLOGY

3.1 Research Design

This research has adopted a qualitative case study design for exploring management accounting practices in the daily routines of a Pakistani manufacturing SME. A case study is recommended when contextual comprehension of the phenomenon is required (Yin, 2018). From the perspective of management accounting research, Scapens (1990) asserted that case study design facilitates comprehending the nature of management accounting systems incorporated in practice. Based upon Yin's (2018) classification of case study, type 2 (single embedded case study), in which multiple units of analysis are involved, was incorporated. If there are logical subunits, such as different departments and workgroups in an organization, then it is treated as an embedded case study, as we have chosen a single case based on its significance and critical nature. As Saunders et al. (2018) suggested, a single case study is recommended if a case is critical. Drawing upon this, we have identified a firm *(Co. A)*, a partnership firm that two persons own, deals in sports goods. This firm provides an informative and suitable setting for the following reasons. Firstly, this firm has established a new manufacturing facility that generated the demand for developing management accounting systems. Therefore, owners started developing management accounting systems in this firm. Secondly, after starting the process of developing management accounting systems, organizational actors were more engaged in performing daily tasks. New routines were started developing in which they also portrayed their different rationalities/logics to perform work or show any disagreement. Thirdly, due to the developing management accounting systems, behavioral changes occurred inside the firm. It was a small firm but transitioned into a medium firm due to increased work volume. The institutional environment has played a critical role in the transformation from small to medium firm.

3.2 Data Collection

Data was collected via semi-structured interviews and observation. A semi-structured interview is guided by a list of questions prepared by a researcher (Merriam & Tisdell, 2015). The interview guide was prepared by following the interview protocol refinement framework guidelines and comprised four phases (Castillo-Montoya, 2016). In the first phase, interview questions were developed from the research question of this study. In the second phase, the interview guide added the inquiry-based conversation. Then in the third phase, feedback was taken from experts and piloting the interview protocol. In taking feedback, a panel of three experts was made to ensure the interview questions' credibility. Two experts were from the management accounting field, and one was from qualitative research methods. Panel members reviewed the questions thoroughly and suggested incorporating improvements such as combining some questions and improving the language. All these changings were duly incorporated. Sample interview questions are a) "How do you perform planning in daily organizational routines?" b) "How do different organizational actors interact in performing different tasks?" c) "In case of conflicts in daily routines, what is the procedure to handle it?", d) What are the behavioral implications of using management accounting (costing systems, budgeting, etc.) in your firm?". The interview time was between 30 minutes to 80 minutes. The focus of the interview was to uncover management accounting routines and usage of management accounting systems in daily matters by different organizational actors of a manufacturing SME based in Sialkot city of Pakistan. In organizational actors, the CEO, accounts manager, marketing manager, production manager, quality controller, and subordinates (workers) are involved in using management accounting practices in one way or the other. Thus, the inclusion of these organizational actors in the study was deemed appropriate due to their potential to provide valuable insights in line with the study's objectives.

Table 1 Interviewées Details

Interviewee	Duration of an Interview	Time with Organization A
Mr. A	76 min	9 years
Mr. B	80 min	9 years
Accounts Manager	68 min	7 years
Production Manager	47 min	8 years
Marketing Manager	40 min	8 years
Quality Controller	42 min	6 years
Production Worker 1	35 min	7 years
Production Worker 2	58 min	7 years
Production Worker 3	30 min	7 years
Production Worker 4	31 min	4 years

3.3 Data Analysis

Interviews were tape-recorded and transcribed later on. Significant care has been taken in transcribing the recorded data to make all information from informants available for analysis. This has allowed doing efficient data reviews and facilitated us to identify codes, categories, and associations of different themes. As a guiding path for data analysis, thematic analysis is "a method for identifying, analyzing, and reporting patterns (themes) within data" (Braun & Clarke, 2006, p. 6). A thematic analysis (reflexive) procedure has been followed as recommended by Braun and Clarke (2021). It is a six phases analytical process for analyzing qualitative data (Byrne, 2022). Six phases are mentioned below

1. In the first phase, the researchers read and re-read the transcriptions, and initial acquaintance of data was taken.
2. In the second phase, initial codes were generated from the data after capturing an initial list of ideas from the data.
3. In the third phase, different codes were sorted to identify potential themes.
4. In the fourth step, themes were refined and ensured relevance to the research questions.
5. In the fifth phase, final names were given to themes.
6. In the last phase, every refined theme was explained so that it could provide logical and convincing explanations.

3.4 Reliability and Validity

For the establishment of reliability in our study, an inter-coder agreement was incorporated (Silverman, 2013). For this purpose, two independent coders were reviewed, collected data, and developed codes that were matched with the authors' codes later on. After identifying a few differences between codes, adjustments were made through detailed discussions to generate agreed-upon codes. Furthermore, member validation was incorporated during and after the interview to enhance the findings' validity (Sarma, 2015; Creswell & Creswell, 2017). Transcriptions completed by authors were sent back to participants to ensure they represented what they intended to articulate. In addition to this, completed themes, significant findings, and summaries were shared with participants of the study to seek their affirmation that the findings reflected thoughts, feelings, and views. Feedback given by participants was used to improve data interpretation and remove any misleading or controversial information.

3.5 Background of the Case

Co. A was established in 2012 as a partnership firm between two friends (Mr. A and Mr. B) specializing in manufacturing sports goods. Initially, it was a smaller corporation with less than ten employees, but it subsequently transitioned to a medium-sized corporation by increasing staff numbers to standardize operations. In 2017, *Co. A* established a new manufacturing facility to fulfill market demand for various sports items. Before 2017, the company's owners did not have proper management accounting and control systems. Due to lacking these effective management accounting systems, the majority of work was performed by the proprietors in their way, and they had a register where all records were kept in their self-defined format. With such limitations, they were unable to elevate their sales and enhance business performance. After recruiting professionals and an experienced workforce, management accounting systems (e.g., costing systems, budgeting systems, quality management systems, lean manufacturing, performance measurement) were gradually established, resulting in changes to their working methods and routines. With the passage of time, these management accounting systems matured, and the routines of *Co. A* was substantially changed and institutionalized.

4. FINDINGS

4.1 Situated Rationalities

In 2019, *Co. A* developed target costing system to do more efficient cost planning as asserted by accounting personnel.

> *Firstly, we identify what should be the price by a discussion with owners and then deduct our desired market for determining the target cost but it is not a simple process for us. Due to market fluctuations in pricing, our targets change due to which we need to bring innovation so that we remain cost-efficient all the time without compromising product quality (Accounts Manager).*

> *Before introducing management accounting systems by our hired experts, we used to do costing and planning in our heads but after that, we changed our way of planning by incorporating planning tools (Mr. A).*

In *Co. A*, customers provide the details of the product and disseminate the target price as well. Most of the time, customers instruct to add some additional features or do some customization in standard products. Customization demand from customers normally pushes production to think strategically for managing costs. Target costing acts as a way to address product design and routines are adjusted accordingly for meeting customization demand.

> *We sit together and discuss the cost breakdown in the context of customization. All team members suggest diverse ways based upon customization demand and when consensus is reached, we pick an action to do on a repetitive basis (Production Manager).*

A significant point in the routines of *Co. A* is that repetitive tasks continue until it is interrupted by more logical assertion. This is the reflection of the presence of multiple nationalities. It happens mostly in process of product customization and during the performance of actual tasks. The reason for this is that production workers are involved in developing the product and during production, workers have discussions with each other to alter any routine based on their knowledge and experience. They discuss with the production manager and if workers' assertions are more logical with cost-saving elements then routines are bit interrupted and redefined so that goal may be achieved.

> *When we are instructed to do certain things during production, when we perform actual production then sometimes we tell our production manager to do tasks in an alternative manner (Production Worker 1).*

Other production workers have asserted that same and by observing their daily routines, the presence of multiple nationalities in management accounting routines was evident. These multiple rationalities are meant for improving routines so that competitiveness may be achieved and customers' demands may be fulfilled.

> *We can't afford to lose our customers; therefore, we have utmost priority to fulfill customers' demands and for this, we have collective efforts to bring competitiveness (Mr. B).*

4.2 Travel of Rationality Across Organizational Members

In using management accounting practices, it has been witnessed that rationality travels across different organizational employees in discussing some specific matters. In normal standard manufacturing of products, *Co. A* follows lean manufacturing. In a meeting, different organizational employees of different ranks sit and discuss critical matters of value and non-value-added activities. Particularly, in the production department, the actual production labor gives the rationale for not doing specific activity due to lack of value addition. This rationale is based upon their tacit knowledge and experience.

> *I have experience in different organizations and over the period, I learned what not to do in the manufacturing of sports goods. I gave logic of not following some procedures in the production of bats*

which was appreciated by my supervisor and owners as well (Production Worker 3).

On the contrary, in the manufacturing of sports goods, both owners of *Co. A* has been instructed to follow strict guidelines so that quality is not compromised. In a manufacturing facility, the production manager has also instructed his whole team to abide by manufacturing guidelines. Guidelines are standardized but some conflicts were witnessed in the way of following those guidelines. The disparity exists sometimes when production workers have different external experiences of manufacturing the same product or dealing with its daily manufacturing routines.

Earlier, I used to work in a firm where I develop the same product differently. Here, I changed my way of manufacturing the product and learned new ways but I was much more comfortable in my previous firm (Production Worker 2).

Here some differences were witnessed across production workers. Some workers were successful in giving convincing manufacturing logic in comparison to others. This has led to some drawbacks in daily behavioral patterns. Those who were acknowledged in higher management were normally ignored by those who hadn't received much appreciation. Owing to this behavior, we came to know that sometimes, being more rational in organizations may spoil relations with colleagues because of more appreciation from higher management. Rightly speaking, jealous behavior may be the outcome.

I have felt that whenever I try to discuss some relevant points with my supervisor or with higher management, some other workers avoid me. Even once, my co-worker scolded me for discussing a production-related matter. He told me that I have the intention to give undue importance to getting more appreciation (Production Worker 1).

To me, some people give unusual details to senior management for getting more appreciation (Production Worker 4).

4.3 Occurrence of Contradictions

In the recent implementation of management accounting systems (e.g. quality control systems), there were certain contradictions witnessed among Mr. A, Mr. B, and the management staff. Owners were of the view of getting quality certification to bring more robustness to quality concerns. In a meeting, Owners have discussed how important it is to focus on quality certification. The accounts manager has come up with other essential concerns that he raised during the meeting. Even the marketing manager has responded to this in a way that most of the customers are not keenly interested in asking whether we are certified or not.

It's good to have a quality certification but already we are producing quality products so it will just enhance our cost (Accounts Manager).

To my mind, certification is good but as long as we are producing quality products and above all, customers are happy, we may not need to have a quality certification. Our quality mechanism is sufficient (Marketing Manager).

The production manager implicitly agreed with the accounts manager that although it could enhance formalization due to existing practices, there is no primary concern for products; therefore, it could enhance cost and lower margins. This has revealed that quality logic was in the spotlight in daily tasks, but some contradictions occurred in its certification. The opinion of the quality controller was in favor of owners that certification could positively impact the organization, and from an advertising perspective, sales could be enhanced.

Quality certification is necessary whether customers give importance to it or not (Quality Controller).

The base of such contradictions was implied in managing cost. *Co. A* has always been concerned to provide quality sports products and this is embedded in its vision. Due to this reason, owners were more inclined toward having formal quality certification. This assertion was countered by the accounts manager from fear of enhancing costs and decreasing profits. For quality certification, there were plenty of things to comply which that might escalate the cost. This was supported by other managers (production manager, marketing manager, and quality controller). The rationale of the owners was based upon their futuristic approach of bringing more robustness and competitiveness. On the contrary, the rationalities of managers were based upon saving unnecessary costs for managing quality which was already being managed by a quality system of *Co. A*.

4.4 Strict Controlling Measures Led Routine Alterations

In *Co. A*, management accounting systems have developed routines, internal reports were made, and control measures were strictly taken. Some reports were on a daily basis, such as production and variance analysis. Despite producing reports and taking strict measures, the change in rationale influences the routines. As indicated by the production manager that when a new workforce was hired in the production department, then they started exhibiting problems in manufacturing sports goods due to imposing strict controls. They started making mistakes in manufacturing due to fear of meeting deadlines. Despite sting quality checks and SOPs, during 2017, *Co. A* faced some losses. It was not due to the absence of proper management accounting techniques but rather due to routines being followed in the production department.

I had to complete all units which I was ordered to complete. Due to strict deadlines and fear of job loss, I performed over time due to which I faced some health issues (Production Worker 3).

On the contrary, from the perspective of the budgeting process, even the production manager and quality controller have portrayed approximately the same behavior in the discussion of developing budgets. During an interview with the quality controller, some valuable insights were observed. The significance of strict guidelines was so intense that during the discussion, the quality controller just emphasized focusing on quality but at a low cost.

> *Without quality, we are dead. Customers are also strict about quality and don't compromise on it (Quality Controller).*

In line with this assertion, we came to know that the routines of *Co. A* was based upon customer demands. The significance of customer demands has prevailed in all sections of an organization. However, the detrimental side of non-compromising behavior on quality logic is that routines are altered, which brings some health-related problems while keeping in view to achieve low cost. Management accounting systems have brought efficiency to operations of organizations, but non-compromising behavior on both maintaining quality and lowing cost has an implicit detrimental impact on the workforce. This was also observed in the production department, where workers were engaged in producing goods, and due to overtime, they appeared to be exhausted. Another production worker has revealed the same situation depicted by production worker 3.

> *Our higher management has instructions to follow guidelines. Those who are close to higher management may get some favor and those who are not, have to work even after allowed working hours. Sometimes I feel exhaustion but this exhaustion is sometimes diluted when we get paid for overtime (Production Worker 4).*

For us, this assertion was much unique to explain that management accounting systems even can have health implications in terms of the execution of routines and the presence of rationalities.

Table 2 Themes and Findings

Initial Codes	**Major Themes**	**Major Findings**
Discussion, talks, target costing, informal planning, planning in heads, less written work, verbal communication, customization of products, customer demands, interruption, etc.	Situated rationalities	Informal costing systems are usually performed verbally Changing the way of doing planning and costing Applied target costing system because it was more rational to use The rationale given by any member has interrupted the performance of a specific task
Tacit knowledge, prior experience, arguments, talks, conversation, etc.	Travel of rationality across organizational members	Sometimes rationality of production workers convinced higher management In meetings, rationale discussions lead to transforming rationality to others as well Being more rational may have behavioral issues with peers Some people give unusual details for getting appreciation from higher management
Quality certification, robustness, existing practices, futuristic approach,	Occurrence of contradictions	Quality certification is necessary as asserted by owners Quality certification will enhance cost and already Co. A is fulfilling quality requirements by itself
Internal reports, budgeting process, instructions, strict verbal behavior, non-compromising behavior, quality measures, etc.	Strict controlling measures led routine alterations	Non-compromising behavior of owners on quality of products Strict instructions to production workers to produce quality products while minimizing cost as well

Initial Codes	Major Themes	Major Findings
		Customers have also strict behavior regarding quality Health-related issues due to the extra workload

5. DISCUSSION

Based upon theoretical underpinnings of the revised Burns and Scapens framework (ter Bogt & Scapens; 2019), we have explored the management accounting routines in our case organization (Co. A), where multiple actors are involved in shaping routines and alterations in such routines. In the management accounting scholarship, organizational routines focus on exploring multiple aspects of management accounting (Quinn & Hiebl, 2018). Our research has exhibited unique findings in terms of owners' behavior. At one point in time, owners were of the view of focusing on having quality certification without bothering about its cost. On the contrary, they emphasized lowering costs without compromising quality by focusing on strict controlling measures. Here different situations occurred where the behavior of organizational actors was according to that situation. This is also corroborated by ter Bogt & Scapens (2019). They argue that social actors portray different nationalities in different situations, and in an organizational context, actors may have different situated rationalities. In a situation where owners were not bothered about quality certification costs, other managers showed their concerns about escalated costs. This is the manifestation of different logic to the same situation by different organizational actors.

Moreover, in the exploration of management accounting routines, production workers were involved in doing overtime just to meet deadlines due to the high workload. Owing to these workload routines, some production workers face health-related problems. Health-related problems due to workload is a dilemma and cannot be ignored. This assertion is corroborated by Pérez-Francisco et al. (2020); the authors have argued that nurses' workload was associated with the situation of burnout, bad health, reduced job satisfaction, and occurrences of errors, and all of these factors led to decreased quality of care and safety. We have observed the same dilemma during interviews that management accounting routines are arguably responsible for generating health-related problems for production workers when high-ups try to give unrealistic deadlines. An interesting finding during our investigation is that production workers, despite strict deadlines, were much involved in meeting those deadlines, and some workers had taken extra workload regardless of health consequences. This was due to the motivation of having overtime payments and to show loyalty to higher management. Our findings in this regard have convergence with the literature. Hauret and Williams (2019) have asserted that social comparisons are a dilemma in subjective well-being, and individuals assess their situations using benchmarks, particularly in the context of income. As asserted by production workers, those close to higher management may not have to work overtime, and those not close to higher management may have to work overtime. Based upon our findings and corroboration with literature (e.g. Hauret & Williams, 2019), we argue that an implicit postulation of social comparison in routines is present at the workers' level.

The presence of logic in organizations is evident. Our research shows that logic is present at all levels of organizations, and during a discussion on diverse matters, rationality is portrayed by organizational actors. We call it the movement of logic because when any person tries to convince others by giving logic, then it appears that one logic has become dominant over the other. This assertion is substantiated by a recent study (Savarese, Huybrechts & Hudon, 2020) in which collaboration is arguably the factor likely to give precedence over one nationality over another. In our case of exploring management accounting routines, some production workers could convince higher management by giving a more convincing rationale than others. Due to strong collaboration, these production workers could probably transfer their rationality to higher management.

Nevertheless, this led to problems in relationships between those workers that were not acknowledged by higher management, and some jealous behavior evolved. Another significant finding of our research is when multiple logics converge; then there is little room for refusal behaviors (Rizza & Ruggeri, 2018). In the occurrence of contradictions, owners' logic and management logic were not convergent regarding quality certification. But here, interestingly, the tension between logic was not severe, and it is due to collaborative behavior between owners and managers (Savarese, Huybrechts & Hudon, 2020).

6. CONCLUSION

In conclusion, we have analyzed how management accounting routines work and how different organizational actors interact during routines. For this, a case study of Co. A (manufacturing SME) was chosen, a small partnership firm, but later on, it turned out to be a medium firm by introducing standardized procedures and hiring a professional workforce. Co. A was selected because it introduced management accounting systems when it changed its status from small to medium. We have analyzed the case by revising Burns and Scapens' framework based on institutional theory. We have argued that in Co., Different organizational actors (from owners to production workers) have indulged in routines that may pave the way for the spoilage of relations just because of the mild jealousy among production workers. We explored this was due to the convincing rationality of other production workers having a good association with higher management. Surprisingly, this was not observed among different persons in managerial positions.

Our research proffers significant theoretical contributions based on an extended Burns and Scapens framework. Our findings have ascertained that prevalent rationalities shape the routines of different organizational actors. The presence of different institutions is responsible for developing logic, but we argue that disputes may arise at a lower level due to this. Even at a higher level, some probability may be present. In management accounting routines, some implicit health concerns may be tackled strategically; otherwise, detrimental effects could jeopardize organizational effectiveness. These concerns may be due to poorly designed management accounting systems. Apart from theoretical contribution, our research carries practical utility. In organizations, routines and different actions are of great concern because disturbance of any kind in such routines may initiate confrontations. This research may have some limitations. We conducted a single case study but encouraged future researchers to incorporate multiple cases for more robust findings. We encourage prospective scholars to incorporate quantitative designs to enhance generalizability, apart from the qualitative case study.

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