



# Between Solidarity and *Anomie*: A Study of a Collaboration With a Pooled Budget

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Scandinavian Journal of  
Public Administration  
Vol. 29 No. 4 (2025)  
p. 29 - 49

DOI:  
<https://doi.org/10.58235/sjpa.40450>

**Keywords:**  
collaboration;  
inter-organizational  
management accounting;  
pooled budget;  
public sector


## Abstract


While collaboration is often promoted as a solution to complex societal challenges, the role of management accounting tools in facilitating these efforts remains a source of ongoing contention. By drawing on 29 interviews, this study examines a coordination association (*samordningsförbund* in Swedish) composed of public organizations that jointly fund rehabilitation measures to combat long-term unemployment. The study shows how the pooled budget functions as a ground for collaboration by creating financial interdependence and enabling coordination, communication, and shared practices. While this formalized structure fosters stability, it is also prone to anomic tendencies such as disengagement and short-termism. These tendencies undermine collaboration unless actively countered by practices that promote mutual understanding, shared goals, and practical coordination strategies. Ultimately, effective management accounting in collaborations appears to require not only external enforcement but also internal commitment shaped by the collaboration's own dynamics and values.


## Practical Relevance

- Pooled budgets can serve as a foundation for collaboration by creating financial interdependence and facilitating coordination, communication, and shared practices across partners.
- Although a pooled budget provides stability, it can also foster disengagement, short-termism and threaten collaboration unless actively addressed through mutual understanding, shared goals, and ongoing coordination.
- Sustaining collaboration requires both external enforcement mechanisms and internal commitment.

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Article first published as an article in press: October 31, 2025  
Article published in Vol. 29 No 4: December 19, 2025

## Introduction

For decades, collaboration has been promoted in the public sector to address complex societal issues and overcome the limitations of single-purpose organizations (Almqvist, 2004). To that effect, multiple organizations collaborate towards a common objective and attempt to tackle problems from various perspectives, a feat that might be challenging, if not impossible, for a single organization to achieve on its own (Grossi and Argento, 2022). Collective efforts, however, are not always rewarded, as public sector organizations are primarily evaluated based on performance—typically defined by what is easily measured and monitored (Wällstedt and Almqvist, 2013)—while activities conducted in collaborative settings are challenging to measure and difficult to attribute to specific organizations. This discourages participation in collaborative efforts (Wällstedt and Almqvist, 2015; Kraus, 2012).

To foster stability and establish durable collaborations, management accounting tools have been introduced. The underlying argument is that collaboration becomes more sustainable when accounting procedures are established and formalized in advance because they help to counterbalance vertical forces and promote horizontal collaboration (Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015). In effect, as previous research shows, collaboration can be made more resilient when management accounting techniques help shape and facilitate relations (Kastberg, 2014), cultivate trust (van der Meer-Koistra and Vosselman, 2000; Vosselman and van der Meer-Kooistra, 2009; Tomkins, 2001), and establish a sense of stability (Håkansson and Lind, 2007).

However, research has also shown that accounting technologies may hinder inter-organizational efforts (Cäker and Nyland, 2017; Kraus, 2012; Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015), acting as sources of instability (Kastberg, 2014), forcing collaborations to oversimplify complex issues (Kastberg and Lagström, 2019), overshadowing the primary goals of collaboration (Cäker and Siverbo, 2011), and even driving collaborations to collapse, making them unable to accomplish their tasks (Kastberg and Lagström, 2019). For example, studies indicate that accounting technologies often simplify complexity, which consequently restricts the scope of collaborative practices, confining them to isolated projects (Forssell, Fred, and Hall, 2013). Additionally, hierarchical vertical accountability can result in fragmentation, fundamentally opposing the core principles of collaboration (Andersson and Wikström, 2014).

In sum, while management accounting is often touted as a source of stability, research has shown that it can also contribute to instability. This is not particularly surprising, considering that social systems are perpetually evolving, inevitably encompassing both stability and instability at different times. While the existing literature provides valuable insights, the role of management accounting within inter-organizational contexts remains unclear. Hence, to contribute to the literature on management accounting in collaborations, we aim not only to understand how management accounting fosters stability or contributes to instability in collaborative settings, but also how it is enabled to function as genuinely collaborative or inter-organizational.

To do so, we draw on Durkheim (1933/2012), who suggests that social stability and instability are intricately interrelated; understanding one requires close attention to the other. For instance, collective consciousness partially emerges as a response to instability, serving as an adaptive mechanism that promotes stability and social order. Such order remains perpetually vulnerable to disruption, and the weakening of collective norms can result in instability or, as Durkheim terms it, *anomie*, meaning breakdowns in collective consciousness and solidarity. Conversely, as Durkheim (1933/2012) articulates, *anomie* can be mitigated through organic solidarity, which entails individuals acknowledging their essential role and forming a group that shares collective responsibility (Hausner, 2019; Smith, 2014). In our case, a pooled budget is in focus and we use Durkheim's theory to analyse the workings of organic solidarity and anomic formations in a collaborative setting. Therefore, in the following, we delve into the complexities involved in formalizing management accounting within a collaboration, inquiring into the ways in which it produces a collective consciousness and solidarity, yet remains fragile and susceptible to *anomie*. We ask not only how collaboration is enabled by management accounting and how *anomie* disrupts it, but also how *anomie* is counteracted to enable the achievement of

the collaboration's objectives. We base our analysis on 29 interviews concerning a coordination association formed by public organizations, which jointly fund rehabilitation measures through a pooled budget aimed at reducing long-term unemployment.

We find that collaboration is initially enabled through the formalization of a pooled budget that fosters solidarity among the participating actors. However, regulation and political directives also imbue the pooled budget with anomic tendencies that pose constraints on cooperation and undermine efforts to reach the collaboration's objectives. To enable cooperation further, counteractions must be undertaken to foster solidarity, which require that the collaborating actors succeed in establishing relative independence from the funding organizations to facilitate effective planning, resource allocation and monitoring of activities. In short, from the vantage point of this study, management accounting in collaborations requires support not only from external sources—such as regulation, funding partners and hierarchical mandates—but also from within. That is, for management accounting to be genuinely collaborative, it must be enabled internally, arising from the collaboration itself and reflecting its inter-organizational nature.

The remainder of this paper is structured as follows. The next section offers a more detailed literature review, followed by a presentation of the conceptual framework, specifically Durkheim's notions of organic solidarity and anomie. Section 4 outlines the study's methodology, while section 5 presents the findings and analysis. The paper closes with a discussion of our findings and a conclusion.

## Literature Review

The increasing prevalence of inter-organizational arrangements within the public sector is undeniable, marking a departure from the strong focus on streamlining that New Public Management (NPM) emphasizes for public sector organizations (Almqvist and Wällstedt, 2013). Within accounting research, this has led to the recognition that “the scope of the activity of management control is enlarged and is no longer confined within the legal boundaries of the organization” (Otley, 1994:293). Research on inter-organizational accounting has thus focused on identifying optimal designs for accounting control (Mahama and Chua, 2016) to establish stability and improve information flows between collaborating parties (Kajüter and Kulmala, 2005; Agndal and Nilsson, 2010; Mouritsen et al., 2001). To that end, several accounting techniques have been proposed, i.e. open-book accounting (Agndal and Nilsson, 2010; Kajüter and Kulmala, 2010; Mouritsen, Hansen and Hansen, 2001), target costing (Carlsson-Wall and Kraus, 2010), customer accounting (Cäker and Strömsten, 2010; Lind and Strömsten, 2006), and inter-organizational cost management (Coad and Cullen, 2006).

Research shows that accounting plays a crucial role in stabilizing collaborative relationships (Ahlgren and Lind, 2023). Accounting can have profound effects on both the relationships and the organizations involved (Burchell et al., 1980; Håkansson and Lind, 2004; Mahama and Chua, 2016; Mouritsen et al., 2001; Mouritsen and Thrane, 2006; Thrane and Hald, 2006; Kastberg, 2014) as it mediates, shapes and constructs inter-organizational relations. In network settings, it also plays a role in establishing a stable network enterprise (Håkansson and Lind, 2004; Mouritsen and Thrane, 2006). This formalization process involves strengthening the durability and stability of collaboration by employing specific management accounting techniques, foster trust, facilitate relationships, and serve as safeguards against opportunistic behaviour (Håkansson and Lind, 2007).

However, formalizing collaboration through management accounting can also result in unintended consequences that lead to instability (Kastberg, 2014), compartmentalization (Kastberg and Lagström, 2019), and the instigation of intra-organizational transformations (Mouritsen, Hansen and Hansen, 2001). Cäker and Siverbo (2011) demonstrate that relational factors, particularly trust, have a significant impact on the control packages of joint ventures. They note that the desire to preserve trust can hinder the achievement of economies of scale, as efforts to maintain trust may lead to avoiding the challenges of cooperation in favour of political correctness and other interests (Cäker and Siverbo, 2011). Cäker and Nyland (2017) find that smaller municipalities in a joint venture face disadvantages in setting the agenda. This is because

larger municipalities, with their more specialized knowledge and greater share in the venture, tend to dominate the collaboration. We pose that such marginalization could jeopardize the entire partnership. In a similar vein, Kastberg (2014) illustrates how a new governance model, which introduced roles such as purchaser, provider, and cost centre, was developed and applied to a shared IT system within a municipality. The transition to a shared system necessitated the disentanglement of an IT infrastructure that was deeply embedded across various units. However, excessive disentanglement resulted in an unstable environment, raising concerns about the entire collaboration process. Kastberg and Lagström (2019) demonstrate how cost-benefit calculations ultimately lead to the division of collaboration into two entities, serving as a means to compartmentalize complexity. In sum, research indicates that while accounting formalization provides stability in collaborations, it also produces repercussions on collaborative dynamics that can lead to instability.

Research on the role of budgets in inter-organizational settings highlights the necessity of formalizing collaboration. Kraus (2012), for example, argues in a study of caregivers that cooperation involves sharing information and coordinating visits. These activities, Kraus (2012) notes, require flexibility and deviation from rigid schedules in order to meet the needs of other organizations. Loyalty to the employer and efforts to maintain a strict organizational budget constrain flexibility and thus overshadow collaborative efforts (Kraus, 2012). Similarly, Wällstedt and Almqvist (2015) argue that budget constraints influence collaboration. They illustrate that social care services were reluctant to initiate “cases” out of concern for receiving negative audit results within their organizations. As demonstrated by Wällstedt and Almqvist (2015) and Kraus (2012), the demand to maintain individual budgets often clashes with the imperative to collaborate. Therefore, it is considered crucial to establish structures that support collaboration and enable focus on achieving collaborative outcomes. To this end, Kurunmäki and Miller (2011) suggest the use of pooled budgets, which enable organizations to merge their resources into a shared fund for joint utilization. They argue that pooled budgets are underutilized, primarily due to a lack of trust and engagement among participants, and that collaboration can only be sustained if formal structures, such as accounting procedures, are established. Furthermore, they emphasize that these formal structures should ideally be established before the collaboration begins.

However, the formalization of collaboration by way of pooled budgets does not necessarily imply success. In spite of pooled budgets, Cäker and Siverbo (2011) write that trust issues eclipse collaboration. Similarly, Cäker and Nyland (2017) show that domination tendencies stifle collaboration. Within coordination associations, Andersson and Wikström (2014) examine performance management and the creation of accountability, finding that accountability is primarily constructed with a narrow focus on intra-organizational performance. Consequently, inter-organizational performance is only addressed anecdotally and is thus excluded from the accountability framework. While Andersson and Wikström (2014) focus on formalization, their empirical cases, which among other elements included pooled budgets, indicate that pooled budgets do not necessarily promote collaboration or result in shared accountability.

Forssell et al. (2013) illustrate that the project form is employed not to establish a formal structure that facilitates collaboration, but rather as a response to external funding sources that impose standardized solutions. As a result, the project form, which includes a [pooled] budget, serves more as a legitimizing tool than as a means to enhance collaboration. Moreover, research suggests that short-term projects are seldom integrated into regular activities, leading the “projectification” of collaboration to push collaborative efforts and their activities to a marginal position.

In conclusion, the conflicting demands placed on public-sector officials—balancing accountability to one’s own organizations with the desire to foster collaboration to address complex problems—have led to challenges and constraints in collaborative efforts. Focusing on intra-organizational control contradicts the imperative for collaboration (Wällstedt and Almqvist, 2015; Kraus, 2012), because an emphasis on budgets tends to reinforce hierarchical structures and undermine horizontal aspirations (Grossi and Argento, 2022). To overcome these challenges, accounting practices should be pooled and established before initiating collaboration (Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015). Kurunmäki and Miller (2011)

further argue that controlling devices must be in place before the cooperation can start, due to their capacity to enable stand-alone performance and accountability of the cooperating organizations. However, research indicates that while formal collaboration structures offer stability, they can also become sources of instability, potentially leading to adverse effects on collaboration (Andersson and Wikström, 2014; Cäker and Nyland, 2017; Cäker and Siverbo, 2011). This contradiction warrants further elaboration. In the following section, we turn to Durkheim's notions of organic solidarity and *anomie* to further explore the dynamic role of accounting on inter-organizational collaborations as a source of stability and instability.

## Conceptual Framework

Durkheim (1933/2012)<sup>1</sup> described modern societies as characterized by a pronounced level of social cohesion, wherein members of society are interdependent and rely on one another to perform specialized tasks. Durkheim termed this form of social cohesion "organic solidarity", explaining that it replaces the "mechanical solidarity" of traditional society, where individuals largely thought and acted alike. Organic solidarity arises from the differences and interdependencies among specialized actors, fostering social cohesion through mutual reliance. This dynamic is reflected in the collaboration we study, where different parties assume different roles in coordinating rehabilitation efforts.

Specifically, according to Llewellyn (2014, p. 303), Durkheim suggests that moral values, which are internalized through the process of socialization, serve to constrain both the goals people pursue and the means they consider acceptable. This leads to social cohesion, which is achieved through the establishment of a core set of values within institutions. However, as Durkheim asserts "the collective conscience becomes smaller as labour is divided" (1933/2012, p. 364). This suggests that while specialization fosters cohesion, organic solidarity, efficiency and innovation, it also risks weakening the shared norms and values that bind groups together. Durkheim uses the term "anomie" to describe such a state of normlessness, a breakdown of norms or collective purpose that emerges when interdependence is unrecognized or unregulated.

According to Smith (2014, p. 395), *anomie* results from individualistic utility maximization, which is distinct from happiness. To exemplify, Smith notes that individuals wealthy enough to hire others to manage their children's care tend to have strong ties to their workplace. These ties foster solidarity at work and "animate them to give their all" (Smith, 2014, p. 397). At the same time, Smith notes that "weak ties strengthen while strong ties weaken" (Smith, 2014, p. 397), meaning that while life in the workplace is reinforced, the collective conscience of families weakens into *anomie*—a condition where there is a diminished sense of shared values among individuals, leading to a sense of disconnectedness that undermines not only individuals but also social order as a whole. Hilbert (1986), who also interprets Durkheim's concept of *anomie*, argues that it is not only a question of normlessness, but a breakdown in the social construction of reality. Hilbert argues that *anomie* is not just about the absence of norms but represents a withdrawal of moral reality, leading to a sense of anxiety and groundlessness. He contends that Durkheim saw society as not only regulating behaviour through norms but also as providing the very categories of thought that allow individuals to experience an orderly, objective world. When society's regulating power weakens—what Durkheim calls *anomie*—it affects individuals' ability to make sense of reality, causing a feeling of disorientation and meaninglessness. Hilbert (1986) emphasizes that although Durkheim's work is often interpreted as focusing on norms and their internalization, a more profound reading reveals his concern with how society shapes the very experience of reality itself. Moreover, the breakdown of this "moral regulation of reality" is identified as the essence of *anomie*. Hilbert (1986) contends that *anomie* arises when individuals' interpretive frameworks are systematically disrupted, resulting in anxiety and confusion. This disruption leads to a loss of social validation for personal experiences, causing isolation and a breakdown of meaning, which escalates to the collapse of social accountability and objective experience.

To overcome anomic conditions, individuals require social resources to effectively make sense of or communicate their experiences. *Anomie* can be addressed through organic solidarity, which involves individuals recognizing their essential role in society as a whole, particularly in the context of "a high natural division of labour" (Smith, 2014, p. 402). Such organic solidarity

can arise through the formation of professional groups (Durkheim called them corporations), who share a collective responsibility (Hausner, 2019).

In line with Durkheim (1933/2012), we consider organic solidarity and anomie to be inherently connected, reflecting two aspects of the same concept: social cohesion. This pertains to the strength of the ties that connect individuals within a social group to one another and to the group as a whole, as well as the group's inclination to remain united while pursuing a common objective. Although specialization enhances cohesion and fosters organic solidarity, it can also erode the shared norms and values that unify groups, thereby producing anomic conditions that may lead to division. The very conditions that enable collaboration, through a pooled budget in this case, also plant the seeds of division if not carefully managed. It is this duality that we seek to explore in a collaborative setting where a pooled budget—imposed from outside the collaboration—initially serves as both a source of stability and a catalyst for cooperation. However, its very construction can also disrupt collaboration (Cäker and Siverbo, 2011; Cäker and Nyland, 2017; Kastberg and Lagström, 2019). We further investigate how *anomie* is counteracted from within the collaboration, revealing how the budget is internally complemented and reconstituted, rather than merely a pooled resource externally imposed.

## Method

This study investigates the pooling of a budget by four public organizations in a coordination association (henceforth CA, in Swedish *samordningsförbund*). Within CAs, multiple organizations collaborate by contributing to a pooled budget and carry out rehabilitation measures aimed at reducing long-term unemployment. The organizations that are included in the studied CA are the Public Employment Services (henceforth PES), the Social Insurance Agency (henceforth SIA), the participating regional governments and municipalities. These actors are brought together by the Act on financial coordination of rehabilitation efforts (FINSAM), which aims to enhance and facilitate cooperation by pooling resources into a shared budget to finance measures that help individuals return to work or education.

This study draws on 29 interviews conducted between 2020 and 2022. Author 1 carried out all the interviews, each lasting approximately one hour. Of these, 11 interviews were conducted in person, six were conducted over the telephone, and the remaining 12 were video calls conducted via Zoom (see table 1 in the Appendix).

Interviews were conducted with representatives from all participating organizations, including the manager and two employees at the coordination association. The interviewees included individuals from both the preparatory level, such as case managers and unit managers, and the board level, including heads of departments and politicians. Some interviewees held collaborative responsibilities and were designated as “collaborations officers”. While most of the interviews were conducted remotely, the first author has met almost all interviewees in person, with the exception of three, while observing meetings. Observations at the CA occurred on six different occasions, with durations ranging from one hour to a full-day workshop lasting six hours. Among them, two were at a preparatory level, two at the board level, and two were board level workshops. The meetings and workshop served as opportunities to witness collaborative work in action. They were sites where decisions were made regarding which rehabilitation measures to initiate, how to implement the suggested measures, and to discuss the outcomes of completed measures. Thus, observing the interactions between representatives of the collaborating organizations served as a complement to the interviews, offering a more in-depth reflection from each interviewee's perspective. Interviewees were selected using the snowball method. After conducting the first twelve interviews, further selection was based on their roles within various working groups in the CA and their membership in their respective home organizations. With the interviewees' consent, all interviews were recorded using either a mobile phone app or Zoom's recording feature. All interviews were transcribed verbatim. In order to ensure anonymity, names and other traces of the interviewees' identity have, in accordance with GDPR, been omitted from the transcripts. These transcripts are securely stored on a cloud-based repository.

The interviews were semi-structured in nature, and open-ended questions were asked. A listening approach was applied in order not to interrupt the interviewee. The approach taken to

the interviews is that an interview is a socially constructed situation and that the interview is a “complex social event” (Alvesson 2003:14), entirely produced through the interaction between the interviewee and the researcher. Thus, the interviews could be seen as opportunities for impression management and showcasing their achievements, while also serving as outlets for expressing frustration and dissatisfaction. Oftentimes, the interview could be seen as a site for identity work, where the interviewee confirmed their own work to themselves (Alvesson, 2003). For a fuller comprehension of the regulatory setup of the collaboration, documents such as appropriation letters, as well as the instructions for the participating collaborators, have been studied.

The analysis of the empirical material, interviews and documents, was performed in several steps. First, a thorough analysis of all interview transcripts was executed out of which the theme for further analysis arose: sharedness in relation to budgets. Then coding and categorizing using Charmaz (2006) was performed with an initial coding in NVivo using codes such as budget, resources, economy, control, money, numbers, finances, need, plan, contracts, support, count, and payment. While reading the sections in the transcripts around the NVivo codes, further coding was done line-by-line. We achieved 79 unique codes, which we used to synthesize our data further. In this way, we made sense of our data in the form of four different categories: 1) Regulatory directives for collaboration: missions and funding, 2) Practical understandings about collaboration among the collaborating parties, 3) How the collaboration works, and 4) The role and function of the budget collaboration. In the final analytical step, the results of the focused coding were aligned with the conceptual framework, leading to a theoretical interpretation of the categories. This was achieved by applying Durkheim’s (1933/2012) notions of organic solidarity and *anomie* to analyse our findings of formalization through a pooled budget.

## Findings

In order to investigate how a pooled budget is involved in fostering stability and mitigating instability within a public sector collaboration, we here provide the findings from our analysis of the 29 semi-structured interviews with actors from the organizations partaking in the coordination association for reducing long-term unemployment, as well as secondary data pertaining to governmental regulations that govern such collaboration. This section first describes the regulatory directives and setup of the CA.

### Regulatory directives for collaboration

CAs are collaborations on *Efforts for persons who are on sick leave and youths with activity compensation* (headline in each appropriation letter: Regeringen, 2019a; Regeringen, 2019b) between the PES, the SIA, one or several municipalities and the Region. CAs are regulated by the Act on financial coordination of rehabilitation efforts (FINSAM):

According to this law financial coordination enables SIA, PES, municipality and region to obtain efficient usage of resources. The efforts within the financial coordination shall regard individuals in need of coordinated rehabilitation efforts and shall aim toward them obtaining or improving their ability to work. (§1 and 2 in the Act on financial coordination of rehabilitation efforts (FINSAM) 2003:1210; our translation and abbreviations of public agencies)

In this context, the PES and the SIA are directed to perform collaboration through CAs in their respective appropriation letters. There it is also stated that they have reporting responsibilities to the government for the cooperation that is performed within a CA.

The PES and the SIA shall work to ensure that CAs prioritize the financing of efforts for long-term unemployed, youths with functional disabilities and youths with activity compensation with the purpose of strengthening women’s and men’s capacity to obtain gainful employment. The PES and the SIA shall contribute toward all parties taking responsibility for the efforts conducted by the CA. The assignments shall be reported to the Government (the Ministry of Employment and the Social Department) on 8<sup>th</sup> May 2021 at the latest. (Regeringen, 2019a, p. 8; our translation and abbreviations of public agencies)

While the appropriation letters contain directives regarding the importance of collaboration and the roles that the PES and the SIA should play in supporting the work of CAs, the financing of collaborative activities is specified in the FINSAM Act.

SIA must provide half of the funds for the financial coordination. The participating region shall provide a quarter of the means and the municipality or municipalities participating with a quarter. If several municipalities participate within a coordination area, these must together be considered to constitute one party. (§5 in the Act on financial coordination of rehabilitation efforts (FINSAM) 2003:1210, our translation and abbreviations of public agencies)

As made clear from the above excerpts, the government has given PES, SIA, municipality and region clear directives to collaborate regarding *Efforts for persons who are on sick leave and youths with activity compensation*, as well as long-term unemployed and youths with functional disabilities. The funds for this collaboration are to be contributed towards a pooled budget, where SIA also contributes both its own and the PES' share to the pooled budget.

Regulation establishes a framework for collaboration, creating a degree of stability within which collaborative efforts can take place (Andersson and Wikström, 2014; Cäker and Nyland, 2017; Cäker and Siverbo, 2011; Forssell, Fred, and Hall, 2013; Kastberg, 2014; Kastberg and Lagström, 2019; Kraus, 2012; Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015). What unfolds within this space, however, is not predetermined (Cäker and Nyland, 2017; Forssell, Fred, and Hall, 2013; Kastberg and Lagström, 2019). In our case, regulation also contributes to instability due to the imbalance between the requirements of the SIA and those of the PES concerning the administrative routines regarding funding for CAs, oversight and the subsequent reporting to the government. These issues, as we shall demonstrate, were exacerbated by the politically mandated changes imposed by the government on the PES to reorganize the agency. In the following analysis, we examine these dynamics concerning the CA as a formalized cooperative arrangement, to study how the pooled budget functions as a ground for collaboration.

### **A pooled budget as a ground for collaboration to foster organic solidarity**

As described above, collaboration is dictated by the government, especially in the case of coordination associations which are regulated by the FINSAM act. As an interviewee put it:

Participation in the CA is dictated by law and so is its pooled budget. This is very clear from the appropriation letter and the law. (Employee at SIA)

In turn the pooled budget is described as one of the factors that drive results in collaborations. It creates commonality in similar fashion to sharing an office and coffee breaks.

Having coffee together? Well, that leads to a small result. Joint offices? That leads to more results. Joint management accounting? Leads to even more results. (IT2)

Other interviewees described the pooled budget as a success factor for the association, as it opens up opportunities for performance and achievement:

... we shouldn't hide the fact that the CA has money as well, that we actually have a separate budget. It's a huge success factor that we actually have a pot of money at our disposal. (IT15)

The formalization of collaboration via a pooled budget enables the CA to perform its tasks. It also enforces monetary interdependence that necessitates role negotiation and communication—and, by extension, fosters interdependence based on specialization, which according to Durkheim (1933/2012) is the mark of a nascent organic solidarity. This allows the member organizations to support each other in different ways. The SIA is for example helpless without the aid of PES when it comes to rehabilitation issues:

The SIA is not an executor. And that is something that you must remember. Rather, we are actually a coordinating effort who sometimes exercises certain oversight. So therefore, we are in great need of the PES, who are actually an executor towards the labour market. (IT11)

Approximately 80 percent of the 'cases of illness' managed by SIA involve individuals with an employer, while those who are unemployed are to be transferred to PES. This transition is necessary for SIA because PES is the 'executor' tasked with the mission to help the individual return to work. In this way, the CA and its pooled budget enable support from each of the involved organizations in regard to different specialities that they bring to the table. In other words, the formalization of the CA with a pooled budget draws together the SIA, the PES, the municipalities and the regions into a coordination where interdependence is based on labour



specializations. In this context, the role of the pooled budget is clear to our interviewees. Without it, there would not be any common measures or projects to collaborate on.

... it's easier to reach decisions on which tasks are to be done because we pool money together. It can be easier because we have a joint pot of money. And a joint actor who actually manages it. Because the CA has really taken on that role to manage these projects, that wouldn't be the case if we didn't have joint pots of money. (IT25)

Moreover, sharing resources facilitates decision-making, enabling projects to commence since the financial burden has already been addressed. Another key factor for success in the CA is that the association has their own manager, who acts as a driving force, connecting the actors and translating their needs into feasible projects. Without a pooled budget to finance the CA's manager, as the interviewee above states, the CA would not be possible. Furthermore, without a budget the CA's manager would be unable to plan, allocate and monitor activities.

In addition, the pooled budget setting also provides a structure for meetings. The preparatory group, where middle managers from the participating organizations meet monthly, is where the projects are proposed and discussed. The decisions are made on the board level, where politicians and higher officials meet. The goals for the operation are set on a yearly basis. These are tied to indicators which are followed up continuously. The CA produces annual reports which are audited according to standard practice (Prop. 2002/003:132). In effect, the pooled budget enables management, via a manager, but also in extension collective practices like meetings, goal setting, goal assessment and reporting, which can be viewed as rituals that reinforce norms in the collaboration and maintain solidarity (Durkheim, 1933/2012).

The pooled budget also enables efficiency. As intended, it joins the member organizations together by creating a common and more efficient ground for action.

The collaboration in the CA makes visible virtually all target groups in one or several municipalities. Because I know that the employment officers are struggling with a certain type of cases, the municipal investigators at the social service are struggling with a certain type of cases, and we are all in our separate chambers working with these groups of people. A good thing that has come out of the CAs is that they showed themselves..., it was made so obvious and clear that these are the same people! Let's do something together for the same persons. We have the money, we have opportunity, we have good CAs, we have good projects in the associations. I mean, there's no better greenhouse for finding good solutions. (IT27)

The pooled budget is a source for success in the sense that it ties the rehabilitating actors together and allows them to focus on the common target group. It also means that costs can be shared through the CA for projects that previously were run locally in each respective organization. This may moreover function as an incentive to collaborate. For example, one of the municipalities had a project running, for which collaborative efforts were needed. They joined the local CA and integrated the project under their umbrella.

So, this is a project costing a couple of millions a year, but now we pay to the CA, I don't know, around half a million, but the staff is still in the project. So, financially, it has turned out to be a good solution, plus there is a platform to accomplish the collaboration, So, it was a huge success for us to join the CA. Plus we got a lot more help for our citizens through the CA. (Employee at municipality)

Joining the CA enabled the municipality to continue driving the project, but at a significantly lesser cost and with other added bonuses, such as access to the additional services provided by the CA. The CA and its pooled budget contribute to effectiveness and efficiency, which again illustrates interdependence and how it fosters organic solidarity, in this instance from the point of view of a municipality.

A pooled budget serves as a unified plan that encompasses funds and activities, around which the members of the CA can collectively organize. It enables solidarity, it is shared in the sense that it belongs to everyone, fostering a sense of joint ownership and responsibility. This structure encourages collaboration by providing a common financial framework and the potentiality that goes with funds that are in place and can be assigned to common rehabilitation activities.

## A ground riddled with anomic tendencies

To set a pooled budget for the CA is however no easy task because it is arrived at through negotiations that introduce uncertainty and division. One interview illustrates a key difficulty faced by members of the CA:

Of course, it's a lot about me representing an agency, of course I have to keep the agency's best interest in mind. But I also have to think that, ok, what can I give in order to get? And here, sometimes dialogues with other agencies break down because it depends a lot on who you have on the other side of the table. It's very dependent on that. Is it a person who pretty much makes it a matter of life or death (laughter) to stand up for themselves and represent their agency through fail and foul? That's a type of person you could meet when collaborating. Or is it a person who is ready to consider your side of the conversation, [and say] what can I offer you? (IT27)

In inter-organizational terms, such illustration highlights both the possibilities of and the limitations to collaboration. Some members of the CA, for example, do not see themselves as members and although the pooled budget brings them together, it fails to function as a force that fosters solidarity:

The CA has to apply for funds each year from the members. And also, in some way, needs to make sure to maintain its... in those regards, it becomes clear that the municipalities don't see themselves as a part of the CA. Rather, they see the CA as something beyond. Although the thing is that it's us. (IT28)

The CA is made up of its members, but the actual work with rehabilitation only involves some of the participating organizations. Even though there are municipalities that appreciate the means provided by the CA (as for instance seen in the previous section) they generally tend to marginalize the CA during their budget discussions. It is as if the CA is experienced as something outside or beyond the municipalities' responsibilities, although they are a constituting member. These divisive tendencies amount to anomic conditions where social accountability and objective experience collapse, leaving municipal participants unable to see the value of collaboration when so many other demands compete for their attention. In their context, collaboration loses its meaning (See Hilbert, 1986).

A similar problem is also reflected in the initial stages of the inter-organizational budgeting work, which is regulated by FINSAM and set to an 'ideal apportioning' of 25% for each party, i.e. the SIA, the PES, the Region and the municipality or municipalities if several are involved. Each party must contribute 25% of the CA's pooled budget, but the total amount of funding is determined through an agreement between the parties.

We are supposed to have a budget of 51 million SEK, but we are right now at around 30 million because all parties won't agree to the ideal distribution calculated by us at the SIA. I don't know if you're aware, but we put an ideal distribution each year, then the other parties answer to that ideal distribution. If you don't want to, you place yourself at a lower level and then that's what we have, the lowest denominator wins, so to speak. (IT29)

An individual member of the CA can thus, in practice, reduce the pooled budget to a minimum and pressure the other parties to lower their contributions accordingly. The interviewee further explains that the budgetary size is essential for the potential impact of the CA. A larger CA with a pooled budget of 50 million SEK is better equipped to attract "the right key personnel from all member parties" (IT29) than one with the minimal allocation of 400 thousand SEK, which supports only a part-time position for a CA-manager and reduces significantly the CA's impact. In this context, the Region is identified as the party in the CA which often places itself at the lower level of resource allocation, forcing the others to conform to that lower level. The board representative from the Region explicates:

And then the annual reports of all the CAs in [the region] are presented at the regional council. And these things are around 100 pages long with accounts of all the projects, and they're well-written and all very nice. And, you know, if there are six or seven of those, that's 6-700 pages going out to everyone in the regional council... I mean, how many people read those? Rather, you read the line stated as point of decision: "the official believes that we should not give more money to the CA, so we give the same as we did last year". Full stop. That's what it says, it's what we decide upon. So that's it, you know. No one has the energy to raise the issue. [...] The Region has put a stop, because it's the state, i.e., PES and SIA, who increase their funds but we conform to the one who pays the least, so the CA hasn't received any money in many years, because the Region says no. (IT21)

The ideal apportioning of the pooled budgets of CAs proves to be less than “ideal”. In effect, the very formalization of the pooled budget, which in a sense provides stability and serves as a foundation for collective action and organic solidarity also gives rise to anomic conditions of disarray and loss of shared values. The reliance on different actors to fund the collaboration, which could foster interdependence, instead fosters non-committal attitudes and indifference. In effect, as exemplified in the quote above, the process of the apportioning of funds involves decisions by the members organizations of the CA, and at that level those involved are only aware of the CA through annual and budget reports, not shared values and goals that could promote cohesion. Thus, the annual and budget reports “drown” the members in the regional council with information, leading them to non-committal decisions.

Another inherent problem in the FINSAM Act, which, as seen above, defines the financing of the pooled budget, is that it assigns the SIA the responsibility of covering both its own share and that of the PES, as well as handling reporting obligations. This arrangement, according to some, enables the PES to avoid collaboration even though its own appropriation letter clearly states that it must collaborate within the framework of the CA.

But the PES doesn't finance the CA directly, the financing goes through the SIA; [...] they are the ones with the responsibility to report back to Government, they are the ones writing the reports back to Government. The PES isn't there, you know. The PES isn't included in the same way. So, although you have this strong local anchoring at the PES, my experience has been that it might not exist, this strong anchoring, at the top management, you know. (IT8)

Thus, in spite of the directive to collaborate that is written into the appropriation letter, the form of the collaboration as stated by the FINSAM Act causes strains on the collaboration because it does not enable shared responsibility, and hence is an obstacle to organic solidarity. In effect, insofar as the PES is not directly obligated to finance the CA's pooled budget, accountability on the part of PES seems to suffer as a result. This is an example where we note a connection between the pooled budget, performance and accountability: the SIA executes direct budget payments, but it does not usually perform rehabilitation activities, while the PES performs rehabilitation activities, but has no clear responsibility for the budget of the CA. The specialization is clear here, and it should lead to solidarity according to Durkheim (1933/2012). However, the specialization in this case revolves around two different levels. The SIA is involved with the pooled budget at the strategic level of the CA, while the PES is involved with it, if at all, at the operational level. This means that the PES lacks obligation to discuss the funding, and by not participating, risking to miss the opportunity to develop commonality with the other members in this regard. In other words, the PES risks being seen, and seeing itself, more as a provider to the CA than as a full member. From a collaborative perspective, this situation equates to a breakdown in meaning and social accountability (Hillbert, 1986) for the PES, who no longer perceives collaboration as a cooperative process and instead sees only the transactional nature of a commissioner-provider relationship. Regulation in this case does not obviously lead to stability, as posed by previous research (Cäker and Nyland, 2017; Forssell, Fred, and Hall, 2013; Kastberg and Lagström, 2019).

According to some interviewees, this serves as a complementary explanation for the PES's tendency to withdraw from collaborative efforts. The PES underwent a reorganization process between 2014 and 2021, prompted by governmental directives to reduce its funding and restructure. This politically enforced reorganization is frequently cited as a reason for the PES's reluctance to engage in collaboration. Nevertheless, this does not negate the fact that the regulation explicitly assigns the SIA the responsibility to allocate funds for both entities, as specified in above. The escape from budgetary activities within the CA at a strategic level offered to the PES by the regulation and executed while being a target for political intervention is evident in the following quote, which emphasizes the PES' role as a provider rather than as a member.

And then we have had challenges with PES, it's safe to say, where we have seen that in light of this reorganization, they haven't been able to contribute in the same way. Because we are, as I said earlier, dependent on them as providers. But if they don't have enough staff in these missions, we also struggle to achieve a transition of the individual. (IT11)

The problems with the pooled budget relate also to its limitations to funding coordinating functions and operational costs related to rehabilitation activities, because the CA depends on its members to allocate and fund personnel resources for its activities.

Here in this CA, we have a budget of around fifteen million SEK per year, where SIA and PES via SIA are responsible for half of the funds, and the Region 25 percent, and the municipalities share the remaining percentage. So, every year, they allocate money. [...] But we also have a challenge connected to the fact that we can't allocate resources, and perhaps we can't start an operation in the way that we had thought; that we actually don't use the money fully. There has been a surplus in the CA. And we can also see, for example now that we are closing the books for last year, given that we have withdrawn services, mostly from PES, closed operations and things like that, that we haven't been able to start up or level up. So that means that we can't convert this money into operations. (IT8)

As transpires from the quote above, the pooled budget is a constrained resource in size, as already discussed. Moreover, it is restricted to coordinating and operational costs for rehabilitation and excludes operational personnel. This means that opportunity costs will always present a challenge for the CA, because the opportunity cost of personnel is not only what they could have done otherwise in the CA, but also what they could otherwise do in their respective home organizations. When juxtaposed with the budgets of its constituent organizations, the pooled budget becomes anomic. In this context, the pooled budget is not effectively utilized, as its funds frequently remain unspent until the end of the fiscal year. This is primarily due to the CA's insufficient personnel resources, which hinders the execution of activities that would otherwise incur expenses.

Finally, according to interviewees, there are also problems with the reporting requirements assigned to the CA, which follow the annual budget and culminate in an annual report, not being aligned with the CA's need for long-term planning of its activities and projects:

There is a lack of a long-term perspective, if we are to look at social investments, and even the CA. We work with an annual budget and are supposed to do an annual report. These [rehabilitation issues] are perhaps issues stretching out over a long time, and that's why it's hard, I'm thinking of the political debate, there is a lot of talk of preventive actions and whatnot. And then you have to be prepared to invest. But where I can also see that there are obstacles that make it difficult to have the long-term perspective of how we invest resources in budgets and so on. (IT15)

One problem that was raised during the interviews is that it is difficult to show that the money is spent in a thoughtful and fruitful way in reports that only span a year. Rehabilitation work for individuals is ongoing and may stretch out over several years. It is therefore difficult to reconcile it with the yearly perspective that is brought in by the pooled budget.

This short-termism, or "one-year-ism," also relates to the short-sighted perspective of quantitative goals, which is also perceived as counter-intuitive to the rehabilitation of individuals. In effect, working towards quantitative goals, as one points out, may risk missing the very point of the collaboration: focusing on the rehabilitation of more complex cases involving individuals with psychiatric illnesses or serious mental health problems.

Having a quantitative goal, say 40% should obtain work, leads to case officers choosing the persons they believe are likely to obtain employment, and not the ones with a more complex problem situation. And that's really backwards because the methods we work with are evidence-based, and the evidence tells us that we need to work with the ones with psychiatric illness, with serious mental health problems. When PES wants to talk about the individuals who are more job-ready, that's really contrary to evidence. (IT22)

The danger lies in the appeal of cases that are easier to resolve and allow for quick, reportable outcomes. This may tempt caseworkers to prioritize such cases, thereby avoiding the more demanding ones that the collaboration is originally intended to support. The perceived need to work in one-year terms and toward quantitative goals has detrimental effects because the task of the CA is to address the most complex cases, not those who are easily rehabilitated. The shared goal of the CA is thus to be effective in rehabilitating difficult cases, not to operate efficiently in comparison with other rehabilitation efforts. Setting quantitative goals that are geared toward efficiency within the budgetary one-year period is thus anomic and therefore not conducive to the rehabilitation of people in more difficult situations. It introduces disarray in the CA because it undermines the shared goal and values that would otherwise hold the CA

together, and, in Durkheim's (1933/2012) terms, sustain solidarity. Focusing on efficiency within the CA brings thus results in the destruction of the very meaning of its task; when quantitative efficiency goals are not met—something our interviewees perceive as highly stressful—the entire effort is regarded as a failure (IT22). Thus, budgetary demands risk redirecting work towards goals that function as obstacles to “serious” rehabilitation work.

As we have illustrated above, the formalization through the pooled budget not only strengthens the CA, as was shown in the previous section, it also undermines it. Negotiations on the budget and the resources needed to execute it can create division, as members distance themselves from full responsibility. Similarly, annual budgeting cycles and a focus on quantitative efficiency goals further disrupt long-term rehabilitation efforts, fostering anomic conditions and weakening solidarity. The separation of financial and operational responsibilities, especially between the SIA and PES, deepens this divide, reducing collaboration to transactional interactions and eroding accountability. Together, these dynamics introduce disarray into the CA and hinder the CA's ability to know themselves as a unit with a shared purpose to effectively support the most complex rehabilitation cases.

### Counteracting anomic tendencies

Even though formalization through a pooled budget produces stability for the CA, it also riddled with anomic tendencies. All is not lost, however; anomic tendencies can be counteracted, and according to Durkheim (1933/2012), strengthening organic solidarity is the redemption. As Smith (2014) remarks, *anomie* can be alleviated through the recognition of one's role in the group and by fostering a sense of collective responsibility. Moving beyond individual self-interest, and not only thinking about oneself, as Smith (2014) notes in his discussion of *anomie* as the result of individualistic utility maximization, was also highlighted by our interviewees as a crucial aspect for counteracting instability.

But SIA were tasked to work more with rehabilitation. That entails that the flow to PES changed, of course. Less people come into PES, and we have a certain staffing, [...] for this collaboration. The consequence is that we have an over-capacity. We have people, employees working more or less half-time, because we don't have enough cases. So, what does this mean for us internally, what consequences does this have for our collaboration with SIA? That could be discussed. And certain things we can do something about [...]. But other things we can just note “this rule change will have that effect, full stop, we can't do anything”, we can't run to the ministry and say “no, tear down this decision because it's no good”. So that's how we, within the frame of collaboration, we have to avoid constantly thinking “what's best for me”... (IT27)

There is always going to be political instability in directives and financing that leads the CA members to act in different ways according to their own interests and therefore to be at times reluctant to collaborate. As the interviewee above explains, constant change poses a threat to collaboration, but faced with changes impacting their home organizations, CA members need to consciously resist prioritizing the interests of their own organizations over the goals of the CA while acting on its behalf. Similarly, it is clear that a pooled budget will always be vulnerable to the influence of the individual budgets of the organizations that contribute to it. Looking beyond the immediate needs and goals of one's own organization, while focusing on and staying within the bounds of the collaboration, seems to be an important ingredient for successful collaboration.

Building relationships and getting to know each other to foster understanding is another counteraction to anomic tendencies. An interviewee explains that collaboration is not without challenges and has its limits. For example, the interviewee continued, one of the challenges the SIA has in relation to the other members of the CA is that they tend to stick too close to the letter of the legislation, thereby stifling the collaboration. The legal expertise of SIA's officers' acts as a hindrance to the initiatives of the CA. Specialization, in this case, seems to go too far and becomes a problem that fails to foster organic solidarity by curtailing the ability of the CA to plan rehabilitation measures within its budget. This is a problem that Durkheim (1933/2012) noted, writing that collective conscience may become smaller as labour is divided, increasing the risk of social fragmentation. However, this can be overcome, as the interviewee below describes. Through dialogue, there can be a harmonization between the regulatory environments of the agencies that eases the difficulties in the collaboration:

A lot of it is about [...] explaining how our system works. Sometimes our legislations and regulations differ quite a bit. And trying to harmonize them isn't easy. At the same time, we have to make sure that an insured client isn't caught in the middle. And then, a lot of it is about finding the solutions here and now. And that's basically what the dialogues with PES are about. (IT11)

Thus, one of the features that enable the utilization of the budget as a common ground for collaboration in the CA is the initial step of making the regulations that apply to each participating organization visible to all parties. At the same time, this makes clear the boundaries of each organization by marking where one organization's task ends and another's begins. In Durkheim's (1933/2012) terms, this is a source of organic solidarity. Clarity about each other's boundaries and specialization leads to the realization of a unity rather than a collection of units, promoting cohesion by enabling collective values and goals. In relation to the group of people who are the recipients of the rehabilitation efforts, this is also crucial to prevent individuals from being marginalized or placed in ambiguous situations.

Another example of counteraction, brought up by our interviewees, was to recruit employees from the PES to counteract the PES's tendency not to engage actively in the collaboration. As one interviewee explains, a change within the operations of the PES involved the removal of dedicated case officers. Instead, any available case-worker could handle a case, resulting in individuals potentially being assigned different caseworkers with each interaction. This, in turn, slowed down the process and made it more complex.

We have difficulty finding our way to the PES based on their new organization when you no longer have individual cases at caseworker level, but you can come to anyone. So there are sometimes some difficulties. Then they are creative in the CA, they have solved it by "hiring", so to speak, employment officers who have a coordinating function, for example, in the PES. But this may not be a sustainable solution over time. (IT29)

Changes in a participating organization have repercussions on the collaboration. One of the most straightforward ways that this is manifested, as illustrated above, is through the removal of dedicated case-workers at the PES, leading to staffing difficulties for the CA. To overcome these difficulties, a response has been to recruit employment officers into a coordinating role. Recruiting a PES employee as a coordinator not only ensures that important knowledge about the PES and the changes it has undergone is now in-house knowledge and can therefore be better understood and counteracted, but also that a new network of contacts at the PES is available via the new coordinator. Recruiting personnel to the CA, let alone personnel from member organizations, means further signals that the collaboration is coming into its own and gaining a degree of independence. Such specialization does according to Durkheim's (1933/2012) theory enable solidarity.

In addition to the counteractions presented above, a number of new operational solutions have been created to counteract the repercussions to the collaborative activities caused by PES' limited resources.

We've moved to digital meetings to a greater extent [...], which means that we don't have to take up a lot of travel time, but also that you can have several meetings one after the other without it taking extra time. And that we can have... You can distribute the workload really, that you are no longer locked to perhaps only [name of PES local office], but now you also have ... Or [name of another PES local office] can now reschedule, so that you might get employment officers from other parts of the PES in [name of the region]. [...] So, we have been able to solve it in other ways. But it has meant a change; absolutely. (IT11)

The collaboration officer reflects on the internal situation of the PES and its potential impact on their actions, demonstrating a considerable understanding and sympathy for the challenges PES faces. Recognizing the necessity for PES to reorganize and prioritize resources, the officer also considers the implications for their own work. The collaboration officer also talks about the solutions developed to still be able to carry out their responsibilities in the CA, talking about actions and impacts to counteract the losses to budgeted resources. The actions developed consist of digital meetings, having several meetings in a row, and to distribute the workload pertaining to PES over several different PES offices instead of utilizing one office only. The impacts of these actions are saving travel time and time spent in meetings, making room for time to work on rehabilitation, and increased output by getting access to officers at other PES

offices. In these ways, the budget can despite challenges be utilized and executed in order to help citizens in need of rehabilitation.

In sum, although, formalization through a pooled budget provides stability to the CA, the way it is formalized is also fraught with anomic tendencies. According to the interviewees, successful collaboration necessitates an approach towards the member organizations and the CA that permits a sequential shift in interests, thereby placing the CA and its member organizations on an equal level. Additionally, mutual understanding and acknowledgment of each other's responsibilities are essential to counteract anomic tendencies, thereby fostering comprehension, collective conscience, and unity. As an extension, a practical solution is to recruit employees as coordinators. Although this is merely a symptomatic treatment, since personnel resources will still be unavailable in-house for the CA, hiring coordinators who are well-acquainted with their home organizations can be beneficial.

In other words, since the pooled budget of the CA is sourced externally—granted through regulation and funded by the member organizations—the CA must first resist the individual agendas and budgetary priorities of its participating organizations. It must assert its own identity and establish itself by counteracting anomic tendencies that arise in the execution of the budget. It appears, therefore, that a pooled budget, or management accounting more broadly, must be enabled internally within the collaboration before it can effectively promote solidarity and serve as a foundation for collaboration. As described above, this process requires actively countering anomic tendencies to cultivate solidarity, thereby enabling the pooled budget to operate as a budget of the collaboration, by the collaboration, and for the collaboration.

### Summary of the findings

In the section *Regulatory directives for collaboration*, we find that the pooled budget is established as a regulatory mechanism to ensure that rehabilitation efforts effectively address long-term unemployment, despite the fragmented organizational structure of the government as separate government agencies. Accordingly, the government assigns responsibility for funding the CA to its members—the PES, the SIA, the municipalities and the region. In the following section, *A pooled budget as a ground for collaboration to foster organic solidarity*, we find that establishing a collaborative framework through a pooled budget empowers the CA to fulfil its responsibilities. This arrangement creates financial interdependence, which requires role negotiation and communication, thereby fostering specialization-based interdependence indicative of organic solidarity (Durkheim, 1933/2012). The formalization of a shared budget brings together the SIA, PES, municipalities, and regions in a coordinated effort that streamlines decision-making by addressing financial concerns upfront. Furthermore, it enables the CA to have its own manager and facilitates collective practices such as meetings, goal setting and reporting that strengthen collaboration norms (Durkheim, 1933/2012).

However, in the section *A ground riddled with anomic tendencies*, we intimate that the pooled budget alone is insufficient as a cohesive force. Anomic tendencies—such as negotiations over budget contributions that reduce engagement, annual budgeting cycles and a quantitative focus that undermine long-term goals, and distractions caused by intra-organizational issues, regulatory zealotry as well as political change—generate inefficiencies that erode solidarity among the collaboration's actors. Finally, in *Counteracting anomic tendencies*, we show how instability is mitigated through practices that move beyond the self-interest of the participating organizations. Although the pooled budget remains vulnerable to the priorities of each partner's internal budgeting and the vicissitudes of regulatory and political change, fostering a shared focus on the CA's mission is crucial. This is supported by activities that promote dialogue, relationship-building, and mutual understanding—helping to temper rigid regulatory approaches while making organizational constraints transparent. Recognizing each organization's limits and expertise fosters unity and strengthens shared values. Cross-recruiting practices build in turn knowledge of each other and open up new networks for coordination.

In sum, our study shows that management accounting in collaborations must be supported not only externally—through regulation, funding partners, and hierarchical mandates—but also

internally—through counteractions to anomic tendencies. Furthermore, to be truly collaborative, it must emerge from within the collaboration itself.

## Discussion

Based on 29 interviews with representatives from the participating organizations of a Coordination Association (including the manager and two employees of the CA) and drawing from Durkheim's (1933/2012) notions of solidarity and *anomie*, we set out to study how collaboration is enabled by management accounting, how anomic tendencies disrupt it, and how they are in turn counteracted to enable the collaboration to achieve its objectives. In doing so, our aim has been to understand not only how management accounting fosters stability and contributes to instability in collaborative settings, but also how it is enabled to function as genuinely collaborative or inter-organizational.

Our study contributes to previous research in several ways. As previous research argues, management control devices, such as pooled budgets, are essential for holding organizations accountable for their performance and use of resources. Such devices also need to be in place before the cooperation starts, due to their capacity to enable stand-alone performance and accountability in the cooperating organizations (Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015). However, previous literature also indicates that while formal collaboration structures offer stability, they can also become sources of instability, potentially leading to adverse effects on collaboration (Cäker and Nyland, 2017; Cäker and Siverbo, 2011; Andersson and Wikström, 2014; Kastberg and Lagström, 2019). Our study provides depth and nuance to these studies, by delineating the ways in which management accounting, a pooled budget in our case, functions as a ground that fosters organic solidarity, the ways in which such ground is nevertheless riddled with anomic tendencies, and how these anomic tendencies are counteracted not only to promote solidarity in the collaboration, but also to enable management accounting within the collaboration. In other words, on top of being formalized to enable management accounting of the collaboration, management accounting also needs to be enabled from within a collaboration itself as management accounting by and for the collaboration.

In effect, as Kastberg and Lagström (2019), who show that substantial simplification of the collaboration task is required for successful collaboration, we find that the focus that the pooled budget provides, although it serves as a foundation for collaboration, is reductive and short-sighted. In terms of our empirical example, such reduction enables success in quantitative terms but results in failure in qualitative terms, because although it enables higher numbers, it neglects the complex cases it was originally intended to address. This harkens back to the need for a collaboration to enable its management accounting to work effectively by counteracting the anomic tendencies that are inherent to a collaboration, i.e. the self-interest of its members, outside regulation and political change. Without such counteracting activities, the CA would have been compelled to simplify their operations and targets to comply with formal requirements from outside itself and thereby exclude more relevant targets.

Our study extends the research on budgeting within inter-organizational settings, which highlights the necessity of formalizing collaboration. Where Kraus (2012) finds that loyalty to the employer, and efforts on the part of members of inter-organizational collaborations to maintain a strict organizational budget, constrain flexibility and overshadow collaborative efforts, our study illustrates instead the work being done to counteract similar tendencies. It shows that the pooled budget does provide a ground for collaboration, albeit one that is riddled with anomic tendencies and, therefore, as Andersson and Wikström (2014) note, does not necessarily promote collaboration or shared accountability. More importantly, we show that the pooled budget in a collaboration can be actively shaped and its anomic tendencies counteracted to allow it to function effectively as a tool for collaboration and shared accountability in line with the goals of the collaboration and not those of the member organizations.

Similarly, in relation to trust in collaborations, we show that while management accounting may be a source of trust, such trust may be fraught with anomic tendencies that hinder collaborators from embracing the challenges of collaboration. This resonates with Cäker and Siverbo (2011) who argue that the willingness to maintain trust may make participants of a collaboration opt for political correctness or let themselves be dominated by bigger and stronger



counterparts, as Cäker and Nyland (2017) write. From that perspective, our study highlights the efforts undertaken to maintain solidarity and trust among collaborative actors in order to uphold the collaboration as a collaboration and its management accounting as management accounting by and for the collaboration.

Our study further offers different insights from those presented by Forssell et al. (2013). They argue that the project form is utilized not to establish a formal structure conducive to collaboration, but rather as a reaction to external funding sources that mandate standardized solutions. Consequently, the project form, which includes a budget, functions more as a legitimizing instrument than as a mechanism to enhance collaboration. Similarly, our study reveals that a pooled budget, in which projects are included as activities, needs more than formalization imposed from the outside, as proposed by Kurunmäki and Miller (2011) and Wällstedt and Almqvist (2015). Management accounting, the pooled budget in our case, and the project form in Forssell et al (2013), need not be reduced to serve a legitimizing role, but can be made to fulfil a meaningful control function if enabled to do so from within the collaboration. By keeping the focus on the inter-organizational goal, promoting dialogue and mutual understanding, management accounting can be developed to serve inter-organizational management control.

## Conclusion

This study contributes to the existing literature by elucidating the complexities inherent in inter-organizational collaboration involving a pooled budget. It demonstrates that merely establishing a pooled budget prior to the commencement of collaboration, which is argued to be necessary to ensure the independent performance and accountability of the participating organizations (Kurunmäki and Miller, 2011; Wällstedt and Almqvist, 2015), is insufficient to sustain collaboration. In this context, the pooled budget is a mandatory mechanism for participants in the collaboration that provides a basis for collaboration. Such foundation, however, is riddled with problems. For example, some collaborators may regard the pooled budget as an imperative that must always be valued, while others view it as a secondary consideration to the participants self-interest or other responsibilities. The pooled budget, then, enables collaboration in one sense; however it also needs to be actively shaped from within the collaboration to become not only external management accounting imposed by outsiders, but also management accounting developed by and for the collaboration. In this sense, our findings open up the discussion of management accounting in collaborations to be more nuanced, distinguishing between management accounting in collaborations that is externally imposed, standardized, compliance driven and potentially burdensome to the collaboration and management accounting developed from within collaborations that is reflective of joint goals and used as a tool for coordination.

## Acknowledgements/Funding

Earlier drafts of this paper were presented at IRSPM 2024, 13th International EIASM Public Sector Conference and the 27th NFF Conference. We thank the attendees for valuable comments and feedback. We also kindly thank two anonymous reviewers for helpful comments in developing this paper. This work was supported by Handelsbankens forskningsstiftelser; Jan Wallanders och Tom Hedelius stiftelse, Tore Browaldhs stiftelse (P22-0015).

## Notes

<sup>1</sup> Durkheim's (1933/2012) theory of social cohesion and the division of labour has been referenced in accounting research, including studies by Kuasirikun and Constable (2010) on the sacred and profane in accounting cosmologies, Laughlin (1988) and Booth (1993) on religious institutions, and Nobes and Stadler (2013) as well as O'Regan and Killian (2014) in discussions of IFRS and professional self-regulation. However, we found no studies applying Durkheim's theories specifically to management accounting. As Collins (1985) notes, Durkheimian thought includes both a dominant modern functionalist strand and a less-explored micro-oriented lineage developed through anthropology and microsociology—the latter of which informs our approach.

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## Appendix

Table 1: List of conducted interviews showing role of interviewee, duration, date and form of interview. (\*=non-unique follow-up interview)

Code	Role	Duration	Form	Date
IT1	Unit manager	53 min	Physical	27.01.2020
IT2	Unit manager	56 min	Physical	29.01.2020
IT3	Employment officer	58 min	Physical	06.02.2020
IT4	Section manager	72 min	Physical	10.02.2020
IT5	Employment officer	73 min	Physical	10.02.2020
IT6	Employment officer	61 min	Physical	14.02.2020
IT7	Employment officer	21 min	Physical	13.02.2020
IT8	CA manager	66 min	Physical	21.02.2020
IT9	Section manager	55 min	Physical	27.02.2020
IT10	Communications officer	46 min	Physical	06.03.2020
IT11	Collaboration officer	58 min	Physical	16.03.2020
IT12	Unit manager	50 min	Telephone	24.03.2020
IT13	Employment officer	55 min	Telephone	25.03.2020
IT14	Collaboration officer (*)	60 min	Telephone	01.09.2022
IT15	CA manager (*)	49 min	Telephone	28.09.2022
IT16	Section manager (*)	56 min	Zoom	13.09.2022
IT17	Collaboration officer	55 min	Telephone	29.09.2022
IT18	Unit manager	45 min	Telephone	23.11.2022
IT19	Collaboration officer	56 min	Zoom	28.11.2022
IT20	Politician	41 min	Zoom	02.12.2022
IT21	Politician	47 min	Zoom	05.12.2022
IT22	Business developer	59 min	Zoom	06.12.2022
IT23	Head of operations	19 min	Zoom	07.12.2022
IT24	Politician	50 min	Zoom	07.12.2022
IT25	Collaboration officer	33 min	Zoom	08.12.2022
IT26	Politician	39 min	Zoom	08.12.2022
IT27	Collaborations coordinator	63 min	Zoom	09.12.2022
IT28	Head of operations	59 min	Zoom	09.12.2022
IT29	Collaborations officer	63 min	Zoom	19.12.2022