



JÖNKÖPING INTERNATIONAL BUSINESS SCHOOL  
JÖNKÖPING UNIVERSITY

# **Organisational Structure Influences on the Controller Roles in Sweden**

**A Cross Case Study between six Organisations in  
the Clothing Industry.**

Bachelor thesis within Business Administration

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**Date:** January 2008

**Subject terms:** Controller, Roles, Financial control, Accounting, Organisational structure

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### **Executive summary**

- Background:** Increasing competition has led to a large interest for management control and leadership in Sweden. The controller's role has changed from just including number crunching tasks to become more market and customer oriented. Therefore the use of controllers today is increasing within Swedish organisations. The role incorporates involvement in management decision making process. Organisational structure affects the work role as well as the location of the employee within an organisation.
- Purpose:** Our objective is to explore how and why the controller roles in Sweden differ from one organisation to another. To make it more interesting a second dimension, organisational structure, is included. We aim to develop guidelines that can provide useful insights to already existing theory. A mix between the inductive and the deductive approach is used.
- Method:** A qualitative cross case study has been performed where controllers from six different organisations present in the Swedish market have been interviewed. The organisations are operating in the clothing industry. Generalisation is not emphasised rather the uniqueness of each case is highlighted. A cross case analysis was performed to reveal differences and similarities between the cases.
- Conclusion:** We have found that a divisionalised structure where the subsidiary is relatively large results in decentralised decision making. The controller belongs to an own function located straight below the CEO and is titled business controller. This controller is recognised to be an involved controller. The involved controller was also found in organisations where some influences of the machine bureaucracy were apparent. If the controller belongs to the finance function it is likely that he/she performs accounting related tasks and the controller role is recognised to be the independent controller. If the controller belongs to the purchase function and the adhocracy is found the split controller role is evident. To prevent confusion we suggest that more controller titles should be added and the title should also communicate what tasks and responsibilities that correspond to the role. If you belong to the finance function an appropriate title would be accounting controller. By looking at the organisational structure it is possible to get guidance for what the role incorporates and what tasks and responsibilities that can be expected. Variance will always apply since there are no rules and regulations for financial control.

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# 1 Introduction

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*This section presents the background to the problem for the reader. It explains why this subject matter is interesting and why it should be investigated. The purpose of the study will be stated.*

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## 1.1 Background

A more globalised world has led to tougher competition for organisations. This directly calls for organisations to become more market and customer oriented in order to increase profitability. Mattsson (1986) acknowledges these orientations to be the reason for the use of controllers in organisations. The considerable growth of Swedish organisations in the 20<sup>th</sup> century and the boom of the Information Technology (IT) have contributed to an increasing interest for management control and leadership in Sweden (Ewing & Samuelson, 2002). Lindvall (2001) argues that competition has called for a change in the field of management control. Organisations have shifted their focus from traditional financial control to a new and more modern view, business control. This has further resulted in the need for a modern controller role (Lindvall, 2001).

In 1978, Goodman predicted that the future would demand different types of controllers; “It is only a matter of time until we see the creation of new forms of controllership such as marketing controller, an advertising controller, a manufacturing controller, and a distribution controller. In term of an analogy, it is not much different from visiting your medical practitioner.” (Goodman, 1978, p. 24). The importance of the controller’s role in organisations was recognised in the early 1980s by Sathe (1983). According to Sathe (1983) the controller’s two main responsibilities are management-service responsibility, and financial-reporting and internal control responsibilities. The management-service responsibility concerns assisting the management’s decision-making process while the financial and internal control responsibilities concern providing accurate information and public disclosures. The emphasise placed on the responsibilities results in different controller roles. The controller role is different from organisation to organisation. However there are two activities that most organisations have in common. “The controller develops information regarding the financial impact of organizational actions and subsequently the controller helps internal decision makers use that information to further the organisation’s goals.” (Perry, 2007, p. 2)

In recent years there has been an increasing interest among researchers for studying the roles of personnel in the finance function and especially the controllers. The findings reveal the controller roles to be less number crunching and more involved in decision making (Merchant & Zoni, 2007). The controllers’ involvement in decision making indicates that there is a shift towards business control. This contradicts the findings of a study conducted by Barkstedt and Ronnesjö in 2001. In their study, Barkstedt and Ronnesjö (2001) compared the controller’s tasks and responsibilities in Swedish organisations to theories. The outcome of their study revealed that the empirical findings corresponded to the theories to some extent. The major difference found was that the controller is working less towards the business area than the theories indicate. The controllers were mainly focusing on traditional work areas such as budgeting and reporting which is consistent with the literature.

According to Herath (2007) management control consists of four components; organisational structure and strategy, corporate culture, management information systems and core control package. Further organisations differ due to contextual factors such as strategy, technology, size, employees, environment and organisational structure. Chiaburu & Marinova (2006) highlight that the uncertain business environment contributes to the importance for organisations to use more flexible organisational structures and work roles. Samuelson (2004) states that the organisation's size affects the financial roles and their location in the structure. The larger the organisation the more specialised functions and administrative routines as well as more formalised tasks. Commonly these organisations have controllers at numerous organisational levels.

## **1.2 Problem discussion**

The term controller has been used in America for the past 100 years but it was not until the 1970s it was first introduced in Sweden. Today, controllers are widely used in Sweden but the meaning and tasks of the controller role are very much debated. Different organisations and theories have defined the term controller differently which has resulted in confusion about its meaning. In many cases the American word is chosen just to suit the requirements for certain situations and the controller's personal prerequisites (Samuelson, 2004). The confusion of the subject matter was underpinned by people currently working as controllers. Mats Karlsson (personal communication, 2007-09-23), business controller at Hägglunds Drives, acknowledges that even though you might have the same title, the tasks and responsibilities differ from organisation to organisation. Joaquin Aira (personal communication, 2007-09-26), group controller at MQ AB, says that there could be different controller roles within the same organisation and that different responsibilities corresponds to each role.

After literature review we have come to the understanding that the controller possesses the skill of analysing numbers and translating them into meaningful information. We therefore believe the controller to be one of the more powerful and important person within an organisation. Perry (2007) argues that the role of controllers has grown and picked up more of a business analysis perspective. This further reinforces the importance of the controller role in organisations. In 2006 the word controller was added to Svenska Akademiens Ordlista (Lindvall, 2007). We believe this to be the official acknowledgement of the important role controllers play in Swedish organisations.

Many available job postings today concern controllers and business controllers. A first look revealed differences in job description, tasks and prerequisites. When examining them further we understood that the roles were even more differentiated depending on the placement of the controller in the organisation. This made us realise the complexity of the controller role and caught our interest for exploring the subject. We believe that the organisational structure must in some way have an effect on the formation of the controller roles within an organisation. There has been a large extent of research done regarding the role of the controllers in organisations but as far as we know there has not yet been any research done regarding the organisational structure and its impact on the controller role. This could be one approach to try to clarify the subject matter and establish guidelines for those who aspire to become controllers. We believe that our findings could be an up to date complement to the existing theory.

## **1.3 Problem specification**

“Management accountants spend less time preparing reports and more time analysing and interpreting information” (Lewandowski, 2000, p. 2). Relocation of management accountants to the operations and production departments is common. Communication makes them take on more of an advising role (Lewandowski, 2000). It implies the importance of the accountants and their changing roles within the organisation. The dimensions of accounting and organisational studies will be combined in this thesis.

The debates and different definitions of the controller role contribute to confusion about the controller’s tasks and responsibilities. Differences in tasks and responsibilities result in different controller roles. Our belief that the organisational structure affects the formation of controller roles leads to the following problem. Is the same organisational structure resulting in the same type of identified controller roles? We have chosen to focus on organisations in the clothing industry operating in Sweden.

## **1.4 Purpose**

The purpose of this thesis is to explore how and why the controller roles in Sweden differ from one organisation to another depending on the organisational structure.

### **1.4.1 Research questions**

The following research questions will guide us throughout the writing process and help us to achieve our purpose. The first research question lays the foundation for answering the second and the third research question.

Question 1. What controller titles can be found and what tasks and responsibilities are associated?

Question 2. Which type of controller role can be identified?

Question 3. What organisational dimensions can be revealed?

The tasks and responsibilities of the interviewed controllers will help us identify what type of controller role according to the theory the person will fall into. The different organisational structures will be identified in each organisation.

## **1.5 Delimitations**

We have chosen to focus on one industry in Sweden, the clothing industry. Since this particular industry seems to differ in perception about the controllers’ tasks and responsibilities we found it interesting to dig deeper below the surface. The organisations chosen are operating in the Swedish market. We aim to get the employees’ personal view on his/her role within the organisation.

## **1.6 Definitions**

Some of the concepts in the method section will not be explained since the prerequisites for writing a bachelor thesis is a course in research methods. This course is either required to be studied separate beforehand or included in the process of writing the bachelor thesis.

We have chosen to translate the most fundamental financial concept to Swedish in order to clarify its meaning and prevent confusion for the Swedish readers.

Role: Different positions within an organisation are related to certain tasks and responsibilities. By performing what is required the person takes on an organisational role. The person in the role can be held accountable for attaining the duties related to the position (Jones, 2004).

Business control: verksamhetsstyrning (FARS engelska ordbok, 2004).

Financial control: ekonomistyrning (FARS engelska ordbok, 2004).

Internal control: internkontroll (FARS engelska ordbok, 2004).

When we mention size of the organisations we have compared the amount of employees at the head offices. The size will be relative to the other cases studied.

## 1.7 Disposition of the thesis

Table 1-1 Disposition of the thesis

Part	Title	Content
1	Introduction	<i>This section presents the background to the problem for the reader. It explains why this subject matter is interesting and why it should be investigated. The purpose of the study will be stated.</i>
2	Frame of reference	<i>The theoretical framework that has been selected will be presented as a result from critical literature review. The reader will gain a clear understanding for the theories chosen and the purpose of them. The theories will be in the field of accounting and organisation.</i>
3	Method	<i>This section explains for the reader how the thesis developed. It describes the course of action and the methods used for collecting empirical findings and the reason for the choice. The empirical findings were obtained from interviews.</i>
4	Empirical findings	<i>Each of the organisations will be presented individually in this section. The research questions will guide the structure of the empirical findings.</i>
5	Analysis	<i>In this part the theoretical framework will be compared to the empirical findings. The analysis will be done in two steps by first analyse each case and then perform a cross case analysis. The similarities and differences will be analysed with the research questions in mind.</i>
6	Conclusion	<i>A final conclusion will be drawn from the analysis in order to answer the purpose.</i>

## 2 Frame of reference

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*The theoretical framework that has been selected will be presented as a result from critical literature review. The reader will gain a clear understanding for the theories chosen and the purpose of them. The theories will be in the field of accounting and organisation.*

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### 2.1 The controller

*This section aims to introduce the reader to the broad meaning of a controller. It will serve as a foundation for further reading.*

According to Nationalencyklopedin (2007) the English word controller stands for official within organisations and management with the task of utilise opportunities in the best interest of the organisations. The controller ensures efficiency and deployment of resources, costs and sales.

Controllers take the role as the link between the board of directors and the financial department. As the controller you are in charge of reporting financial information accurately to aid the board of directors towards correct decision making. The main tasks for a controller consist of financial evaluation and analysis regarding the organisation. This incorporates collection of data, analysing, and evaluating the financial result for a given period. The result is used as a foundation for future forecasts. Other analyses are also part of the controller role such as product profitability, customer profitability and regional sales differences. Development of information systems to follow the organisation's financial status is also an assignment for the controller. Therefore a co-operation with the IT department is common (Arbetsförmedlingen, 2006).

The controller is a person trained in accountancy and the controlling function helps the organisation to achieve profit goals. Executive officers are the persons behind the steering wheel. The controller has to supply them with accounting advice, hence the controller role is very active where the person must constantly question the outcome of economic consequences. Roehl-Anderson & Bragg (1996) acknowledge the CEO of the organisation to be the commander of the ship and the controller to be the navigator. He/she fills four important functions which are "planning, organising, directing and measuring" (Roehl-Anderson & Bragg, 1996, p. 2). Forecasts are vital and past documentations serve as a generator for ideas on how to manage the future. By looking out for signals and taking correct actions the controller ensures that the organisation lands in the profit zone. (Blazek, 1994).

#### 2.1.1 The historical development of the controller

*The reader will gain an understanding for the development of the controller and where the word originates from.*

The concept of controller was firstly used by the American railroad organisations in the late 19<sup>th</sup> century. Accounting routines and management of assets were the main tasks during this era. During the 20<sup>th</sup> century the concept of controller became more commonly used. In the beginning of 1930s, Controllers Institute of America (CIA) was established and at the same time there was a major development of the controller role in the USA. There was a

shift from the more passive task of an accountant towards a more active and interpreting role. The reasons for the shift were decentralisation and focus on profit centres, critical years in the USA, further development of budgeting to assist in future guidance, and new external demands for organisational reporting. During the 1960s the CIA changed name to The Financial Executives Institute (FEI) since both controllers and treasurers in large organisations reported to the Vice President of Finance. During the 1980s the controller role became wider and incorporated participation in top management (Mattsson 1987).

In the late 1960s the concept of controller started to be used more frequently in Sweden as a result of divisionalised structures. Mattsson (1987) argues that Swedish organisations showed a weak interest for the concept of controller during the 1950s to the 1970s. He points out the reason for this to be that the translation of the American concept of controller into Swedish was associated with an overseer role with the task of checking and controlling employees. Rune Brandinger, working for Skandia, was the first person in Sweden with the outspoken title as a controller in the 1970s. Samuelson (2004) argues that the late interest in Europe for the concept of controller was the period of inflation followed by the influences of the membership in EU. Everyday practice was no longer applicable and organisations faced a period of mergers, and restructuring.

During the 1990s the Swedish controllers engaged more in projects regarding change as well as structural changes within their organisations. IT developments such as databases and intranets created new prerequisites for being in possession of complete facts. Slowly the business control started to move down the hierarchy leading to a more local controller role within organisations. In multinational organisations the controller roles often incorporated travelling which inhibited activities regarding accounting control. An increasing interest for other measurements than profitability became evident. Suddenly knowledge about how to do business became more important in the controller role than detailed knowledge in accounting knowledge (Samuelson, 2004).

## 2.1.2 American versus Swedish controller

*This model clarifies how the Swedish controller differs from the original concept. This is a base for further models developed by Olve (1988) and Samuelson (2004).*

The American controller deals with planning, reporting, interpreting and evaluation of data, analysing the changing environment, and advising, but also tax administration, accounting and management accounting are included in the role. Olve (1988) argues that the Swedish controllers have developed from the traditional American controller but without the responsibility for financial and management accounting (see Figure 2-1).

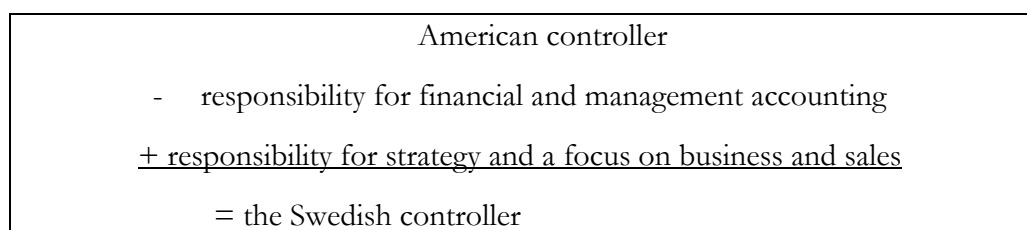


Figure 2-1 The Swedish controller (Olve, 1988)

## 2.2 The controller's job – tasks and responsibilities

*This section aims at clarifying the tasks and responsibilities of a Swedish controller for the reader. The tasks and responsibilities will be helpful when analysing the empirical findings and will be connected to the first research question.*

Ax, Johansson & Kullvén (2005, p. 15) highlight that the controller performs important functions such as “planning, implementing, following up, evaluating, and adapting the organisation’s operations”. These functions must be carried out to achieve financial as well as non financial objectives. From this one can identify the following tasks of the controller in a Swedish organisation;

- “Plan, follow up and control the organisation.
- Provide decision makers with sufficient information and follow up taken decisions.
- Distribute responsibility.
- Gather, analyse, compile, report and communicate financial information.
- Analyse variance and suggest actions for improvement.
- Contribute to the prerequisites of the learning organisation.
- Contribute to a positive organisational culture.
- Perform different ad hoc investigations for example changes in external factors and how other organisations function.
- Provide advice for the organisation regarding financial questions.
- Develop and update control and accounting systems.
- Educate employees in financial questions”.

(Ax et al. 2005, p. 82).

Mattsson (1987) claims that the main task for a Swedish controller is financial control, see Figure 2-2. This incorporates to participate in strategically long-term jobs and work with budgeting, reporting and analysing. The controller is responsible for the financial control system and is sometimes also responsible for financial statements and year-endclosing. He/she does not deal with insurances, management auditing nor financing issues. The controller is part of both the financial function and top management. Participation in top management takes part through assisting with information in the decision making process (Mattsson, 1987).

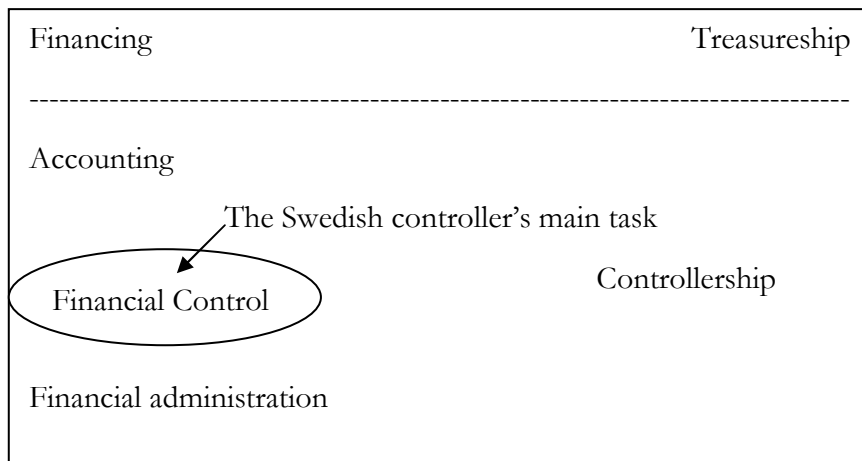


Figure 2-2 The Swedish controller's main task (Mattsson, 1987).

### 2.2.1 Financial control

*Here we wish to clarify further for the reader that the main task for a Swedish controller is financial control and that financial control has developed into a modern definition with less focus on monetary terms.*

Chapman (2005) claims that corporate control consists of financial control, strategic planning and strategic control. The term financial control is defined differently depending on which of the words - financial or control - that is emphasised (Ax et al. 2005). Mattsson (1987) defines financial control as deliberate control towards decision making within the organisation that leads towards better result, profitability, and financial position. Lindvall (2001) claims that the purpose of financial control is to increase efficiency and productivity. The essence of efficiency is to do the right things. Productivity on the other hand refers to do things right (Lindvall, 2001). Since financial control is not regulated it can easily be adapted to specific organisational needs (Ax et al. 2005).

Ax et al. (2005) differ between traditional financial control and modern financial control (see Table 2-1). The shift from only monetary terms and goals towards a wider and more open control is clear in the modern definition of financial control. The modern definition incorporates not only financial and monetary goals but also non-financial goals such as ratio of satisfied customers, high quality, and flexibility (Ax et al. 2005).

Table 2-1 The traditional and modern definition

Traditional definition	Financial control regards all planning and measurement within an organisation regarding monetary terms.
Modern definition	Financial control regards deliberate influence on the organisation and its executives towards certain financial goals.

## 2.3 Controller roles

*The controller's tasks and responsibilities result in different types of controller roles. The following model will be used to identify what type of controller the interviewed controllers really are. This will provide the answer to the second research question. The potential benefits and risks of the different controller roles will not be used in our analysis.*

It is up to the management to evaluate an organisation's situation and identify which kind of controller role that best suits the organisation's need. There are two main responsibilities for a controller to carry out, the management-service responsibility and the financial reporting and internal control responsibilities. When the controller assists the management in decision making the management-service responsibility is carried out. The management-service responsibility involves two major tasks, budgeting and planning. Other tasks are reviewing the financial performance as well as conducting several types of business evaluations. Behind the obvious tasks, the controller can participate when deciding upon for example advertising, campaigns, distribution as well as ad hoc projects. Common ad hoc projects regard expansion of the product assortment, investments, and acquisitions. When the controller makes sure that accurate financial information is reported to the involved persons and that internal control is performed in accordance to set standards, the financial reporting and internal control responsibilities are performed. These responsibilities regard public disclosures. The controller must make sure that the accounting procedures are in compliance with the law. Different emphasis placed on the two main responsibilities results in different controller roles. The controller becomes the involved controller when there is a high emphasis on the management-service responsibility and low emphasis on the financial reporting and internal control responsibilities. The involved controller is mainly responsible for participating actively in the business decision making process. When placing high emphasis on the financial reporting and internal control responsibilities and low emphasis on the management-service responsibility the controller role becomes more objective and is distinguished from the management. This role is referred to as the independent controller. Emphasis placed on both the controller's management-service responsibility, and financial reporting and internal control responsibilities call for assignment of the responsibilities to two different individuals, hence the split controller type is needed. When these two responsibilities are assigned to one individual with an equally strong emphasis on both the management-service responsibility and the financial reporting and internal control responsibilities the role of the strong controller is recognised (see figure 2-3) (Sathe, 1983).

Role Type	Controller's Role	Required Behaviour for Controller	Potential Benefits	Potential Risks
Involved Controller	High emphasis on the controller's management service-responsibility, low emphasis on the financial reporting and internal control responsibilities.	Remain actively involved in division business decision making.	Contribution in business decision making.	Stifling of management creativity and initiative.
Independent Controller	High emphasis on the controller's financial reporting and internal control responsibilities, low emphasis on the management-service responsibility	Retain objectivity and independence from affiliated management.	Assurance of accurate financial reporting and adequate internal control ("after the fact" control).	Controller viewed as "outsider", making "before the fact" control difficult to achieve.
Split Controller	Split controller's role is apparent when assigning the management-service and financial reporting internal control responsibilities to different individuals. An equal high emphasis is placed on both responsibilities.	The controller assigned the management-service responsibility to remain actively involved in division business decision making.  The controller assigned the financial control/internal audit responsibilities to retain a sense of objectivity and independence from affiliated management.	Contributions in business decision making.  Assurance of accurate financial reporting and adequate internal control.	Duplication of effort and resources.  Weakens coordination between two phases of the same function.  "Before the fact" control difficult to achieve. Stifling of management creativity and initiative.
Strong Controller	Assigned both management-service and financial reporting/internal control responsibilities to one individual and place high emphasis on both responsibilities.	Remain actively involved in business decisions while retaining objectivity and independence from affiliated management.	Contributions in business decision making.  Assurance of accurate financial reporting and adequate internal control.  "Before the fact" or anticipatory.	Selection training and development of "strong" division controllers: that is, those who have the strength of character and the interpersonal and other skills needed to achieve both high involvement and high independence.  Stifling of management creativity and initiative.

Figure 2-3 Potential benefits and risks of four types of controller roles (Sathe, 1983)

### 2.3.1 Business controller versus accounting controller

*This model is connected to Sathe's (1983) model. The split controller role is recognised by Olve (1988) and also by Samuelson (2004), who both are Swedish authors, as the accounting controller and the business controller. Since Sathe (1983) is a foreign author we wish to establish applicability of his model in Sweden.*

Olve (1988) separates the controller into the roles of accounting controller and business controller to distinguish between the gathering and analysing of data. Hence, the accounting controller is responsible for gathering and producing data while the business controller is responsible for the analysis and evaluation of data. He refers to Sathe's split controller role when discussing the business controller role and the accounting controller role. Samuelson (2004) also differentiates between business controller and accounting controller (see Table 2-2). He builds on previous findings by Olve (1988). The accounting controller is characterised by gathering the data and the actual production of the numerical reports (financial documents). He/she reports achieved targets and distributes financial information to various customers such as banks, auditors and internally to the employees who need it. The tasks of the accounting controller are similar to the tasks of the Chief Financial Officer (CFO) or the Chief Accountant Officer (CAO) which may lead to confusion between the accounting controller role and the role of CFO and/or CAO. The business controller on the other hand resembles an analyst since he/she uses the numbers from accounting and others for future actions. He/she evaluates both internal and external changes and serves the managers with information for decision making (Samuelson, 2004).

Table 2-2 Accounting and business controller (Samuelson, 2004, p. 62)

<b>Accounting controller</b>	<b>Business controller</b>
Produces numerical reports	Uses the numbers
Historical and present oriented: reports results and achieved targets	Future oriented: assists in formulation of targets and actions programs
Coherent systems with local elements	Adapted to local department's point of view
Fulfils various customers' needs	Assists the manager
Financial and system competencies	Organisational, financial, and business competencies

Olve (1988) argues that the business controller role can be developed even further away from traditional financial assignments to manage information from other sources than the organisations' financial systems. The role of analysing markets, production data and other external factors together with accounting information will become more important within the business controller role. As a business controller, the role is more pro-active and originates from the strategically perspective compared to the accounting controller's more tactical perspective. The split of the controller role is also acknowledged by the Swedish National Labour Market Board (Arbetsmarknadsstyrelsen, AMS). The controller role in Sweden is sometimes divided into business controllers and financial or accounting controllers. A business controller is more focused towards the business area while the financial or accounting controller focuses mainly on accounting. Business controllers are often part of the top management. They may also participate in the formation of long term business plans and evaluates the consequences of action plans. Business controllers must

pay attention to changes in the market place, economy, and introduction of new legislation that affect the organisation (Arbetsförmedlingen, 2006).

## 2.4 Organisational structure

Jones (2004) defines organisational structure as “The formal system of task and authority relationships that control how people coordinate their actions and use resources to achieve organisational goals.” (Jones, 2004, p. 8). Organisational structure consists of physical and social structure. When referring to the relationship between buildings and location of operation one talks about the physical structure. The social structure refers to the relationships between business units, positions, and people (Hatch, 1997).

### 2.4.1 Social structures

*By presenting social structure the reader is introduced to the most common organisational charts while they will be part of our empirical findings and analysis. The organisational charts aim to partly answer the third research question.*

There are several different structures available which each are suitable for different organisational needs. The most basic structure is commonly called simple structure. This type of structure is used in small organic organisations. When the small organisation is growing larger the simple structure is no longer suitable. The simple structure is further developed into a functionalised structure (see Figure 2-4) (Hatch, 1997).

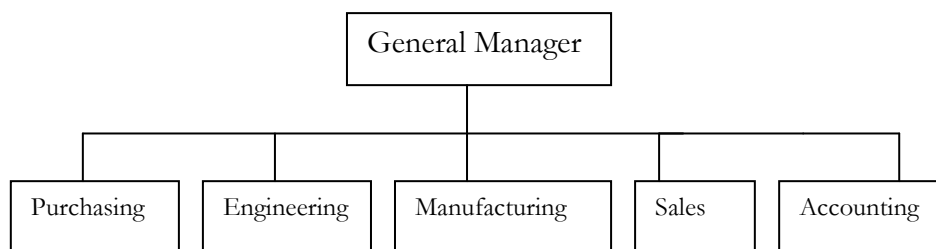


Figure 2-4 Functional structure (Hatch, 1997).

Multi-divisional structure is most commonly reoccurring in larger organisations. It is characterised by several divisions grouped by product, customers or geography where each division carries out daily internal operations and reports to a head office staff (see Figure 2-5). More coordination is needed since the smaller organisations are independently operating. The financial control and strategic plans are managed by the corporate office and operating decisions are managed by the divisional management. As an employee of a head office, broad-based knowledge can be gained. When divisions are run as strategic business units the organisation becomes very responsive to the needs of their customers (Hatch, 1997).

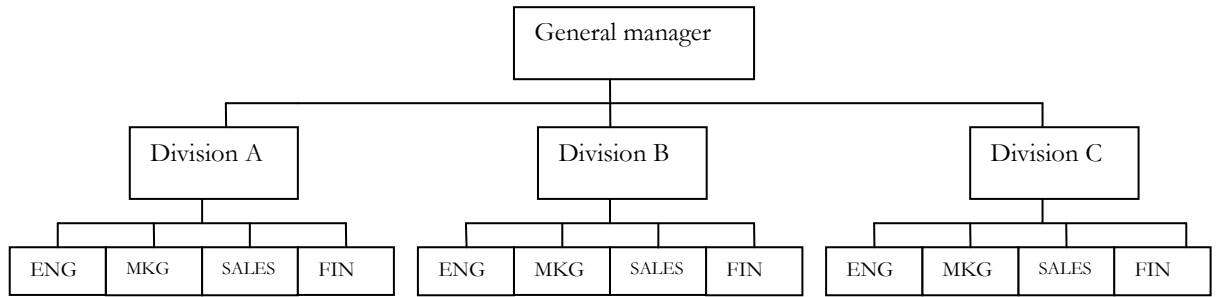


Figure 2-5 Multi-divisional structure (Hatch, 1997)

The matrix structure provides efficiency and flexibility since it takes the best out of both the functional and divisional structure (see Figure 2-6). Usually project teams are created with members from different functions reporting to both the functional manager and the project manager, hence there are several authorities at the same time. This can be a source of conflict (Hatch, 1997).

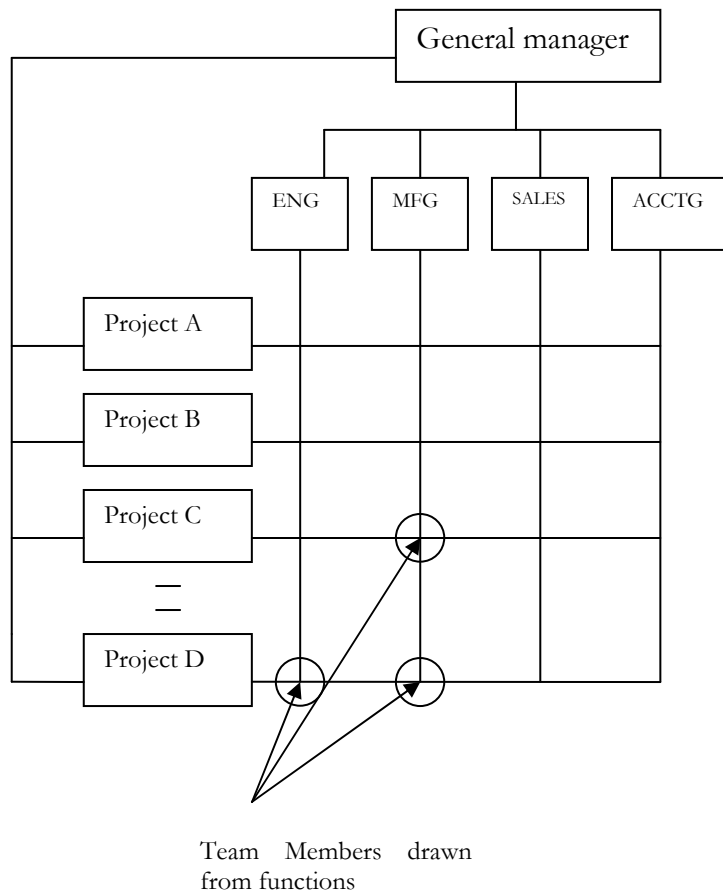


Figure 2-6 Matrix structure (Hatch, 1997)

Hybrid structures are mixed structures. They are used deliberately to gain certain advantages or due to that the organisation is changing. The hybrid structure allows adoption to the environment by changing the structure where it is needed in the organisation. Another type of hybrid structure is network structure. In a network structure there are hardly any vertical communication or control relationships, instead lateral

relationships are used. It is characterised by partnership among organisations and is used in rapidly changing environment (Hatch, 1997).

### 2.4.2 Dimensions of organisational social structures

*Other dimensions further influence the structure of an organisation and will also be used when analysing the organisations.*

There are a variety of ways to measure social structure. Size regards the number of employees in an organisation. Administrative component regards the ratio of employees responsible for administration. The number of employees a manager has authority over is span of control. Specialisation regards the amount of speciality executed within the organisation while standardization regards procedures for recurring events. Complexity, formalisation, and centralisation are three dimensions for identifying the organisational form. Complexity consists of vertical differentiation and horizontal differentiation. The differentiation can be measured by counting the number of hierarchical levels (vertical differentiation) and the number of units (horizontal differentiation). The more differentiated organisation the larger is the need for communication. Centralised organisations are characterised by high level decision making while decentralised organisations are characterised by a lower level decision making relying on employee participation. Rules, policies, regulations and procedures directing the organisation are distinctive for the formalised organisation. Employees are experiencing a type of control management. The opposite is known as informalisation where flexibility and spontaneity are visible. Structural forms can be identified by using the three dimensions - complexity, formalisation and centralisation (see Figure 2-7). Organic organisations are a rather simple form, characterised by decentralisation and informalisation. Mechanistic organisations on the other hand are known as very complex with a high degree of formalisation and centralised decision making. High complexity and formalisation combined with decentralised decision making is recognised as bureaucratic form (Hatch 1997). Jones (2004) differentiates between organic and mechanistic forms. To get employees to behave in a predictable manner the mechanistic form is favoured while the organic form is favoured to promote flexibility.

	Complexity	Formalisation	Centralisation
Organic	Low	Low	Low
Mechanistic	High	High	High
Bureaucratic	High	High	Low

Figure 2-7 Mechanistic, organic and bureaucratic organisational forms (Hatch, 1997)

In stable environments a mechanistic structure is favoured while an organic structure is favoured in an unstable environment. The success of a structure is contingent on the environment in which the organisation is operating (Hatch, 1997).

### 2.4.3 Controllers in divisionalised organisations

*This theory will be used when analysing those organisations that are part of a corporation. Further the theories regarding divisionalised organisations will help the reader to better grasp and understand the overall picture of a divisionalised organisation.*

Samuelson (2004) describes in Figure 2-8 the divisionalised organisations to be smaller organisations within the actual organisation. They focus on achieving best possible results. A divisionalised structure means that the business and result responsibilities often are decentralised. The aim is to become more market and business oriented with a flexible and quicker decision making process leading to simplified profit measurements and financial control. A research conducted in 2004 confirmed that the divisionalised structure still is the most favourable structure for large Swedish organisations.

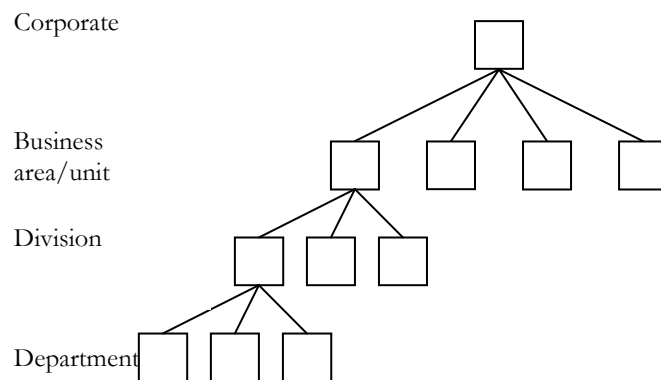


Figure 2-8 General structure of a divisionalised organisation (Samuelson, 2004)

There are mainly two types of controllers found in the divisionalised organisation, that is the corporate controller and the division controller. The corporate controller is utilized by the corporate executive management. He/she is responsible for generation of corporate control and the production of reports indicating how organisation is doing and in what direction the organisation is headed. The division controller's responsibilities are to provide well functioning financial information and planning system. He/she is to produce reports concerning profitability and deficit areas of the division. The division controller reports to the corporate controller (functional responsibility) and the division executive (line responsibility). Although in some organisations the division controller only reports to the corporate controller with the purpose of reaching a more independent role (Samuelson, 2004).

#### 2.4.4 The five basic parts of the organisation

*Mintzberg's five basic parts of the organisation will add a complementing view to the organisational theories previously presented. This model will also assist when analysing and answering the third research question. The fifth basic part, support staff, will not be used for our analysis since it is not affecting the placement of the controller or the tasks of the role. The key part identified in the organisation will reveal different types of structural configurations.*

Mintzberg (1983) argues that an organisation consists of five parts; the operating core, the strategic apex, the middle line, technostructure, and support staff, see Figure 2-9. The operating core is the foundation of the organisation which regards production activities such as sales, purchase, and production. Along with the growth of the organisation, there is a call for increased direct supervision and a requirement for a full-time manager responsible for the entire organisation. This is called the strategic apex and the people placed here are the CEO and top level management. As the organisation develops further the need for

more managers becomes important and thereby a middle line is created. These managers are the link between the strategic apex and the operating core. At this level they are responsible for the coordination and communication of information between upper and lower levels of the organisation. When the development of the organisation becomes even more frequent, and hence driven by routine, a part called technostructure is formed which is made up by analysts. The task of the analysts is to increase the effectiveness of the work done by others by adapting to changes in the environment and by controlling the organisation's activities. This is the part where financial control is placed and also where the controller can be found. The organisations also consist of a part called support staff who is essential for the functioning of the organisation but is not included in the production. The support staff provides services such as cleaning, administration, and lunch facilities.

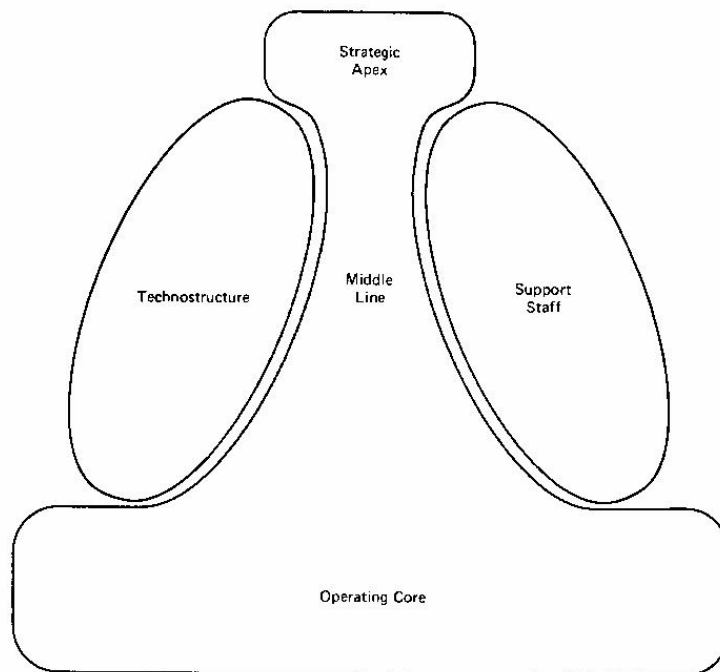


Figure 2-9 The five basic parts of the organisation (Mintzberg, 1983).

Depending on the organisation the emphasise placed on the different parts result in different structural configurations (see Figure 2-10). Mintzberg (1983) defines simple structure to be a structure of small hierarchy with less or none technostructure often found in young organisations. It is an organic structure with little formalisation. A structure with high formalisation is often found in large and old organisations. Along with centralised decision making as well as a strong orientation towards control are the characteristics of a machine bureaucracy. The professional bureaucracy is used in complex organisations for example hospitals where standardisation of skills is needed. It is attributed by a high level of horizontal specialisation and at the same time it is vertically broadened. A distinctive trait of the divisionalised form is a relatively high decentralisation where the divisions operate in a rather independent manner. Adhocracy is a structure which is organic and just like the professional bureaucracy it contains a high degree of horizontal work specialisation. These units with specialised tasks are positioned at different locations in the organisation and involve line managers as well as staff members. The coordination between the units does not follow a particular pattern and the flexibility is emphasised. In the adhocracy either the operating core or the support staff can be the key part of the organisation

(Mintzberg, 1983). One could say that the structure is floating and Mintzberg has during his later work also called the adhocracy an innovative structure (Jacobsen & Thorsvik, 2002). Mintzberg (1983) points out that in the reality most organisations are a mix of several structures. His belief is still supported by Jacobsen & Thorsvik (2002), who refer to the mix as hybrid structures.

Structural Configuration	Prime Coordinating Mechanism	Key Part of Organization	Type of Decentralization
Simple Structure	Direct supervision	Strategic apex	Vertical and horizontal centralization
Machine Bureaucracy	Standardization of work processes	Technostructure	Limited horizontal decentralization
Professional Bureaucracy	Standardization of skills	Operating core	Vertical and horizontal decentralization
Divisionalized Form	Standardization of outputs	Middle line	Limited vertical decentralization
Adhocracy	Mutual adjustment	Support staff	Selective decentralization

Figure 2-10 Structural relationships in the organization (Mintzberg, 1983)

## 3 Method

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*This section explains for the reader how the thesis developed. It describes the course of action and the methods used for collecting empirical findings and the reason for the choice. The empirical findings were obtained from interviews.*

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### 3.1 Research strategy

There are three different research strategies that can be used for fulfilment of purposes. There may be more than one strategy used at the same time and there might also be more than one purpose to fulfil. Saunders, Lewis & Thornhill (2003) identify exploratory, descriptive, and explanatory studies to be the three research strategies. Exploratory studies can be compared with an explorer that aims to assess phenomena in new light. Descriptive studies intend to establish an accurate picture of a person, situation or event. It might be the forerunner to exploratory studies and is considered to be means to an end. An explanatory study is characterised by the establishment of relationships between variables. In order to clarify the relationship it is required to study a certain situation or problem (Saunders et al. 2003).

In order to fulfil our purpose we have chosen to conduct an exploratory research. We aim to seek new insights and assess the controller role in a new light by adding a second dimension to our thesis, the organisational structure. This kind of research strategy approves changes in the course of action during the thesis writing. New data and insights that appear will force the writers to become flexible and alter the preset direction (Saunders et al. 2003). Literature search and interviews will be the essence of the thesis. The controller role within organisations has been discussed and debated since 1970s in Sweden. Still there are lots of confusion and complexity about the subject. The confusion has been noticeable throughout the writing process and the research questions have constantly been modified and the purpose has been revisited several of times. Furthermore, theoretical framework has been added and deleted to suit the needs of the analysis.

### 3.2 Research approach

In the beginning of the research the familiarity about theories within the field will be a deciding factor for the project design. Saunders et al (2003) distinguish between an inductive and a deductive approach. Induction is the process of building a theory, hence “theory comes last” (Mason, 2002, p. 180). To better grasp the nature of a problem a deeper understanding of the empirical data is necessary. The empirical data serves as the basis for the creation of a possible theory. As already mentioned above a flexible approach is needed. Deduction is the process of testing theory and is associated with scientific research. The deduction starts out with an existing theory from which a hypothesis is extracted (Saunders et al. 2003). Mason (2002, p. 180) describes deduction as when “theory comes first”. Saunders et al (2003) claims that in the next step the hypothesis is stated and tested usually by the use of an experiment. The outcome is examined and a revised theory is established. Large samples and quantitative data are more commonly used in the deductive approach than in the inductive approach where qualitative data and small samples are used. Patton (2002) recognises that closed-ended questionnaires are linked to a quantitative approach and results in the deductive approach. In contrast open-ended interviews are linked to a qualitative approach and results in the inductive approach.

Saunders et al. (2003) state that the distinction between the two approaches is not as clear in reality as in theory. Patton (2002) further acknowledges that the combination of the inductive approach and deductive approach are often used in practice. The researcher may start off by exploring what the essential questions and variables are (induction) then testing hypothesis or measuring outcomes and compare outcomes to empirical findings (deduction). The researcher may once again return back to the inductive approach by trying to identify rival hypothesis and unexpected factors.

Our research started out by a problem definition and a set of research questions. The research questions served as a base for the development of open-ended questions used for obtaining empirical data. The open-ended questions provided us with qualitative data, hence the inductive approach was used. We also explored literature and previous research within both the accounting and organisational field. Potential theories of interest that seemed applicable to our research problem were chosen before collecting the empirical data. This is in accordance with the deductive approach, when theory comes first. We aimed not to test a hypothesis which is part of the deductive approach. Rather we aimed to explore the field of interest by collecting empirical data from qualitative interviews obtained from a small sample of six organisations. We did not build or develop a new theory but had the ambition to add new insights within the field of the controller role. The establishment of guidelines was to complement already existing theories. This indicates an inductive approach. Our research approach therefore emerged during the writing process into the combination of the inductive and the deductive approach.

### **3.3 Qualitative data**

Saunders et al. (2003) distinguish between quantitative data, where meanings are derived from numbers, and qualitative data where meanings are derived from words. No quantitative data will be used in the thesis since qualitative data will provide us with information that will deepen our understanding for the cases. According to Patton (2002) there are three kinds of qualitative data; interviews, observations, and documents. Interviews with open-ended questions aim at getting a deeper understanding for people's experiences, feelings, and knowledge. Written documents and materials could be official publications, reports, letters, photographs, and responses to open-ended surveys (Patton, 2002). To obtain our qualitative data we have used face to face interviews and telephone interviews as well as written responses to the emailed interview questionnaire. Corporate documentations such as brochures and information gathered from organisations' homepages have also been used.

#### **3.3.1 Case study**

Case studies focus on discovery rather than on confirmation. It concerns getting an in-depth understanding for each case studied. It is often used when who, why, how or what questions are being asked. A case study captures the characteristics of events in the real world (Burns, 2000). The analysis of a case study follows a certain method for collecting, organising, and analysing the data. By systematically gathering and analysing the data from each case leads to case results which can be compared (Patton, 2002). The data can be collected through interviews, questionnaires, documentary analysis and observations (Saunders et al, 2003).

We have explored different organisations and therefore the case study approach was chosen for collecting, organising, and analysing the data. Each case has answered the same

set of interview questions which provided comparable data. Then each individual case was analysed and in the end a cross case analysis was performed. The case study approach enabled us to get a deeper understanding of the organisations and a convenient structure of the data into cases was possible.

## **3.4 Data collection methods**

### **3.4.1 Case selection**

Purposeful sampling or judgement sampling is a sampling technique where you originate from the purpose and then find the cases for the sample. This technique does not aim for generalisation; it aims for revealing information specific to each selected case. It is commonly used in qualitative studies where a small number of individual cases are examined. The cases the researcher can examine are for example, organisations, people, communities, and cultures. Each case provides the researcher with rich information and insights of the field. One strategy of purposeful sampling is called criteria sampling where each case must fulfil certain pre determined criteria for being selected. When deciding on a sample size the purpose of the research and available resources influence the number of cases selected (Patton, 2002).

We used the purposeful sampling technique since we performed a qualitative case study. The criteria of a controller working within the organisation was set to aid the fulfilment of the purpose, hence the critical sampling strategy was used. The clothing industry was chosen since we had got the impression of blurry boundaries of the controller roles in this particular industry. Potential organisations were identified by brainstorming. We chose to contact those organisations which had stores in several cities in Sweden. The organisations identified were; H&M AB, Lindex AB, Kapp-Ahl AB, Gina Tricot AB, MQ AB , Dressmann AB, Department & Stores Europe (DSE) AB, Cubus AB, Indiska AB, Vero Moda, Vila, Team Sportia AB, Stadium AB, Intersport AB, JC AB, and Brothers & Sisters AB. These twelve organisations seemed to become a solid base for obtaining a smaller more manageable sample. The fact that most organisations are very busy made us choose to contact more organisations than necessary for obtaining our sample. We wanted to include approximately five cases in our sample in order for the comparison between the organisations to become more interesting. We tried to contact the controllers at Vero Moda, Vila, Stadium AB, and JC AB but failed after several attempts. Out of twelve organisations contacted nine agreed to participate. A confirmation email was sent out to each participating organisation. They were; Gina Tricot AB, MQ AB , Dressmann AB, DSE AB, Cubus AB, Indiska AB, Team Sportia AB, Intersport AB, and Brothers & Sisters AB. Out of the nine confirmed participants three organisations were unable to provide us with answers. Team Sportia AB could not participate until late December and Dressmann AB and Indiska AB were too busy. This resulted in a sample consisting of six individual cases, Gina Tricot AB, MQ AB , Intersport AB, DSE AB, Cubus AB, and Brothers & Sisters AB. This sample size would hopefully reveal more differences or similarities between the organisations than if the sample would have consisted of for example three cases. At the same time we realised that the sample should not be too large since it would have been hard to handle the amount of raw data. The sample of six cases seemed manageable considering our time constraint. We wanted to gain a deeper understanding of the participating six organisations and felt that the sample was sufficient in order to fulfil our purpose. The controllers that were interviewed were either those located at a relatively

high position within the organisation or those who were the only controllers within the organisation.

### **3.4.2 Primary data**

One way to answer research questions is to collect new data for a specific purpose. This kind of data is also known as primary data. This data is primarily collected by observations, questionnaires, and interviews (Saunders et al. 2003). Burns (2000) compares the advantages and disadvantages of mailed questionnaire, telephone interview, and personal interview. When using a mailed questionnaire the researcher can reach geographically dispersed people to a cheap cost. It assumes most of the respondents and the respondent may be unknown. Further Saunders et al. (2003) states that the response rate of an emailed questionnaire may be very low with limited information obtained from each response. Although the researcher can be fairly certain that the recipient is also the respondent. Burns (2000) discusses that a telephone interview can reach people at different locations speedy and efficiently and results in a high response rate. A telephone interview could involve a more complex questionnaire but would still be easy for the participant to answer. A personal interview is expensive, slow, and time consuming. A face to face interview enables the researcher to ask more complex and open-ended questions resulting in a high response rate. Interviewer's presence may cause biased results since the participants may feel as they are "put on the spot" (Burns, 2000, p. 583).

We have collected our primary data from our sample using interview questionnaire distributed through email, telephone interviews as well as face to face interviews (see Table 3-1). We have interviewed employees within organisations who either have the title as controller or would call or consider themselves a controller. When we contacted the organisations we wanted to speak with a controller and were put through. In all of the participating organisations except Cubus AB a pure controller title was found. After receiving Cubus AB's response to the interview questionnaire we realised that the controller at Cubus AB was not a pure controller but a CFO. We emailed the CFO to clarify why we were put through to him when we asked to speak with a controller. Björn Olsson responded by email and confirmed what he had answered previously. He said that as the CFO he performs the same type of job as when he was hired as the controller but with a larger responsibility. This underlined the confusion about controllers and would contribute to an interesting view to the thesis. Therefore we decided to include Cubus AB's response in the empirical findings.

#### **3.4.2.1 Interviews**

Structured interview means meeting respondents face to face and asking them questions originating from a questionnaire (Saunders et al. 2003). Patton (2002) refers a fully structured interview to a standardised open-ended interview approach. Here the researcher words each question before the interview to ensure that each participant is asked the same questions in the same order and in the same way. This further ensures standardisation and consistency when different interviewers are performing the interviews.

Intersport AB and Gina Tricot AB agreed to participate in a face to face interview (see Table 3-1). The interview questionnaire was emailed to the participants beforehand so that the respondents had time to prepare their answers. Many of the participants have very important positions in the organisations and therefore have little time available. Getting access to the interview questions beforehand enabled the participants to answer the

questions more efficiently during the interview. The interview questionnaire was used to conduct a structured interview in order to receive comparable information. The face to face interviews started out as a structured interviews where question one was asked first. The interviews developed into a somewhat more relaxed and informal discussion after the first part of the interview questionnaire was answered. Therefore the order of the questions in the questionnaire was not entirely followed but we made sure that all questions were covered in the end. The interview with Intersport AB took one and a half hour and the interview with Gina Tricot AB took one hour. The face-to-face interviews gave us the opportunity to ask complementing questions when needed. The main disadvantage would be that the interviews were relative time consuming compared to the telephone interviews. In addition we had to spend time on planning the visits as well as travelling back and forth from the organisations' head offices. At Intersport AB we interviewed Fredrik Andreasson who is the business controller. The interview at Gina Tricot AB was conducted by interviewing two controllers at the same time. We interviewed Annelie Johansson and Ing-Marie Andén who are the purchase controllers at Gina Tricot AB. MQ AB preferred a telephone interview. The telephone interview with MQ AB was supposed to be conducted by interviewing two controllers at different occasions. The group controller, Joaquin Aira, was successfully interviewed by telephone and had answered some of the questions beforehand. He sent his response to us by email and we could follow his response and clarify issues during the telephone interview. The business controller at MQ AB, Jonas Hedelin, did not have the time to participate in a telephone interview due to heavy workload. Instead Jonas answered the interview questionnaire by email but agreed to complement his answers if needed. We had to contact Jonas by telephone to receive additional information resulting in a very brief telephone interview which lasted for approximately 15 minutes. The telephone interviews were a lot more structured than the face to face interviews since the participants had limited time and answered the questions in the pre set order. This enabled us and the organisations to save time. To make sure that we could go back and revise the collected information if questions arose, a tape recorder was used both during the face to face interviews and the telephone interviews. Furthermore this assisted us when writing down the empirical findings. The controllers who responded via email were Rebecka Persson at DSE AB, David Thörewik at Brothers & Sisters AB and Björn Olsson at Cubus AB. The strength of this interview strategy was that they could participate even though the location of their head offices was far away from Jönköping. The major drawback was that we had to contact the three organisations again to receive additional information. We noticed that some questions were misunderstood and not answered correctly. Before the empirical findings were added to the thesis each organisation had to confirm that the written part regarding their part could be included in the empirical findings.

Table 3-1 Summary of participants

Organisation and location of head office	Interviewee	Title	Conduction of interview	Language, time & recording
Gina Tricot AB Borås	Annelie Johansson	Purchase controller	Face to face	Swedish 1h Tape recorder
Gina Tricot AB Borås	Ing-Marie Andén	Purchase controller	Face to face	Swedish 1h Tape recorder
Intersport AB Jönköping	Fredrik Andreasson	Business controller	Face to face	Swedish 1.5h Tape recorder
MQ Retail AB Borås	Joaquin Aira	Group controller	Email and telephone	Swedish 0.5h Tape recorder
MQ Retail AB Borås	Jonas Hedelin	Business controller	Email and telephone	English Swedish 0.25h
Cubus AB Örebro	Björn Olsson	CFO	Email	Swedish
DSE AB Stockholm	Rebecka Persson	Business controller	Email	English
Brothers & Sisters AB Stockholm	David Thörewik	Business controller	Email	Swedish

### 3.4.2.2 Qualitative interview questions

To ensure a comparable qualitative result Patton (2002) favours the standardised open-ended interview. It is a convenient way of organising and analysing obtained results. The respondents are asked the same set of questions with the exact wording during the interview. The strength of this approach is that interviewer bias is reduced. The weakness could be that naturalness might be inhibited.

We have developed an interview questionnaire of 16 questions that will provide information to enable us to answer our research questions and therefore guide us to fulfil our purpose (see Appendix 1). The questions were developed by inspiration gathered from previous research done within the field and from our frame of reference. The interview questionnaire consisted of three parts. The first part included question one to four and provided background information about the organisation and the person working as the controller. These questions would provide a suitable introduction part for each case investigated. The title of the participant was essential for partly answering research question one. The second part included question five to seven and aimed to reveal the organisational chart, organisational structure and the placement of the controller within the

organisation. The answers to these questions were connected to research question three. The last part consisted of question eight to 16 and lied as a base for identifying what type of controller role the person is possessing within the organisation, hence research question one and two were linked to this part of the interview questionnaire. The interview questionnaire was used as a pilot study during the first interview conducted with Intersport. We informed the interviewee that it was a pilot study and asked if it was possible to conduct a second interview if needed which was agreed upon. The outcome of the pilot study was satisfactory since the interview questionnaire managed us to obtain the answers essential for the analysis. Therefore a second interview with Intersport AB was not necessary and the result obtained from Intersport AB was used. Those organisations that responded by email did not provide complete answers regarding the reporting process. We realised that we had to clarify question seven. During the face to face interviews we managed to get a feel for the relationship between the employees which indicated if the organisation for example was organic, informal and lower level decision making. In order to get a comparable result from the participants who responded via email the following sentence “(describe in terms of communications, meeting procedures and relationship among employees)” was added to question seven (see Appendix 1). We had to contact the organisations once again and asked them to supply us with additional information. DSE AB, Cubus AB, and Brothers & Sisters AB all wanted to participate but preferred to answer our questions via email. We stayed in contact with the respondents both via telephone and email and were promised to contact them again if further information was needed. Even though there are some disadvantages with email interview questionnaires such as insufficient information, we prevented this sort of problem by ensuring future contact with the organisations. One disadvantage that we could not foresee with the emailed interview questionnaire was that it became time consuming since many of the respondents were not able to respond as quickly as we thought. The fact that we emailed back and forth to clarify misunderstandings also contributed to a longer time aspect. The empirical framework was completed much later than we would have expected.

### **3.4.3 Secondary data**

Secondary data is information that has previously been gathered for some other purpose. This kind of data can be divided into raw data, where little or no processing has been done, or compiled data which has been summarised or processed. This data can be of both quantitative and qualitative nature (Saunders et al. 2003).

Secondary data used for answering the stated research questions have mainly been a critical literature review where existing theories and previous research have been explored. Scientific journals and articles written within the field of accounting, management, and organisation have been scrutinised to find applicable and updated information. This data was found by the use of the Internet and databases. It also assisted in finding recently written thesis which was used to gain inspiration for the development of the problem statement. The secondary data has further been complemented by corporate documentation and the organisations' homepage.

## **3.5 Analysing data**

Patton (2002) talks about unique case orientation as a strategy used for analysis. This strategy involves to first analysing each unique case individually by capturing its details. The quality of each individual case study affects the second level of analysis, which is referred to

as cross-case analysis. By comparing and contrasting each individual case, patterns can be identified.

The research questions have guided the structure of the analysis and lead to the final conclusion. We have first looked at each individual organisation in isolation and identified what is specific to each case. Next we compared each case to one another and in the end drew some conclusions that can be used for future guidance.

### **3.6 Trustworthiness of qualitative data**

Reliability concerns if the study can be repeated by other researchers. The study is reliable if they researchers can conduct the same type of research by following the steps and procedures of the original study (Burns, 2000). Reliability also concerns if the similar conclusion will be drawn by others and if there is transparency behind how conclusions were reached (Saunders et al. 2003). By thorough description of the participants the researcher handles the potential threat of disturbance of reliability for future studies. This means that when replicating the study the same type of individuals should be contacted and participate to get a reliable result (Burns, 2000). Other threats to reliability are that participants might fail to understand and answer the question correctly. The results could also be biased since participants might reply in accordance with what their manager wants them to say (Saunders et al. 2003). Validity questions the findings to really be what they seem to be (Saunders et al. 2003). Internal validity is another word for reliability and external validity is another word for generalisation. The criteria of internal validity and external validity combined with dependability (reliability) and confirmability (objectivity) assess trustworthiness (Patton, 2002). Potential threats to internal validity could be participants lying, not revealing all meaningful information or failure to represent their claims (Burns, 2000).

In order to reduce the errors and misinterpretation, a tape recorder was be used for capturing everything said during the interview. This also enables us to go back and revisit obtained information. We could question if the pre sent emails with the attached questionnaire affected reliability. The participants may have discussed their answers beforehand either with co workers or managers which could have lead to biased results. Interviews conducted by telephone and email did not provide us with a personal impression of the organisation. By conducting interviews a large amount of information was obtained compared to less information obtained by conducting telephone interviews. Even less information was obtained from the interview questionnaires sent out by emails. However since the same interview questionnaire was used in all three methods and the fact that we had the opportunity to get back to the organisations to receive additional information, in the end resulted in the empirical findings to be almost of the same amount. Therefore the trustworthiness of the data was maintained.

## 4 Empirical findings

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*Each of the organisations will be presented individually in this section. The research questions will guide the structure of the empirical findings.*

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### 4.1 Gina Tricot AB

Gina Tricot AB was founded in 1997 by Jörgen and Anette Appelquist in Borås (Gina Tricot AB, 2007). Jörgen is the CEO and Anette is the product manager. They work in close interaction with their daughter Anna who is the purchase manager and their son Victor who is the marketing manager. The turnover for the family business this year is estimated to 1.2 billion SEK. The organisation has been characterised by high growth since 1997. The last three years the growth has increased by at least 60 percent and today the organisation consists of nearly 100 stores in Sweden and a few in Norway. The next step is to expand to Denmark and Finland (Öhman, 2007). There are about 19 franchise stores left while the rest of the stores are owned by Gina Tricot AB (A, Johansson, personal communication, 2007-10-25).

There are approximately 70 people working at the head office in Borås. Annelie Johansson and Ing-Marie Andén are purchase controllers. Annelie Johansson has worked for the organisation since 2000 and became a controller in 2005. The controller position was new for the organisation. She studied textile and business administration at Högskolan in Borås and worked at Lindex as a purchase assistant before joining Gina Tricot AB. Ing-Marie Andén joined Gina Tricot AB in September 2007. She has studied some courses in business administration but has gained more part of her knowledge and experience while working for the JC organisation. They are the only two in the organisation with the title controller. Annelie and Ing-Marie are working closely together and are performing the same tasks. The purchasers' increasing need for information which supports their decision making forced the organisation to expand the purchase controller role. The high growth rate of the organisation is indicating a further expansion of the role. Annelie is certain that the role will shortly become more diversified. The coming two years will demand one purchase controller for each product category, hence one person in charge for knitwear, one person in charge for tricot and one person in charge for denim (A. Johansson & I-M. Andén, personal communication, 2007-10-25).

Annelie and Ing-Marie are reporting both on a weekly and a monthly basis to both the purchase and financial function. Annelie and Ing-Marie belong to the purchase function (see Figure 4-1). They report directly and foremost to the product manager who is in charge of purchase and design. The product manager is located below the CEO. Annelie and Ing-Marie also report to the purchase manager who belongs to the purchase function and is located below the product manager. One could say that the purchase controllers cooperate together with the purchase manager and are reporting together to the product manager. Annelie and Ing-Marie are also reporting to the entire office which means that it is up to the individual to obtain the information for his/her personal use. It is of importance for each individual to know how the organisation is doing. During the week Annelie and Ing-Marie are having controller meetings with each individual product group. Here they focus on how each product group is doing regarding budget, sales and what the future might hold. This results in constant need for meetings with different people within the organisation (A. Johansson & I-M. Andén, personal communication, 2007-10-25).

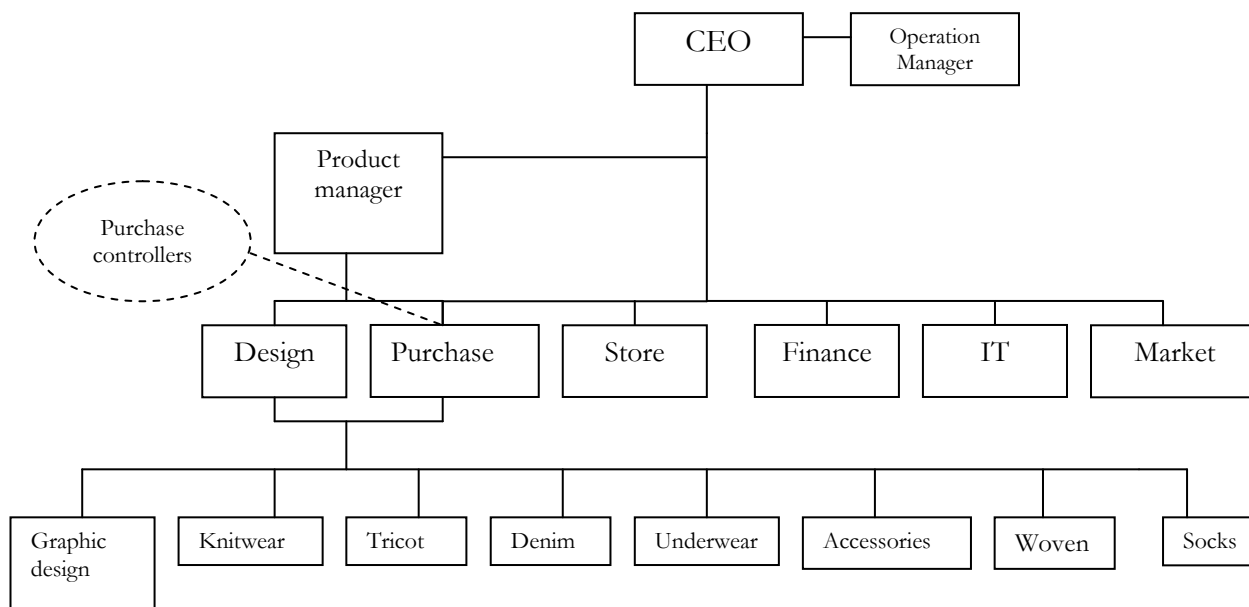


Figure 4-1 Organisational chart of Gina Tricot AB (A. Johansson, personal communication, 2007-10-25 & 2007-11-07)

Annelie's and Ing-Marie's main task and responsibility is to control and decide upon the purchase budget which is the foundations for the assortment mix in the stores. In order to come up with a suitable budget sales information and numbers are essential to analyse. At the moment Annelie and Ing-Marie are working with the spring season which is six months ahead. Sales budgeting and sales reporting are the recurring tasks. Mostly the purchase controller role includes following up and analysing sales numbers for each store. The purchase controller role at Gina Tricot AB includes tasks which normally should belong also to a sales controller. They do not perform any type of bookkeeping or auditing. These tasks are included in the financial function of the organisation. Annelie thinks that the person performing the financial tasks can be called the financial controller. At the moment there are none with the financial controller title working in the organisation (A. Johansson & I-M. Andén, personal communication, 2007-10-25).

Annelie and Ing-Marie consider themselves working most in the present, analysing current information to create an accurate plan and direction for the future. Historical analysis is also important while it lies as a base for benchmarking results. When planning for next spring for example they go back to previous spring and the spring before to predict the future (A. Johansson & I-M. Andén, personal communication, 2007-10-25).

Gina Tricot AB is a family business and the organisation is very flat with an open communication. The people working at the head office are located in an open office layout. This layout enables easy communication and quick decision making. Annelie and Ing-Marie have a large freedom for decision making but they both agree that they value inputs from purchase as well as finance before taking a final decision. Decisions can be made in a matter of minutes. All employees no matter if you are a manager or not are considered to be at the same hierarchical level. Everyone is easily accessed and spontaneous communications is emphasised. An ordinary week would be characterised by numerous reports. Mondays are the days when the sales numbers from each store are accumulated. Every week Annelie and Ing-Marie conduct meetings with each product category where they report sales, how the products are doing, what is selling well and what is not. This

information serves as the basis for what direction the organisation should take in the future. More formal meetings are held with the product manager. Annelie and Ing-Marie are also in close contact with the people in charge of distributing the products to the stores. Their job also includes store visits but they are not out in the stores as often as they wish they could be. Each store's sales numbers are automatically reported to the head office through the business system. The regional manager compiles the numbers and reports to each store manager. Once a month there is a meeting referred to as "planning for the future" where the managers from the different functions (purchaser, designer, market etc) and the board participate. The focus of the meeting lies on what product assortment and mix should be chosen for the stores in the future. Here the analysis, budgeting, planning and sales are the main issues (A. Johansson & I-M. Andén, personal communication, 2007-10-25).

## **4.2 Intersport AB**

Intersport Sverige AB was founded in 1974 and consists of 130 stores in Sweden. Most of the stores are independently owned. It is the world's largest sport equipment retailer with 4800 stores in 32 countries and has a turnover of 3 billion SEK in Sweden. Intersport AB is a purchasing organisation and functions as a distributor of products to the retailing stores which all goes under the same name. The organisation wishes to go from being a wholesaler to become more of a retailer. Intersport AB has started to buy back stores to become more of a traditional retailer (Intersport, 2007). The head office is currently situated in Jönköping where 74 people work. Fredrik points out that the organisation is not experiencing rapid growth due to its relatively large size. Currently the head office is about to relocate to Gothenburg (F. Andreasson, personal communication, 2007-10-23).

Fredrik Andreasson entered Intersport AB two years ago. He was originally hired as head of retail but is now business controller. The business controller is placed on the same level as the retail function and is cooperating closely with the retail function. Fredrik took his business administration degree in England. Thereafter he was accepted an internship for 14 months at Unilever and has also been a trainee at Axfood in Sweden. Before joining Intersport AB Fredrik worked with developing the controller positions at Willys food chain as well as doing budgeting and follow up analysis (F. Andreasson, personal communication, 2007-10-23).

There are currently three controllers in the organisation each belonging to different functions. One belongs to the market function and the second belongs to the assortment and purchase function while the third Fredrik Andreasson belongs to the retail function (see figure 4-2). The controller positions within the company are growing and there are going to be more controllers hired in the future. Fredrik believes that in the future controllers will belong to a new controller function within Intersport. The controllers who belong to the assortment and purchase function, and the market function report to Fredrik. Fredrik says that they are working parallel to each other and that he would not consider himself to be their manager. Further Fredrik sums up the information received from the controllers and forwards it to the CEO. This is done at weekly formal meetings every Monday where Fredrik together with the CFO meets the CEO. Fredrik only answers to one authority above his own position, the CEO, but works closely with the members of the executive management, consisting of the managers from each function. Even though there are some formal meetings, Fredrik says that his relationship to the CEO is very informal. Usually they do not plan meetings, rather they talk to each other often and meet whenever there is a need for it. Even though he is not a member of the executive management, he

has a large influence in the decision making process within the organisation (F. Andreasson, personal communication, 2007-10-23).

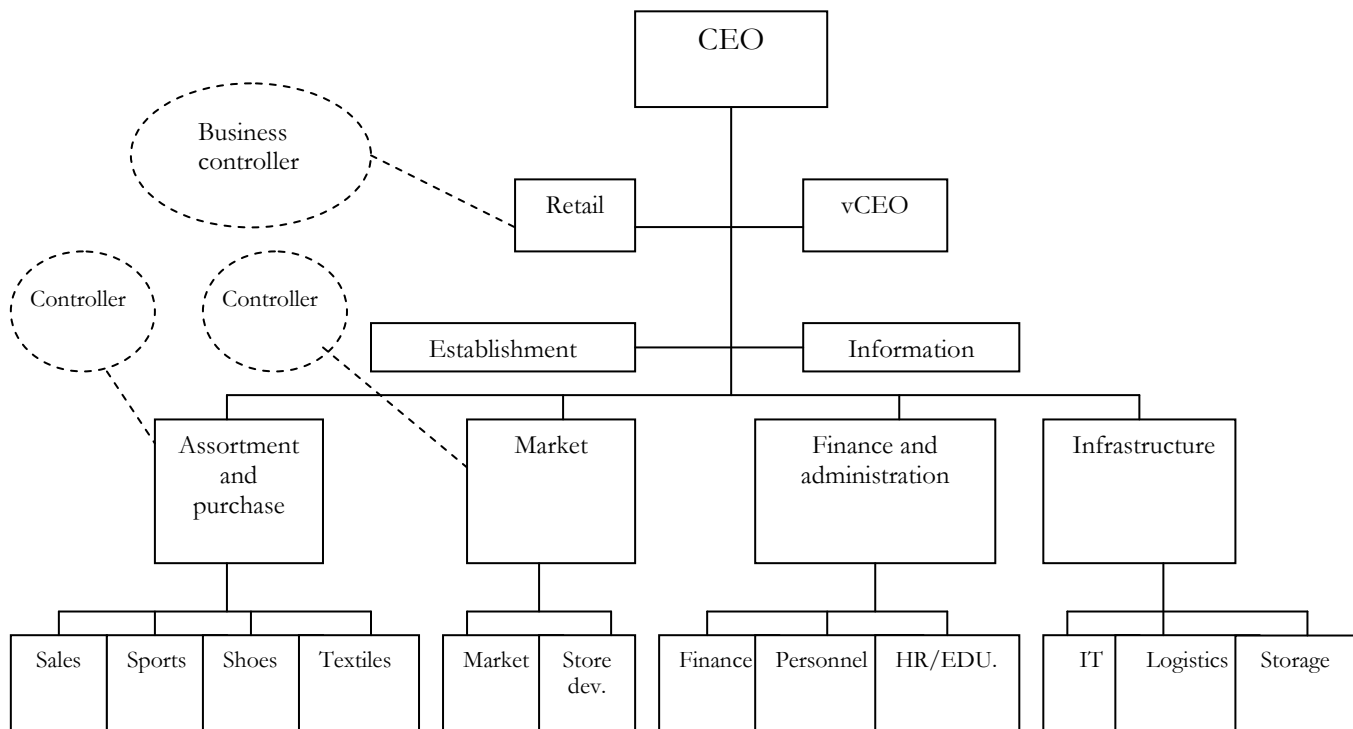


Figure 4-2 Organisational chart of Intersport AB (F. Andreasson, personal communication, 2007-10-23)

Fredrik is in the process of developing the controllership of the organisation. His main tasks and responsibilities include keeping track of sales, budgeting, adjusting the product assortment according to the market need and providing accurate information for decision making to the CEO. It is also of importance to figure out where the organisation is headed for the future. Fredrik emphasises the importance for him to analyse markets and predicting trends, but states that this is not really part of his responsibilities. The interest for market information and other players in the market rather depends upon the individual and his/her personal interest. Other tasks regard analyses, follow up the progress of newly opened stores, follow up and monitor campaigns, practically follow up all stores with a hands on approach, and not just how it looks on paper but by physically visiting the stores. Most follow-ups include comparing present information with historical information regarding sales. When planning for the future, the market need decides what is attractive to have in the store. Trends drive the assortment mix for the stores. For example, if the interest for golf in Sweden is increasing how large part of the store should then be devoted to golf equipments? Fredrik also finds it interesting to look at other players in the retail industry since they can provide innovative ideas and useful insights about for example campaigns, promotions, and store layout. An ordinary day for Fredrik would be characterised by looking at sales from the previous day obtained from the business system. He is usually involved in different projects for example how to increase sales in store. Gross profit levels at Intersport's own stores are also looked upon (F. Andreasson, personal communication, 2007-10-23).

Fredrik is not involved in any type of accounting tasks in his job as a business controller but still works closely with the CFO. They work together as a team and plan for the

coming three to four years. Fredrik says that he somewhat touches upon the accounting controller position. One reason for him not to be involved in the accounting area is because he is not too fond of those kinds of tasks. At present Intersport AB does not have a financial controller but Fredrik thinks that there is a need for one since the CFO has too much on his hands as it is. The larger the organisation, the greater is the need for a financial controller according to Fredrik. He also thinks that the financial controller should look at the fixed costs of the organisation because lots of money can be saved in that area (F. Andreasson, personal communication, 2007-10-23).

### **4.3 MQ AB**

MQ Retail AB was founded in the end of 1950s and is only operating in the Swedish market. MQ AB started out as a purchasing organisation but is today owned by Capman, an investment organisation (Å. Pettersson, personal communication, 2007-11-29). At the moment the organisation consists of 95 stores and there are approximately 120 employees at the head office located in Borås. The turnover of the organisation for 2007 is expected to be 1.5 billion SEK (J. Aira, personal communication, 2007-11-07). The organisation is currently in a development and growth phase with a focus on modern store environments, sharper assortments, and visibility (MQ, 2007).

Joaquin Aira has worked for MQ AB the last one and a half year. He possesses the title as the group controller and is part of the purchase function and is located straight below the purchase manager. Before entering MQ AB Joaquin had his own consulting firm. He has been working in the clothing industry for many years and has a business administration degree. At the moment he is not filling his function as the group controller while he is involved in an ad hoc project, to develop a new budget and reporting system for MQ AB. This is only temporarily and he will return to his position as a group controller after the project is finalised (J. Aira, personal communication, 2007-11-07). Jonas Hedelin is a business controller and also the Head of Business Control and has been at MQ AB for one year. He has previously been studying international finance at Jönköping International Business School (J. Hedelin, personal communication 2007-11-26).

There are currently seven controllers in the organisation, see Figure 4-3 (J. Hedelin, personal communication 2007-11-26). The group controller, sales controller and business controller are located at the same organisational level. The group controller belongs to the concept/design function, the sales controller belongs to the sales function while the business controller belongs to the finance function (J. Aira, personal communication, 2007-11-07). Below Jonas there is another business controller who directly reports to him. Jonas in turn reports to the CFO (J. Hedelin, personal communication 2007-11-26). The other three controllers are referred to as a controller for ladies' wear, a controller for men's wear and a controller for external brands. These three controllers are located below the group controller and report to Joaquin. Joaquin in turn reports directly to his closest manager which is the purchase manager and also to the CEO. Joaquin commonly meets with the sales controller and the business controller before reporting to sum up and get a comprehensive and overall view of the information. The sales controller's closest manager is the sales manager which he/she directly reports. The sales controller reports sales numbers to each store and to the sales manager, while the group controller analysis sales numbers in general. The business controller is involved in the accounting process and deals with costs and bookkeeping (J. Aira, personal communication, 2007-11-07).

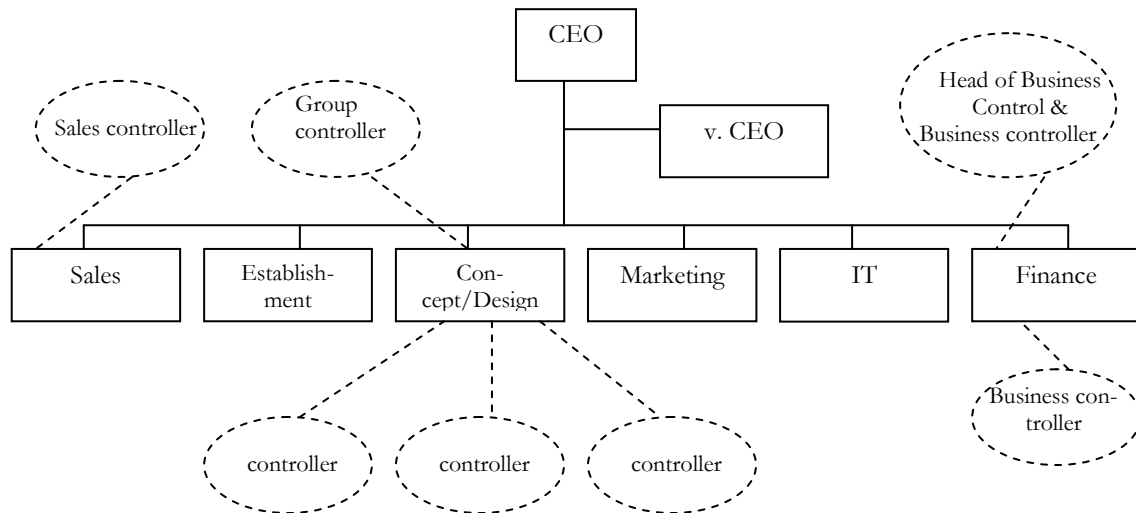


Figure 4-3 Organisational chart of MQ AB (J. Hedelin, personal communication, 2007-11-29).

Jonas highlights that the organisation is very flat which enables quick decision making. All stores are included in the sales department which is divided into eight different regions. The organisation works to a large extent in teams but there are some hierarchical levels in each department (J. Hedelin, personal communication 2007-11-26).

Jonas main tasks and responsibilities consist of budgeting and forecasting for the entire organisation (head office and 94 stores), analysing, and reporting. Furthermore, he works with internal control, strategic plans and analysis of organisational performance. Internal control regards connecting each cost to applicable department, for example the marketing manager is responsible for the marketing budget and corresponding costs. The aim is to ensure that bookkeeping of invoices is done in the same way throughout the entire organisation. Jonas is also in charge of contracting with external partners, hedging. Currently he is preparing MQ AB for the introduction at the Stockholm Stock Exchange which is more of ad hoc project. Jonas is involved in the accounting process to some extent. Accounting related tasks could be such as rebooking of invoices and spreading the costs over several months. Jonas recurring tasks are to produce monthly reports and analysis connected to the reporting packages. The information is obtained from the internal accounting system. Each month when the monthly figures are ready the CAO, the business controller and Jonas are having a meeting discussing and commenting on the accounting figures. These monthly reporting packages are communicated to the executive management banks, owners, auditors and the board of directors. Jonas is mostly focusing on historical and present analysis but acknowledges that they are planning to implement more future analysis by using what-if simulations. Except the ordinary tasks, Jonas tries to seek improvements by figure out new ways for benchmarking, measuring and following up. A normal day would include contacts with external partners such as banks, accountants and stores. In questions regarding the budget process Jonas is involved in the decision making to a quite a large extent. He can influence the allocation of revenues and costs as well as recording. He is not a member of the executive management (J. Hedelin, personal communication 2007-11-26).

Joaquin's main responsibilities and tasks are following up sales, controlling the product flow, financial control of margins, developing agreements with external suppliers as well as handling business system questions affecting the purchase function. Joaquin is also

responsible for that the product costs are recorded in the correct period. This is the only part of the accounting tasks where Joaquin is involved. As a group controller he is not involved in any type of bookkeeping. Joaquin is performing historical, present and future analysis and would not consider him to be focusing more on any of the three. The common types of reports and analysis he is conducting is weekly sales reports, monthly sales reports and also ad hoc such as campaigns. The financial information for the analysis is collected from the stores' sales reports from the business system and sometimes also from the accounting system. Today it is not enough to just focus on analysing numbers. Joaquin acknowledges the importance of also taking on a market perspective. He says that he provides his personal advice to the CEO but this is not really part of his responsibilities within the group controller role. It is more a result of Joaquin's own interest for the developments in the clothing industry as well as other external factors that might have an affect on the organisation. Further Joaquin has a good relationship with the CEO built on trust. He is not a member of the executive management but the relationship has resulted in the CEO having confidence for Joaquin's judgement. Joaquin is involved in the budget process where the assortment mix is decided. This is the process where he is involved in the decision making process (J. Aira, personal communication, 2007-11-07).

#### **4.4 Cubus AB**

In 1962 Frank Varner started his first store under the name "Frank Varner" in the Norwegian market. He continued to open stores under the name Dressmann and in 1985 he opened another store concept based on jeans, Carlings. The two store chains became part of the Varner Group. In the early 1980s the Varner Group started to buy shares in Jonas Øglænd AS in which Cubus was a part of. In 1989 the organisation was fully owned by the Varner Group. Cubus AB opened their first store in Sweden in 2004 (Varner Group, 2007a). Today the Varner Group consists of several organisations; Dressmann, Carlings, Cubus, BikBok, Solo, Urban, Volt, Vivikes, Warehouse, and WOW (Varner Group, 2007b). All the organisations are operating in the clothing industry and the head office of the Varner Group is situated in Norway. At Cubus's AS head office in Norway there are currently 12 employees working and at Cubus' AB office in Örebro, Sweden, there are five employees (B. Olsson, personal communication, 2007-11-08). There is a pure controller at Cubus AS belonging to the finance function (B. Olsson, personal communication, 2007-11-29). Today the Varner Group is owned by three Varner brothers and it is an unquoted family business. The owners work as CEO's and presidents of the board of directors in most of the organisations included in the Varner Group, hence also for Cubus. Cubus AB is a subsidiary to Cubus AS, the Norwegian organisation, which in turn is a subsidiary to Varner textile AS (see Appendix 2). Cubus AB has a yearly turnover of about 500 million SEK in Sweden. In the beginning of 2006 the number of stores in Sweden was 28 and at the end of 2006 they had reached a number of 36 stores. It is a fast growing organisation and today there are 42 Cubus stores in the Swedish market (B. Olsson, personal communication, 2007-11-08).

Björn Olsson was hired as a controller for Cubus AB in 2004. After one year the title changed to Chief Financial Officer. He has during the course of time received more responsibility within the organisation but his job has from the start been the same although his title changed. Before entering Cubus AB Björn studied at Linköping Tekniska Högskola and received an engineering degree in Industrial Finance. Later he specialised in accounting and received a second degree in Business Administration from the University of Örebro (B. Olsson, personal communication, 2007-11-08).

There is one country manager for Cubus AB in Sweden and below the country manager there are four regional managers (see Figure 4-4). They work with the operations of the stores belonging to each region. According to Björn, the organisation is distinguished by a flat structure where everyone can easily be accessed. Björn is located at the financial department in Örebro, Sweden, where three people work. He reports to several people and they are the country manager and regional managers for Cubus AB in Sweden, the CFO, the marketing manager, and the board of directors for Cubus AS in Norway. In turn, all of the stores, the human resource department, and the other employees at the financial department report to Björn (B. Olsson, personal communication, 2007-11-08). Since Cubus AB is a subsidiary to Cubus AS, the functions such as marketing, purchase and logistics are centralised and purchased by Cubus AB from the mother organisation (B. Olsson, personal communication, 2007-11-29).

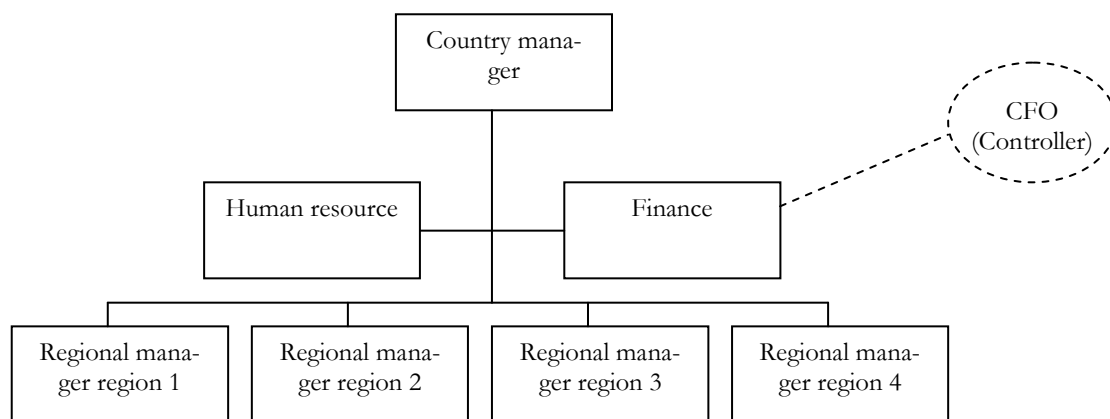


Figure 4-4 Organisational chart of Cubus (B. Olsson, personal communication, 2007-11-08)

The main task for Björn is the financial information, with full time responsibility in the accounting process and also to some extent, analyses. He performs historical, present and future analyses, often all in the same report, but emphasises perhaps more time on the first two which often makes the foundation for the third, the future analyses. The accounting tasks and some analyses making are the recurring tasks for him. Less recurring tasks are analyses for establishment of stores as well as ad hoc projects, which do not happen as frequently but still are a part of his job. When asked to describe a normal day, Björn says that since the accounting is a large part of his job, and it is in itself a repeating process, along with the work of conducting analyses, the typical working day is still diversified. Some tasks can not be foreseen and are dealt with as they occur, for example answering numerous telephone calls and emails (B. Olsson, personal communication, 2007-11-08).

Björn collects information for reports from their business system and from a module in their intranet which is connected to their cash boxes and storage balance. He conducts reports of sales, storage value, number of customers and value sold per customer, among others. In general he is responsible for all financial information concerning Cubus AB and has access to almost all kinds of related information existing within the organisation (B. Olsson, personal communication, 2007-11-08).

Most of the strategical decisions concerning Cubus AB are taken by the CEO and the market manager in Norway. Decisions regarding daily operations are taken by the country manager of Cubus AB in Sweden. Björn says that his role is more of a supportive kind for the decision makers. Still he is attending the board meetings for Cubus AS and Cubus AB in Norway and can make his voice heard if he feels it is necessary but most strategic

decisions are as stated above, taken at a higher level in the organisation (B. Olsson, personal communication, 2007-11-29).

## 4.5 Department & Stores Europe AB

RNB Retail and Brands AB was founded in 1994 in Karlstad, Sweden. The group was created in 2000 when they acquired the Portwear Retail AB through Polarn o Pyret. RNB Retail & Brands AB has continuously been acquiring organisations and is today a strong player in the Swedish retail market. There are four subsidiaries in RNB, Department & Stores Europe (DSE) AB (former Portwear Retail AB), JC AB, Brothers & Sisters AB, and Polarn o Pyret (RNB, 2007). JC AB and Brothers & Sisters AB were acquired summer 2006. The head office of each subsidiary is placed in the same building in Stockholm (R. Persson, personal communication, 2007-11-29). Today the group consists of 450 stores which are owned by RNB Retail & Brands AB as well as franchised stores in Sweden and abroad (RNB, 2007).

DSE AB is a distribution platform which delivers national and international brands via the departments at NK in Gothenburg and Stockholm, Steen & Ström in Oslo and Illum in Copenhagen. They focus on fashion, lingerie, accessories, beauty and jewels. DSE AB has about 1000 employees and a turnover of approximately 1.1 billion SEK. At the head office, which is located in Stockholm, there are 45 employees working (R. Persson, personal communication, 2007-11-19).

Rebecka Persson works as a business controller at DSE AB since two years ago. Before working at DSE AB she has been working as a sales controller, with logistics, and as a financial manager in a Swedish fashion company. She holds a Masters degree in business administration from the Business School of Economics and Commercial Law in Gothenburg (R. Persson, personal communication, 2007-11-19). Rebecka is the only controller working in DSE AB at present, but a newly recruited purchase controller will soon join DSE AB. Furthermore there are other controllers in the RNB Retail & Brands AB organisation located at subsidiary level. There is no group controller for RNB Retail & Brands AB, the CFO at the group level is more or less filling this particular function (R. Persson, personal communication, 2007-11-29).

Rebecka Persson is located under the CEO, Roger Kylberg, and is his supporting function (see Figure 4-5). The structure includes four other functions which are purchase, distribution, outlet, and sales with one manager for each function. The four retail managers are located below the sales function and report to both Rebecka and the CEO. They in turn report to the CEO and the CFO of RNB Retail & Brands AB. The financial department, human resources, logistics, and IT functions are centralised, located at the group level, see Appendix 3. There is an informal atmosphere throughout the RNB Retail & Brands AB but since it is all about business, time is money, they strive for more formalised meetings to achieve a better structure. Rebecka adds that the degree of formalisation depends if the meetings are within the DSE AB or within group. Both RNB Retail & Brands AB and DSE AB have grown and Rebecka emphasises that it is easy to forget things if you do not have checklists. She perceives that it is easy to get in contact with the persons needed within the group and subsidiaries no matter the position. All financial results are collected by a central accounting department but are checked with Rebecka before being distributed (R. Persson, personal communication, 2007-11-19).

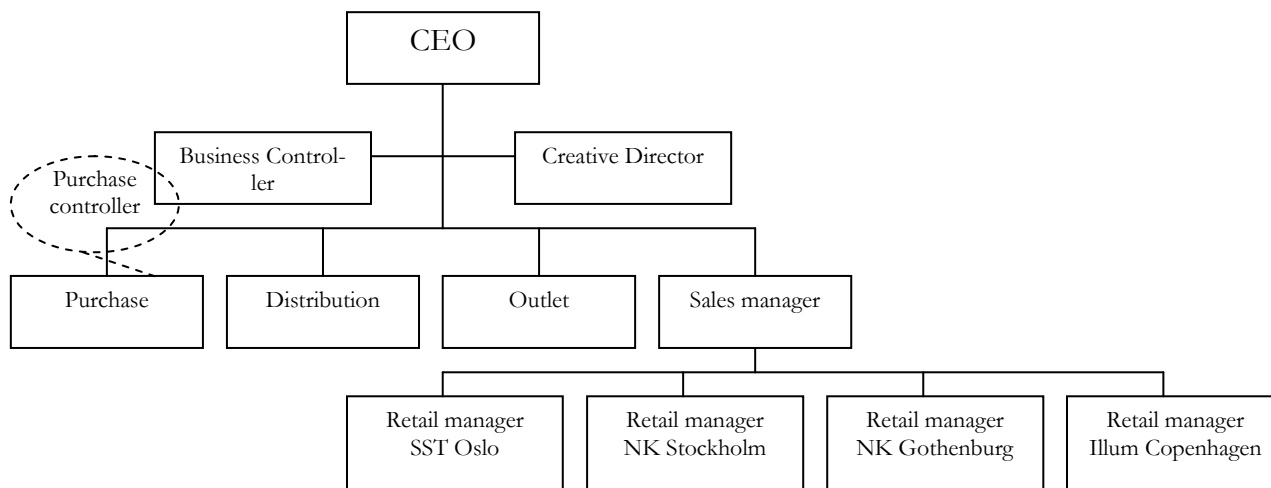


Figure 4-5 Organisational chart of DSE AB (R. Persson, personal communication, 2007-11-19)

As the business controller Rebecka is responsible for the financial information for DSE AB to the mother organisation (RNB Retail & Brands AB). All business information is communicated through the central functions, even though it just concerns DSE AB. The main tasks of Rebecka's position consist of collecting and presenting key figures to the CEO and the retail managers as well as performing sales and cost budgeting. She also develops prognoses for sales and results on store level, participates in and calculates costs for different projects, prepares presentation material for meetings, supports the area managers/stores with relevant information as well as supports the purchasing manager in their negotiation process with suppliers. Except from the information she receives from the people who reports to her, she collects information from an accounting system where she finds the financial information and an information system where she collects sales data and key figures. Rebecka is not taking part of the accounting process herself but at the end of every month she checks the reports and comments on corrections and improvements. She performs historical, present and future analyses but where her focus depends on the time of year as well as the time of the month. She also says that there are a lot of recurring tasks in her job but that they vary weekly, monthly, quarterly or yearly depending on which area they belong to. Every morning Rebecka collects sales figures from yesterday for all stores and communicates the figures to the people who are directly involved. Besides from this recurring routine Rebecka says that there is no typical day for her. Meetings and tasks are different from day to day. Rebecka says that she is both active in taking part of the decision making as well as supporting the departments within DSE AB with relevant information for their decision making. She is part of the executive management of DSE AB along with the CEO, the purchasing manager, and the sales manager. She is not represented in RNB Retail & Brands AB's executive group, only the CEO of DSE AB is represented (R. Persson, personal communication, 2007-11-19).

## 4.6 Brothers & Sisters Sverige AB

Brothers & Sisters Sverige AB, just like DSE AB, is a subsidiary which is fully owned by RNB Retail & Brands AB, see Appendix 3. There are 32 people working at the head office which was relocated from Mölnlycke to Stockholm in June 2007. Today there are 62 Brothers stores and 40 Sisters stores (D. Thörewik, personal communication, 2007-11-26).

The turnover of Brothers & Sisters AB in Sweden and Finland is around 650 million SEK (D. Thörewik, personal communication, 2007-12-17). At the relatively new market in Finland there are currently eight Brothers stores and four Sisters stores (D. Thörewik, personal communication, 2007-11-26).

David Thörewik holds a degree in Business Administration and has been working at Brothers & Sisters AB since 2002. He is the only business controller in the subsidiary and has been at the position for six months. He belongs to his own function, business controller, which is placed straight below the CEO (see figure 4-6). The organisation consists of four other functions, assortment Sisters, assortment Brothers, market, and sales. There is one manager at each of the different functions with the reporting responsibility to the CEO. There is one purchase controller who belongs to the assortment functions and reports to David. The central functions are placed at the corporate level, RNB Retail & Brands AB, and are shared among the subsidiaries. Since Brothers & Sisters AB is listed on the stock exchange David reports the result for the organisation to the group CEO and the CFO. Furthermore he reports weekly sales numbers and inventory levels to the CEO of Brothers & Sisters AB as well as the executive management (D. Thörewik, personal communication 2007-11-26). Meetings at Brothers & Sisters AB take place on a weekly, monthly, quarterly and half year basis. Usually there is a set agenda where strategic and operational issues are decided upon. There are also less formalised meetings such as discussions by the coffee machine and in the corridor. Overall David says that there is an informal atmosphere within the organisation (D. Thörewik, personal communication, 2007-12-04).

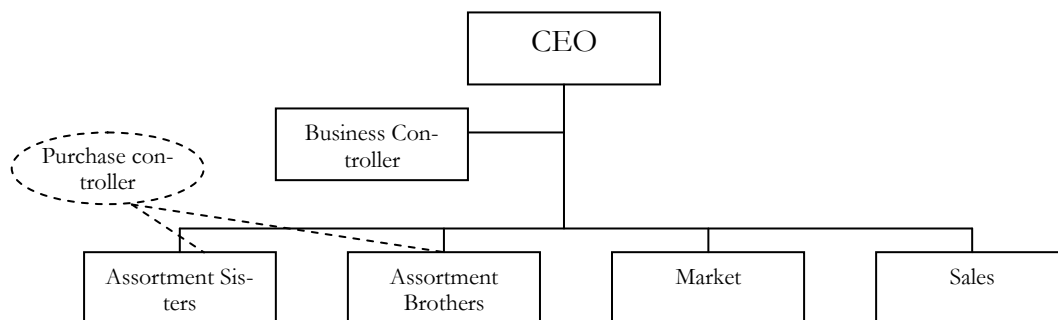


Figure 4-6 Organisational chart of Brothers & Sisters AB (D. Thörewik, personal communication, 2007-11-26).

David's main responsibility is to drive the organisation and business forward together with the CEO. Since the head office recently was relocated David has been in charge for implementing work processes and structures. His tasks consist of supplying the CEO with relevant information for decision making for the internal operations as well as for future investments and business opportunities. In addition he develops budgets for the entire organisation which he follows up by analysing and reporting variances. Recurring tasks include weekly and monthly sales reports and profit reports which in turn are distributed to the executive management. The monthly results are then reported and analysed. David is to a very little extent part of the accounting process. He states that he checks and analyses the financial information before distribution. David focuses equally on future and present analysis and considers himself to focus on historical analysis to a lesser extent. He obtains information from internal business systems and analyst tools. He uses the Internet for observing external factors for figuring out what goes on in the market. As the business

controller David is part of the executive management and due to his placement straight below the CEO, he considers himself to be part of the business decision making to a large extent (D. Thörewik, personal communication, 2007-11-26).

## 5 Analysis

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*In this part the theoretical framework will be compared to the empirical findings. The analysis will be done in two steps by first analyse each case and then perform a cross case analysis. The similarities and differences will be analysed with the research questions in mind.*

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The analysis will be conducted by first analysing each individual case using the research questions for guidance. Each case analysis will be divided into three parts. The first part of the analysis is linked to the first research question “What controller titles can be found and what tasks and responsibilities are associated?” and the second research question “Which type of controller role can be identified?”. The second part of the analysis is linked to the third research “What organisational dimensions can be revealed?”. The last part constitutes of a short summary. Answering our research questions will help us to achieve our purpose. The findings from each analysed case will then be compared to one another in the cross case analysis section. The outcome of the cross case analysis may result in the development of guidelines.

### 5.1 Gina Tricot AB

#### 5.1.1 Tasks and responsibilities - the identified controller role

As the purchase controller at Gina Tricot AB the tasks involved are mainly control and decide upon the purchase budget which becomes the foundation for the assortment mix in the stores. Other tasks are sales budgeting and sales reporting as well as following up and analysing sales for the stores. Annelie and Ing-Marie’s tasks are in close accordance with those tasks identified for a Swedish controller by Ax et al. (2005). The tasks they do not perform are distribution of responsibilities and education of employees regarding financial questions. Annelie and Ing-Marie are part of the purchase function and naturally work mostly with sales numbers and purchase budgets. Since Annelie and Ing-Marie conduct budgeting and planning among other tasks one can identify them to carry out the management-service responsibility acknowledged by Sathe (1983). As the purchase controllers Annelie and Ing-Marie assist the product manager with information regarding purchase budget and sales analysis. They are involved in the decision making regarding the purchase budget and the assortment mix but are not directly taking part in the decision making process regarding the future directions for the organisation. Since the organisation is a family business there is a close cooperation between the CEO, the operating manager and the product manager. Annelie and Ing-Marie report to the entire office but foremost to the product manager. Their tight relationship to the product manager indicates that given advice easily can be forwarded by the product manager to the CEO and the operating manager. We believe this to indicate that Annelie and Ing-Marie assist in the management decision making process to some extent but they are not as actively involved as Sathe’s (1983) model suggests. As the purchase controllers they are not part of the finance function. Annelie and Ing-Marie do not perform any kind of bookkeeping or accounting procedure nor public disclosure and therefore they do not fulfil the financial reporting and internal control responsibilities mentioned in Sathe’s model (1983). Since Annelie and Ing-Marie are only assigned the management-service responsibility and no financial reporting and internal control responsibilities, we conclude that the purchase controller role at Gina Tricot AB can be identified as the split controller role according to Sathe (1983). While

Annelie and Ing-Mare are assigned the management-service responsibility someone else is likely to be assigned the financial reporting and internal control responsibilities. We could expect that this person belongs to the finance function. This idea is further strengthened by Annelie's belief that the person performing the accounting tasks should be called the accounting controller even though the title does not exist in the organisation today.

The controller role according to Olve (1988) and Samuelson (2004) can be divided into an accounting controller and a business controller. Annelie and Ing-Marie do not produce the financial reports but they are using the numbers for analysis which place them in the column of a business controller. They take the roles as analysts. The lack of accounting competencies and the fact that they assist the product manager make them more of a business controller than an accounting controller. Budgeting, the "planning meetings", and prediction of trends indicate that they are future oriented. They also focus on what is going on today and therefore become present oriented while they report results and achieved targets. This places them in between the accounting controller and the business controller. Overall the purchase controller role falls into Olve's (1988) and Samuelson's (2004) business controller role. This strengthens our argument that Sathe's (1983) split controller role is found in the organisation.

### **5.1.2 Organisational structure**

By looking at the organisational chart of Gina Tricot AB there is a clear separation into different functions. One could immediately identify the structure as being functionalised according to Hatch (1997). There is an importance placed on the design and purchase department and they are directly linked to the product manager. These two departments work in close cooperation with one another and as mentioned before there is a tight relationship between the purchase controllers and the product manager. Furthermore the 70 employees at the head office and its open layout enable a flat organisation that motivates open communication. Everyone at Gina Tricot AB is easily accessed and all employees are considered to be at the same hierarchical level. We can therefore argue that Gina Tricot AB is an organic organisation since there is low complexity, low formalisation, and low centralisation which correspond to Hatch's (1997) organic organisational form. There is a need for flexibility to fight competition and cope with rapid growth. Gina Tricot AB is a fairly young organisation and has been experiencing tremendous growth during the last years. This reinforces our claim that Gina Tricot AB is flexible and organic. The organisation's functionalised structure is linked to the basic part of an organisation known as the operating core according to Mintzberg (1983). We argue that the strategic apex is part of Gina Tricot AB's organisation since the CEO and the operating manager can be found here. Gina Tricot AB is a fast growing organisation and the larger they become the need for more managers increases. We believe that Gina Tricot AB consists of a middle line since there is one product manager, a purchase manager, a CFO, and marketing manager along with other managers from the functions who are placed between the strategic apex and the operating core. Annelie and Ing-Marie are not outspoken managers but they are located in between the operating core and the middle line since they are responsible for some of the reporting to both the upper level and the lower level of the organisation. We consider the organisation to be lacking a technostructure. Even though Annelie and Ing-Marie are filling an analytical function they belong to the purchase function which is part of the operating core. If they would have been placed at an own function above the operating core but below the strategic apex, one could have argued that Gina Tricot AB would have had a technostructure. This is not the case for the organisation today but that might change in the future when the organisation becomes even larger.

We have previously identified Gina Tricot AB to be an organic structure with small hierarchy, no technostructure and low formalisation. This is in accordance with the simple structure according to Mintzberg (1983). The key part of Gina Tricot AB is identified to be the operating core due to the emphasis on both the purchase and the design function. The functionalised structure indicates horizontal work specialisation which applies to the adhocracy. Gina Tricot AB is therefore a mix between the simple structure and the adhocracy. The complex and changing environment that Gina Tricot AB is operating in requires an organic structure where flexibility between the work specialised units is emphasised. The mix of different structures is recognised by both Mintzberg (1983) and Jacobsen & Thorsvik (2002) since it is difficult to place an organisation in just one category.

### **5.1.3 Summary**

We have identified the purchase controller role at Gina Tricot AB to be a split controller role with an emphasis on the management-service responsibility. The purchase controller role is very similar to the one of a business controller. Gina Tricot AB is an organic functionalised organisation where flexibility is emphasised. The structure of Gina Tricot AB is also recognised to be an adhocracy.

## **5.2 Intersport AB**

### **5.2.1 Tasks and responsibilities - the identified controller role**

As the business controller at Intersport AB Fredrik is currently developing the controller function within the organisation indicating contribution to a learning organisation as well as to some extent educating employees regarding financial issues. Other tasks regard keeping track of sales, analysing, budgeting, adjusting the product assortment and providing the CEO with information for decision making. Fredrik also tries to figure out what direction the organisation should take for the future by predicting trends. The tasks performed by Fredrik are almost identical to the tasks listed by Ax et al. (2005). Analysing external factors as well as monitoring competitors and other organisations in the market is not really part of Fredrik's role rather due to his personality. Fredrik is part of the retail function and mostly looks at sales figures and evaluates store performance. Fredrik has a strong informal relationship with the CEO resulting in almost no formal meetings. The relationship is characterised by talking to one another whenever they need to. We see a strong emphasis towards providing the CEO with sufficient information for decision making. The strong relationship between the CEO and Fredrik seems to have developed due to Fredrik's personality and knowledge. Fredrik is somewhat filling the role as the CEO's right hand which explains why Fredrik has large influence on the decision making process even though he is not part of the executive management. He has an active role in business decision making and we see a clear connection between Fredrik's tasks and responsibilities and Sathe's (1983) management-service responsibility. Fredrik is not involved in any type of accounting tasks but works in close cooperating with the CFO. They together plan for the coming three to four years. Fredrik himself stated during the interview that he is not too fond of bookkeeping and accounting and that he prefers not to deal with these tasks. Thus the relationship between Fredrik and the CFO makes him touch upon the accounting controller role. Looking at Fredrik's tasks we recognise that there is a low emphasis on the financial reporting and internal control responsibilities connected to Fredrik's role. The high emphasis on the management-service responsibility and the low emphasis on the

financial reporting and the internal control responsibilities reveal Fredrik to be Sathe's (1983) involved controller.

When looking at the cooperation between Fredrik and the CFO the planning indicates long-term strategic plans. This is in accordance with Olve's (1988) business controller role. Fredrik is pro-active since he is out searching for information from competitors and other players in the markets. His genuine interest of analyses, predicting trends, and assisting the management with market driven information strongly indicate traits of a business controller. Fredrik looks at historical, present and future information but with an emphasis on the latter. He has a weak connection to the accounting controller role but it becomes less significant since there is such a strong focus on the future orientation. Fredrik is therefore placed in Samuelson's (2004) business controller column.

## **5.2.2 Organisational structure**

The organisational chart of Intersport AB is a functionalised structure according to Hatch (1997). Fredrik does not perceive himself to be above the other two controllers even if he is the one who has the major reporting responsibility upwards in the organisation. Instead the three controllers in the organisation work parallel to each other which suggests low hierarchy. By judging from Fredrik's relationship with the management the organisational structure seem to be relatively informal and loose. When looking at the organisational chart there are some vertical differentiation and horizontal differentiation which indicate some complexity. Intersport AB is not growing rapidly but is currently buying back stores from franchisers which call for more centralised dimension. We therefore argue that Intersport AB could be recognised to be somewhere in between the organic and mechanistic form according to Hatch's (1997) theory.

Intersport AB has been around since 1970s and has already experienced growth. Today the organisation is fairly large and could therefore be considered to consist of the more part of Mintzberg's (1983) parts of an organisation. Intersport's different functions of purchase and assortment, market, finance and administration, and infrastructure are to be recognised as the operating core. The strategic apex is also found while the CEO is placed on the top and monitors the organisation. Fredrik fills the function as some sort of vice CEO and considering his placement straight below the CEO we argue that he could be part of the strategic apex. Fredrik along with the CFO and the other managers from the functions become the middle line since they communicate both to the upper level and the lower level of the organisation. Fredrik does not have an own function as a business controller in the organisational structure but he belongs to the retail function. The retail function is below the CEO and Fredrik seems to be somewhat closer to the CEO than the retail function reveals. The business controller role is considered to be loosely placed, this enables Fredrik's role to be somewhat similar to the attributes of a vice CEO. The role as the business controller proves that there is a technostructure apparent. Fredrik becomes the analyst by looking at his tasks which was also strengthened by himself during the interview. We believe the key part of the organisation is the technostructure due to the broad multiple role Fredrik is possessing as the business controller. The organisation seems to be stable at the moment but is becoming more centralised indicating similarities with the machine bureaucracy identified by Mintzberg (1983). The machine bureaucracy demands high formalisation which is not the case at Intersport AB. Instead horizontal work specialisation is apparent and corresponds to Mintzberg's (1983) adhocracy. This structure emphasises flexibility and could explain why Intersport AB differs from the machine bureaucracy.

Intersport AB is identified to be a machine bureaucracy but with low formalisation indicating influences from the adhocracy configuration.

### **5.2.3 Summary**

We have identified the business controller role at Intersport AB to be an involved controller role with a high emphasis on the management-service responsibilities and a low emphasis on the financial reporting and internal control responsibilities. The business controller role at Intersport AB is similar to the one of a business controller. Intersport AB is a mix between a mechanistic and a somewhat organic functionalised organisation. The structural configuration is recognised to be a machine bureaucracy with low formalisation.

## **5.3 MQ AB**

### **5.3.1 Tasks and responsibilities - the identified controller role**

As the group controller at MQ AB, Joaquin is part of the concept/design function which incorporates the purchase function. He mostly deals with sales information and performs tasks such as following up sales, controlling the product flow, financial control of margins, developing agreements with external suppliers and handling business system questions for the purchase function. The three controllers who belong to brands report to him while he becomes in charge of the information reported which he forwards upward in the organisation. He is also involved in the budget process regarding the assortment mix. Joaquin's tasks and responsibilities are in accordance with those listed by Ax et al. (2005) but he is not educating employees. There is a larger emphasis on the tasks regarding developing and updating the business system since Joaquin currently is involved in this type of ad hoc project. These tasks signal that he as the group controller is performing Sathe's (1983) management-service responsibility to a large extent. He reports directly to the purchase manager but also to the CEO. The relationship between Joaquin and the CEO is built on trust and he often provides his own personal view for future directions of the organisation. It is not part of his role, rather it depends on their strong relationship. Since Joaquin is actively involved in the decision making process regarding the budget process we argue that he also is involved in the decision making process for the entire organisation due to his personal relationship with the CEO. Even though he is placed at the same level as the head of business control but below the purchase manager we perceive him to be placed closer to the CEO than what can be expected by judging from the organisational chart. This strengthens the emphasis placed on his management-service responsibility. Joaquin expressed that even though he is not performing any bookkeeping he is involved in the accounting process since he is responsible for recording the product costs in the right period. The low involvement in the accounting process indicates a low emphasis on the financial reporting and internal control responsibilities. Furthermore, he seems to be actively involved in the business decision making process by judging from his tasks and the relationship to the CEO. Joaquin is identified to take the role as Sathe's (1983) involved controller. Joaquin falls in Samuelson's (2004) business controller column since he uses the numerical reports rather than produces them. He is placed in between the business controller role and the accounting controller while he reports achieved targets and results but also provides a market perspective. There are more similarities of Joaquin's role with a business controller than an accounting controller. The group controller at MQ AB is very similar to Samuelson's (2004) business controller. According to theory the title as group

controller is commonly used for those controllers who are located at a corporate level. MQ AB is not a corporation of its own with subsidiaries which makes the group controller title unsuitable. Though his title gives the accurate impression of that he is in charge of the lower level controllers.

Jonas is head of business control and belongs to the finance function. Jonas' tasks are budgeting and forecasting for the entire organisation as well as analysing and reporting organisational performance. He also develops strategic plans for the organisation. The tasks he performs are similar to Ax et al (2005) listed tasks. There is a focus on the ad hoc project of getting MQ AB ready for a possible introduction at the Stockholm exchange. By budgeting, planning and reviewing the organisational performance, Jonas performs Sathe's (1983) management-service responsibility. By having a large influence on revenues and costs recorded in the budget process one can see that Jonas is involved in the business decision making process. We do not consider him to be as actively involved in the business decision making process while he belongs to the finance function and seems to have a less strong relationship with the CEO than the group controller. Jonas is in charge of the monthly reporting packages providing different customers such as banks, auditors and board of directors with accurate financial information. This indicates that he is also fulfilling Sathe's (1983) financial reporting and internal control responsibilities. As the head of business control, Jonas operates closely with the CAO and the business controller. He is involved in the accounting process and deals with costs and internal control. We believe there to be a strong emphasis on Jonas' financial reporting and internal control responsibilities. The question now is whether there is a strong or low emphasis placed on Jonas' management-service responsibility. Looking at Sathe's (1983) controller roles there should be an equally high emphasis on both the management-service responsibility and the financial and internal report responsibilities for being identified as a strong controller. An independent controller is characterised by a low emphasis on the management-service responsibility and a high emphasis on the financial reporting and internal control responsibilities. The emphasis placed on Jonas' management-service responsibility is not low as we see it. We therefore argue that Jonas is a mix between a strong controller and the independent controller. The fact that there is another business controller at MQ AB makes us curious about his/her tasks. If that person is an independent or a split controller with the focus only on financial reporting and internal control responsibilities, Jonas is more likely to be a strong controller. When looking at Jonas' business controller role from Samuelson's (2004) perspective we could see that there seems to be a somewhat more emphasis towards the accounting controller role than the business controller role. He both produces and uses the numerical reports but conducts more historical and present analysis. Even though he forms strategic plans he is still a bit more historical and present oriented than future oriented. His budgeting and planning regards the entire organisation rather than just one department. Jonas communicates to different customers both internally and externally and possesses financial and system competencies. It is interesting that Jonas possesses the title as a business controller when he is somewhat more alike Samuelson's (2004) accounting controller.

### **5.3.2 Organisational structure**

The organisational chart reveals a functionalised structure identified by Hatch (1997). Jonas acknowledged that the organisation is rather flat which enables quick decisions making. Team work is emphasised but there are some hierarchical levels within the departments. Joaquin, Jonas and the sales controller are all on the same level each having a manager above them. Underneath Joaquin and Jonas there is a lower level of controllers. Joaquin

and Jonas influence in decision making points to low centralisation. The organisation can be seen as rather complex while there is horizontal differentiation and some vertical differentiation. Low formalisation and low centralisation indicate that the organisation is organic but with some influence of the mechanistic form due to rather high complexity.

MQ AB has been around since the 1950s and is currently experiencing growth. Comparing Mintzberg's (1983) parts of an organisation to MQ AB shows that the four relevant parts are apparent. MQ AB's operating core consists of sales, establishment, concept/design, marketing, IT, and finance. The controllers are placed within these functions. Seven controllers were found and by judging from theory we can conclude that they all are filling the roles as analysts. This points to the existence of a technostructure. The organisation also consists of the strategic apex where the CEO and vice CEO are located. A middle line is also found since there is hierarchy within the departments as well as managers in each function. We claim that the key parts of the organisation are the operating core and the technostructure. None of the controllers are placed at own functions, they belong to the operating core and therefore emphasis seems to be on both parts. Horizontal work specialisation, team work and low formalisation call for the adhocracy. The adhocracy is also applicable since the organisation is in a state of change where flexibility is emphasised. The machine bureaucracy is somewhat applicable since MQ AB is considered to be a fairly large and old organisation where the technostructure is one of the key parts in the organisation.

### **5.3.3 Summary**

We have identified the group controller role to be an involved controller with a high emphasis on the management-service responsibility and with a low emphasis on the financial reporting and internal control responsibilities. The group controller role is very similar to a business controller role. The business controller role at MQ AB has been identified as a mix between the strong controller role and the independent controller role since there is a high emphasis on the financial reporting and internal control responsibilities. The emphasis on the management-service responsibility is neither high nor low. The business controller at MQ AB is somewhat more similar to the role of the accounting controller than the business controller. MQ AB is an organic functionalised structure with influences of the mechanistic form. The organisation is recognised to be an adhocracy with some similarities of the machine bureaucracy.

## **5.4 Cubus AB**

### **5.4.1 Tasks and responsibilities - the identified controller role**

At Cubus AB there is not an outspoken controller title. Björn Olsson was hired as a controller but today possesses the title as CFO. He belongs to the finance function. There is one pure controller placed at Cubus AS, the mother organisation. Björn's main task is financial information with fulltime responsibility in the accounting process. He performs analyses to some extent. He also gathers sales information, number of customers and values per customer, and inventory value. He performs a more part of the tasks listed by Ax et al. (2005). Relating to Sathe's (1983) responsibilities, Björn's management-service responsibility seems to be low since he is not taking an active role in business decision making process. Björn can make his voice heard during board meetings but possesses more of a supportive role for the decision makers. The fact that Björn is responsible for the

financial information and the accounting process, which is also his recurring task, indicate that there is a high emphasis the financial reporting and internal control responsibilities. We can argue that Björn on one hand could be either Sathe's (1983) split controller role, where the only emphasis is on the financial reporting and internal control responsibilities, but on the other hand since he performs analyses he is more likely to be identified as Sathe's (1983) independent controller role - a high emphasis on financial reporting and internal control responsibilities and a low emphasis on management-service responsibilities.

As well as producing the accounting numbers Björn also uses them for analyses. He fulfils various customers' needs by being in charge for financial documents and the distribution of them to the right people. The supportive role is played by Björn when he assists managers in decision making. The tasks Björn conducts are more historical and present oriented than future oriented. This places Björn in between Olve's (1988) and Samuelson's (2004) accounting controller and business controller. Since Björn has access to all financial information and is responsible for the accounting procedures it seems as Björn is more an accounting controller than a business controller. One possible explanation for this is probably the fact that he was first hired as a controller but since his tasks and responsibilities increased the title as CFO became more appropriate. This is in accordance with what Samuelson (2004) believes, that the accountant controller is very much alike the CFO or the CAO.

#### **5.4.2 Organisational structure**

Considering the fact that there are only five employees at the Swedish head office in Örebro indicates that the organisation is small and even though the organisation has functions we would still like to argue that Cubus AB has a simple structure according to Hatch (1997). Cubus AB is not complex while the structure is very flat. Cubus AB's head office with five employees and Cubus AS's head office with twelve employees indicate that formalisation seem to be very low. The fact that the organisation is a family business reinforces our belief that there is low formalisation. Almost all decisions are made by the managers in Norway and forwarded down in the organisation indicating high centralisation. We see that Cubus AB is similar to Hatch's (1997) organic form with some influence from the mechanistic form since there is a high centralisation. Cubus AS, the mother organisation, consists of functions and since Cubus AB is its subsidiary we can identify the organisation as being similar to Samuelson's (2004) divisionalised structure. Looking at Mintzberg's (1983) basic parts of an organisation we identify Cubus AB to consist of mainly an operating core with a small middle line while there is one country manager for the subsidiary reporting to the mother organisation. Björn as the CFO is also part of the middle line while he is the link between Cubus AB to Cubus AS. One can identify a strong strategic apex originating from Cubus AS due to centralisation. We argue that the technostructure is missing at Cubus AB since Björn is not quite taking on the role as an analyst. There seems to be a technostructure at Cubus AS since there is a pure controller role at this level and one can assume that this person is an analyst. The key part of the organisation can be identified as the strategic apex since there is only one CEO and that is on the group level, Cubus AS. This further indicates that there is a need for direct supervision and we can conclude that Cubus AB is similar to Mintzberg's (1983) simple structure. The fact that Cubus AB is a subsidiary to Cubus AS points to Mintzberg's (1983) divisionalised structure. This structure demands high decentralisation which is not really the case for Cubus AB, but we can still argue that there is some decentralisation apparent since both Björn and the country manager in Sweden are in charge for Cubus AB's daily

operations. Cubus AB is therefore a mix between a simple structure with some influences from the divisionalised form.

### **5.4.3 Summary**

We have identified the CFO at Cubus AB to be an independent controller while there is high emphasis on the financial reporting and internal control responsibilities and a low emphasis on the management-service responsibility. Björn is very similar to an accounting controller. Cubus AB is an organic organisation with some mechanistic influences due to high centralisation. Cubus AB is also recognised to be a simple structure with characteristics of a divisionalised structure.

## **5.5 Department & Stores Europe AB**

### **5.5.1 Tasks and responsibilities - the identified controller role**

Rebecka Persson as a business controller at DSE AB collects and presents key figures and also conducts sales and cost budgeting. Forecasting sales and results on store level and calculating cost for different projects are also included in her tasks. She reports to the CEO and the different departments within DSE AB. In short Rebecka becomes a supporting function for the area managers, purchase manager and the CEO within DSE AB. This is in accordance with the tasks listed by Ax et al. (2005). The only tasks she seems to not perform are updating the control and financial systems as well as educating employees. The fact that Rebecka is in charge of budgeting and forecasting as well as her membership in the executive management gives her a supporting function especially to the CEO, which proves that she is performing Sathe's (1983) management-service responsibility. Furthermore this belief is reinforced since she belongs to an own function located straight below the CEO and that she and the CEO together report to the CEO and the CFO on group level (RNB Retail & Brands AB). She says that she is also actively involved in the business decision making process, probably due to her membership of the executive management in DSE AB and placement below the CEO. Rebecka is in charge of the financial information and is somewhat involved in the accounting process while she checks the monthly numbers. She seems to have a more general view indicating that she is involved in the accounting process to a very little extent. Therefore there is a low emphasis on Sathe's (1983) financial reporting and internal control responsibilities. We can identify Rebecka to closely fit Sathe's (1983) involved controller role while there is a high emphasis on the management-service responsibility and a low emphasis on the financial reporting and internal control responsibilities.

Rebecka has a strong emphasis on assisting managers with relevant information and also takes the role as an analyst which classifies her as Olve's (1988) and Samuelson's (2004) business controller. She claims that her focus on historical, present and future analysis varies depending on the time of year and time of the month. Rebecka here falls in between the accounting controller and the business controller role. The information she uses is obtained from both the financial and business system. We believe that she possesses financial, system, organisational and business competencies which once again place her in between the two categories. The main focus on Rebecka as a supporting function within DSE AB still seems to indicate that she is more of a business controller than an accounting controller.

### **5.5.2 Organisational structure**

When looking at DSE AB organisational chart we can clearly see that the organisation is similar to Hatch's (1997) functionalised structure. Since DSE AB is a subsidiary to RNB Retail & Brands AB Samuelson's (2004) divisionalised structure is also applicable. The result responsibilities of DSE AB are decentralised and we clearly see that DSE AB functions as a type of smaller independent organisation within the entire group. Samuelson (2004) claims that the division controller reports to the corporate controller. Rebecka is reporting to both the CEO and the CFO on group level which means that Rebecka can be identified as the division controller for DSE AB. As revealed by the interview there is no controller on group level but the CFO can be identified as filling the function as the controller on group level, hence the corporate controller role is not outspoken. Due to the divisionalised structure DSE AB can be seen as a rather complex organisation while there are both vertical and horizontal differentiation. Reporting procedures originate from DSE AB to upper level of the mother organisation reveals some hierarchical layers. The fact that all business information is communicated through the central functions as well as some of the functions placed on group level indicate high centralisation. There is also indication towards decentralisation since Rebecka has decision making power within DSE AB. The strive for structure and conduction of more formalised meetings within both DSE AB and RNB Retail & Brands AB point toward formalisation. We see that DSE AB is a mix between Hatch's (1997) mechanistic and bureaucratic form since there are medium high complexity, medium high formalisation and both centralisation and decentralisation apparent within group.

DSE AB consists of Mintzberg's (1983) parts of an organisation. The operating core is clearly identified since the organisation is characterised by functions. There are further two strategic apexes, one at group level, the CEO for RNB Retail & Brands AB, and one at subsidiary level, the CEO for DSE AB. There is a clear evidence of a middle line while there is an executive management for DSE AB, managers for each function and retail managers located below the sales manager. Rebecka and the CEO of DSE AB become the middle line between group level and the subsidiary since they report to upper level and lower level. A technostructure is also evident especially since Rebecka is taking on the role as the supporter and analyst for DSE AB. The technostructure seems to expand since a purchase controller recently has been hired and might contribute to the analytical function. The clear sign of a middle line demonstrates that this most likely is the key part of the DSE AB. The strive for formalised meetings resembles a wish for standardisation of outputs. Since there are two strategic apexes, one at group level and one at subsidiary level, we argue that there is limited vertical decentralisation. This is in close accordance with Mintzberg's (1983) structural configuration referred to as divisionalised form.

### **5.5.3 Summary**

We have identified the business controller role at DSE AB to be an involved controller since there is a high emphasis on the management-service responsibility and a low emphasis on the financial reporting and internal control responsibilities. Rebecka's business controller role is very much alike the business controller role presented in theory. DSE AB is a functionalised structure characterised by the mix between the mechanistic and the bureaucratic form. The structural configuration of DSE AB has been recognised to be in close accordance with the divisionalised form.

## **5.6 Brothers & Sisters Sverige AB**

### **5.6.1 Tasks and responsibilities - the identified controller role**

The business controller, which is a function of its own, David Thörewik is responsible for taking the organisation forward. His tasks regard supplying the CEO with sufficient information for decision making and evaluating business opportunities. He does budgeting, analyses, follow ups and reports variances. He reports sales and results to the CEO and the executive management of Brothers & Sisters AB. His tasks are in accordance with Ax et al. (2005) except that he does not seem to educate employees. There is a somewhat focus on ad hoc project since David has been focusing on the implementation of work processes and structures for the organisation. This can also be an indication that he might be updating and developing the control and financial systems. That task ought to belong to group level (RNB Retail & Brands) to ensure standardisation throughout all subsidiaries. Due to David's placement straight below the CEO he fills a supporting function and assists with forwarding relevant information for business decision making. Furthermore David is part of the executive management and expresses himself to be involved in the business decision making process to a large extent. His tasks and responsibilities prove that there is a high emphasis towards Sathe's (1983) management-service responsibility. He is involved in the accounting process to a small extent but states that he checks the financial information before distribution. This is the only time David seems to be involved in the accounting process and therefore there is a low emphasis on his financial reporting and internal control responsibilities. The finance function is placed at group level which can explain the low involvement in the accounting process. David resembles Sathe's (1983) involved controller since there is a high emphasis on his management-service responsibility and a low emphasis on the financial reporting and internal control responsibilities.

David takes the role as the analyst since he uses the numbers and there is a clear focus on his supporting function with assisting the manager with relevant information. This places David in Olve's (1988) and Samuelson's (2004) business controller column. The fact that David reports results and achieved targets as well as calculating for investments and opportunities indicate a somewhat more focus on present and future analysis than historical. He seems to possess both financial and system competencies since he obtains information from internal business systems. We can assume that business and organisational competencies exist while David otherwise would not have been able to fulfil his supporting function. He possesses some of the accounting controller characteristics but by judging from his tasks and orientation we believe that he is more of a business controller than an accounting controller.

### **5.6.2 Organisational structure**

When looking at Brothers & Sisters AB's organisational chart we can clearly see that the organisation is similar to Hatch's (1997) functionalised structure. Since Brothers & Sisters AB is a subsidiary to RNB Retail & Brands AB Samuelson's (2004) divisionalised structure is also applicable. The result responsibilities of Brothers & Sisters AB are decentralised and we clearly see that Brothers & Sisters AB functions as a type of smaller independent organisation within the entire group. Samuelson (2004) claims that the division controller reports to the corporate controller. David reports to both the CEO and the CFO on group level, which means that David can be identified as the division controller for Brothers & Sisters AB. Due to Brothers & Sisters AB' divisionalised structure complexity can be identified since there is both vertical and horizontal differentiation. By looking at the

reporting procedures from Brothers & Sisters AB up to RNB Retail & Brands, hierarchical layers are revealed. The placement of functions such as HR, finance, IT, and logistics at group level indicate high centralisation. David's actively involvement in the decision making process for Brothers & Sisters AB as well as his placement straight below the CEO points towards decentralisation at subsidiary level. David expressed himself that he was in charge for implementation of work processes and achieve structure. It gives the impression of the wish for formalisation within Brothers & Sisters AB. Due to medium high complexity, medium high formalisation, and centralisation at RNB Retail & Brands AB and decentralisation at subsidiary level we see a mix between Hatch's (1997) mechanistic and bureaucratic form.

Mintzberg's (1983) four basic parts can be identified for Brothers & Sisters AB. The functionalised structure reveals an operating core and due to the divisionalised structure two strategic apexes exist. Further a middle line can be identified since there are managers at each function and that there is an executive management at subsidiary level. David is part of the executive management and also becomes the middle line between group level and subsidiary level. There are two controllers at Brothers & Sisters AB who constitute the technostructure. We know that David takes the role as an analyst judging from his tasks and his support function. Further we assume that the purchase controller also takes on the role as an analyst. The amount of managers signals that the middle line is the key part of the structure of Brothers & Sisters AB. The two strategic apexes, one at group level and one at subsidiary level, point to limited vertical decentralisation. We believe Brothers & Sisters AB' structural configuration to closely resemble Mintzberg's (1983) divisionalised form.

### **5.6.3 Summary**

We have identified the business controller role at Brothers & Sisters AB to be an involved controller while there is a high emphasis on the management-service responsibility and a low emphasis on the financial reporting and internal control responsibilities. David's business controller role is very similar to Olve's (1988) and Samuelson's (2004) business controller. Brothers & Sisters AB is a functionalised structure characterised by the mix between the mechanistic and the bureaucratic form. The structural configuration of Brothers & Sisters AB has been identified to resemble the divisionalised form.

## **5.7 Cross case analysis**

The functionalised structure is the structure used to some extent by all six organisations explored. Cubus AB and Gina Tricot AB are both relatively young family businesses which results in rather flat organisations. Both organisations take the form as organic but the large difference is that Cubus AB is divisionalised with high centralisation. Gina Tricot AB on the other hand is less centralised since the CEO, product manager, and the operating manager are located at the same head office. Gina Tricot AB is growing fast and therefore the adhocracy was also applicable since there is a need for flexibility. This flexibility is not as strongly emphasised at Cubus AB since it is controlled by the mother organisation, Cubus AS. At Gina Tricot AB the two purchase controllers belong to the purchase function and work more or less in isolation from the finance function except when seeking advice for larger decisions. At Cubus AB the CFO belongs to the finance function and performs an accounting controller's tasks. Due to the growth Gina Tricot AB is experiencing, a need for more controllers has arisen. Cubus AB does not seem to

experience the same kind of tremendous growth in the Swedish market as Gina Tricot AB. This could be the explanation for why there is a CFO and not a pure controller. The role incorporates both traditional CFO tasks and controller tasks. If Cubus AB would have experienced the same growth pace as Gina Tricot AB we strongly believe that we would have found more controllers within the organisation. The purchase controllers' tasks and responsibilities as well as their close placement to the CEO, the product manager, and the operating manager have resulted in a split controller role with an emphasis on management-service responsibility. We believe that a type of accounting controller most likely can be found in the finance function of Gina Tricot AB even though there is no such title today in the organisation. At Cubus AB, the CFO is placed at the subsidiary level and therefore seems to be located further away from the CEO than the purchase controllers at Gina Tricot AB. The CFO belongs to the finance function and is very much alike the accounting controller role. This goes hand in hand with the independent controller role. In short the controller roles at Gina Tricot AB and Cubus AB differ mostly due to the fact that they belong to different functions. If you belong to the market function for example it becomes naturally that you deal mostly with the market information. This is also the case for Cubus AB and Gina Tricot AB. Björn belongs to Cubus AB's finance function and naturally deals mostly with financial information while Annelie and Ing-Marie belong to Gina Tricot AB's purchase function and therefore naturally deal mostly with sales information.

Looking at Brothers & Sisters AB and DSE AB, the two organisations are much alike due to the fact that they are both subsidiaries to RNB Retail & Brands AB. At a first look the functionalised structure is revealed for both organisations but they strive for more formalisation and structure within both organisations and for that matter the entire group indicate a mix between a mechanistic and a bureaucratic form. Decentralisation and centralisation are apparent and the middle line is emphasised which makes the divisionalised structure applicable. Both organisations have one business controller each belonging to its own function located straight below the CEO in the subsidiary. There is one purchase controller in both organisations who reports to the business controller. Both business controllers were identified to be involved controllers with an emphasis on management-service responsibility. By being located straight below the CEO is indicating a sort of vice CEO role. The business controllers become the right hand of the CEO and the fact that they are part of the executive management differentiates them from all the other explored controllers. The membership in the executive management stresses their active role in business decision making process. Their title as business controller is supported by theory and their titles give an accurate impression of their tasks and responsibilities.

As mentioned before the divisionalised structure is recognised in Cubus AB, but compared to DSE AB and Brothers & Sisters AB there is less decentralisation in this organisation. It seems as when the divisionalised organisation is small like Cubus AB it results in centralisation, hence the majority of the decisions are taken at the corporate level. DSE AB and Brothers & Sisters AB have been operating in the Swedish market longer than Cubus AB and therefore are more developed organisations. It seems natural that both a purchase controller and a business controller can be found in DSE AB and Brothers & Sisters AB since these organisations are larger than Cubus AB. Due to the fact that Cubus AB is a relatively small organisation the CFO covers both the tasks of a classical CFO and also a controller. It is also interesting to mention that the CFO at the RNB Retail & Brand's level is somewhat similar to a corporate controller. At Cubus AS there is one controller which could be titled corporate controller. Here we can clearly see where the confusion between a controller and a CFO originates from.

The involved controller can also be found at Intersport AB. Fredrik who is the business controller belongs to the retail function which is placed straight below the CEO. The placement of the retail function is located at the same position as the business controllers at DSE AB and Brothers & Sisters AB. Fredrik has more of a loose role but with similar responsibilities as Rebecka and David, hence Fredrik is somewhat also taking the role as vice CEO and becomes the right hand of the CEO. The decentralisation at DSE AB and Brothers & Sisters AB enables the role as vice CEO. At Intersport AB the role as vice CEO seems to be enabled due to the tight and informal relationship with the CEO. There is not an own function for the business controller at Intersport AB and Fredrik is not part of the executive management, which is the case for the business controllers at DSE AB and Brothers & Sisters AB, but takes an active role in business decision making due to his personality. The organisational chart of Intersport AB is almost identical to the charts of DSE AB and Brothers & Sisters AB. One interesting finding is that the divisionalised form compared to Intersport AB's machine bureaucracy with low formalisation result in the business controller role. The other two controllers at Intersport AB seem to be placed at a lower level while they report to Fredrik. Even though Fredrik clearly expressed that he is not above the controllers his relationship with his CEO somewhat places him closer to the CEO than the other controllers. Fredrik's business controller title is suitable regarding his tasks and responsibilities.

A fourth involved controller is Joaquin at MQ AB. His role is very similar to Rebecka's, David's and Fredrik's role but there is one obvious difference, the fact that Joaquin is titled group controller. The functionalised structure of MQ AB is similar to DSE AB's, Brothers & Sisters AB's, and Intersport AB's organisational chart. One can identify even stronger similarities between MQ AB and Intersport AB's organisational structure since both organisations are recognised to be a mix of the mechanistic and organic form. Joaquin's placement in MQ's organisational chart differs while he belongs to the function concept/design and not an own function located close to the CEO as is the case for DSE AB and Brothers & Sisters AB. His tasks and responsibilities are similar to the ones of the business controllers in the other three organisations. Further Joaquin has a tight relationship with the CEO which makes us want to place him closer to the CEO than revealed by the organisational chart. It is interesting that this is also the case for Fredrik at Intersport AB. One could argue for that Joaquin, just as Annelie and Ing-Marie, should be called a purchase controller regarding his tasks and location according to the organisational chart. Joaquin's relationship with the CEO and his supportive function suggest that the title as business controller would be more suitable for his position. Jonas who possesses the title as business controller is a mix between the strong and the independent controller. The leaning towards the accounting controller rather than the business controller suggests that the title as accounting controller would be more suitable for Jonas. Furthermore, Jonas belongs to the financial function and some of the financial reporting and internal control responsibilities therefore become natural tasks associated with his role.

The 120 employees at MQ AB's head office have resulted in seven controllers in the organisation. When comparing the other organisations Gina Tricot AB and Intersport AB have around 70 employees each at their head offices where two controllers respectively three controllers are found. The amount of employees at the head office seems to have an affect on the amount of controllers hired. The five employees at Cubus AB's head office have resulted in no pure controller roles while the head offices of DSE AB and Brothers & Sisters AB have two controllers each. The size of both DSE AB and Brothers & Sisters AB are about the same, around 30-40 employees. The similarities between these two organisations are a result of the standardisation achieved due to the ownership of both

subsidiaries by the mother organisation, RNB Retail & Brands AB. Another factor that seems to affect the amount of controllers found in each organisation is the age of the organisation. The older the organisation and the length of operation within the market the more controllers in different functions and at different levels seem to be found. This is supported by MQ AB and Intersport AB that both have been around for a relatively long time resulting in a relatively stable structure compared to Gina Tricot AB since the organisations were established in the 1950s and in the 1970s. At MQ AB there are seven controllers at different levels and at Intersport AB there are three controllers each belonging to different functions. Strong growth also affects the need for controllers, this is proven by Gina Tricot since they hired a second controller to cope with the amount of work load and that they also plan to hire more controllers in the future. The fact that there are only five employees at the head office of Cubus AB does not justify the need for a pure controller role. The more controllers found within an organisation the more specialised become the tasks and responsibilities of each controller role.

Our cross case analysis reveals that if the controller is placed in an own function straight below the CEO one is most likely to be an involved controller with the title business controller. The involved controller is similar to the business controller role and if the person is living up to the prerequisites, we argue that the title business controller should be used. This was the case for Rebecka at DSE AB, David at Brothers & Sisters and Fredrik at Intersport AB even though Fredrik does not have a function of his own. At Intersport AB the involved controller role is enabled not only due to the placement of the controller straight below the CEO but also due to a strong personal relationship with the CEO. The strong relationship to the CEO was also found at MQ AB where Joaquin is informally placed closer to the CEO than the organisational chart reveals. It is remarkable that Joaquin even though he belongs to the concept/design function actually is titled group controller. We argue that he should be titled business controller due to the similarities of his role to Rebecka's, David's and Fredrik's roles. When belonging to the finance function accounting tasks are obvious and depending on the management-service responsibility the independent or even the strong controller can be applicable. The fascinating thing is that Jonas is titled business controller even though he belongs to the finance function. He is more of an accounting controller considering his tasks. We argue that the business controller title is not appropriate for Jonas while it gives a confusing impression of his tasks. Björn is an independent controller but is titled CFO. The title as CFO seems correct if Björn was identified as a split controller. In a perfect world Jonas and Björn should be titled accounting controllers to establish clarification. If the controller belongs to the purchase function he/she is most likely to be a split controller with the title purchase controller. This was the case with Gina Tricot AB. We argue that the title should be representative of the type of controller tasks you are expected to perform. Since Annelie and Ing-Marie belong to the purchase function and deal with this kind of information the purchase controller title gives the correct impression. It is hard to generalise the controllers into predetermined roles. Differences and variances within these roles will always be present since there are no set standards or regulations for financial control.

## 6 Conclusion

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*A final conclusion will be drawn from the analysis in order to answer the purpose.*

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A crystal clear pattern for the establishment of guidelines is hard to identify but there are some general similarities which can be used as aid for identification of the controller roles. First of all an organisation that is developed is likely to have more controller roles than a young organisation. In addition the larger the organisation the more specialised becomes the tasks and responsibilities associated with the roles. Different controllers belong to different functions revealing what type of information the person within the role will deal with. If you belong to an own function located close to the CEO you are likely to be a business controller which is linked to the involved controller role. When the controller is placed straight below the CEO one can expect high involvement in the decision making process and a more overall responsibility for the entire organisation. Belonging to the lower level functions one can expect the split controller role or the independent controller role with a title corresponding to the controller's tasks and responsibilities as well as the function. If you belong to the finance function you are likely to be an accounting controller which is linked to the independent controller role. As the controller of this function you can expect at least to some extent accounting related tasks. If you belong to a function such as purchase you are likely to be a split controller with no emphasis on the accounting tasks rather you deal with purchase budgets and sales. One can conclude that all controllers to some extent deal with sales information. The emphasis placed on the sales information differs depending on the amount of controller roles within the organisation as well as the amount of employees at the head office. Looking at the organisational structure an adhocracy indicate that the controller can expect influence in decision making even though the controller can be found on a lower level function such as purchase. Here the split controller role can be expected. A divisionalised structure results in decentralised decision making. If the controller is located straight below the CEO on the subsidiary level and the subsidiary is relatively large you can expect the involved controller role. If the subsidiary on the other hand is relatively small centralisation is apparent and a pure controller is placed at the corporate level. The controller role at the subsidiary level is incorporated in a wider role such as the CFO's. An established and developed organisation that has been operating in the Swedish market for a longer period and has influences of the machine bureaucracy calls for several controller roles. This structural configuration reveals controllers at different levels and at different functions. The controller on the upper level close to the CEO has an overall view of the organisation whereas the lower level controllers have more specialised tasks related to the function they belong to. What has been stated above corresponds to the exploratory purpose of this thesis.

Today it is not enough for controllers to only possess number crunching competencies. It must be complemented with business competencies and a market perspective resulting in very few pure accounting controllers. There are no rules and regulations for financial control which makes it easy for an organisation to adapt the controller roles to their individual need. The persons within the role seem to have the possibility to affect tasks and responsibilities undertaken. Personality and relationship with the CEO also affect how the controller role is formed. These facts contribute to the confusion about what tasks and responsibilities that are associated with the controller role. The clothing industry is not recognised by sharp boundaries, rather the organisational roles are more floating. The controller roles are in constant development and organisations are starting to recruit more

controllers placed at different functions and organisational levels. One can suggest that more titles are needed to better represent what you can expect from the controller role. To achieve clarification of the controller roles in Sweden some sort of standard should be developed, if not the confusion will still remain.

## **6.1 Further Research**

This cross case study has explored how and why the controller roles differ depending on the organisational structure. We have used a qualitative approach and interviewed controllers in different organisations within the clothing industry in Sweden. Six different cases have been investigated and revealed interesting results. In order to gain a deeper understanding for the field of management accounting and the controller roles we suggest that further in-depth research in each case could be done. One case that deserves extra attention is MQ AB since there are seven different controllers in the organisation. We also got the feeling that corporate culture is of importance for role formation and could be subject for further studies. A quantitative study could add an extra dimension to what extent controllers are used today within the industry. It could also be of interest to conduct a comparative study of another industry regarding the controller roles and how they differ depending on the industry. Important to keep in mind when conducting similar studies is to be careful when translating Swedish literature to English in order to communicate the accurate meaning of certain words and concepts. Face to face interviews gave valuable information but time constraints applied. It could have been favourable to collect the empirical data by using the same data collection method for all the studied cases ensure comparable results. However the fact that the organisations also had demands for participating forced us to become flexible and therefore we used various ways for the data collection. Though we established a relationship with the participants and were promised to get back if we found that additional information was needed. This way we assured the quality of the data and that the data from each case was sufficient. For our study telephone interviews would have been a satisfactory method for the data collection and time could have been saved.

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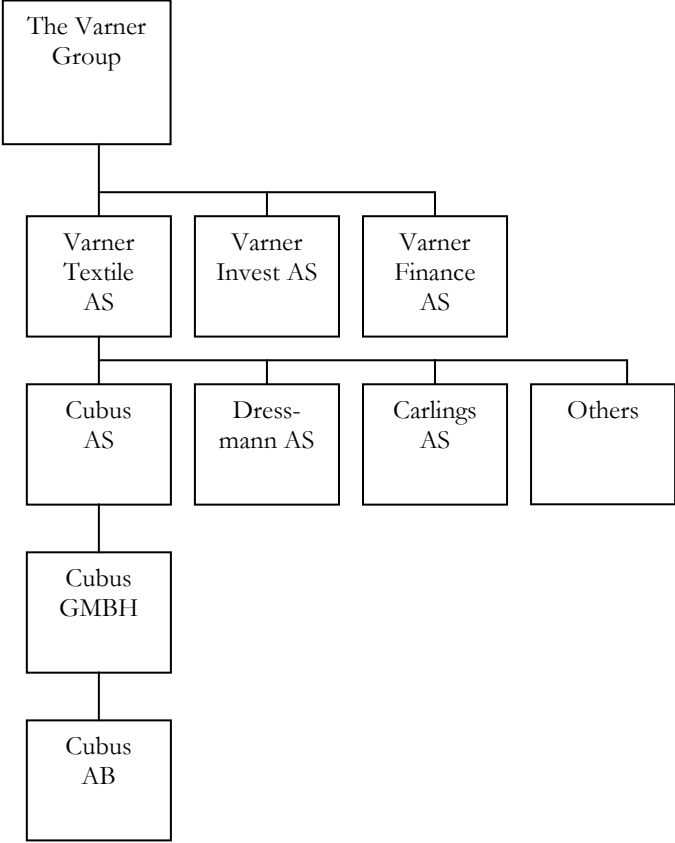
# Appendix 1

## Interview questionnaire

1. Please describe the organisation briefly. i.e. the number of employees, turnover?
2. Name, education?
3. a) Title?  
b) Are there other people working in the organisation with a similar title?
4. Years within the organisation and the role?
5. Please describe the organisational structure (levels, hierarchy, business units, departments and so forth).
6. Where in the organisation are you located?
7. Please describe the (financial) reporting process. (Describe in terms of communication, meeting procedures and relationships among employees)
  - a) To whom are you reporting to?
  - b) Who reports to you?
8. What are your main responsibilities and tasks?
9. To what extent are you involved in the accounting process?
10. What types of analysis are you conducting? (historical, present and future)
  - a) Are you focusing particularly on any of the three?
11. Which are your recurring tasks and which are not?
12. What does a normal day look like?
13. From which informational sources are you collecting information for reports and analysis?
14. What type of financial information and business information are you responsible for?
15. To what extent are you involved in the decision making?
16. Are you a member of the executive management?

# Appendix 2

## Organisational Chart of the Varner Group



## Appendix 3

### Organisational Chart of RNB Retail and Brands AB

