Rhetoric and the fate of budgeting

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Abstract:

This study focuses on the roles of rhetoric and of the various actors in institutionalisation and deinstitutionalisation attempts. Our paper jointly investigates the process whereby budgeting became institutionalised between 1930 and 1960 and the attempts of the CAM-I to deinstitutionalise it from 1990. Paradoxically, the same two arguments have been used to support the institutionalisation of and the attempts to deinstitutionalise budgets. Firstly, in the 1930’s the turbulence of the environment is used a rhetorical argument to support the implementation of budgeting. Since 1990, the turbulence of the environment has generated a feeling that budgeting should be abandoned. Secondly in the 1930’s and 1950’s budgets contributed to the emancipation of managers, while since 1990 they have been deemed as rigid frameworks preventing managers from acting freely. These contradictions reveal that we can not explain such changes by the rhetorical schemes alone. The network of actors in which these schemes are embedded has a large part in the influence of rhetoric in the change from one institutional order to another. It is particularly the actors to whom these rhetorical schemes are addressed which give them their meanings. Finally, the similarities between the rhetoric used can be explained if we analyse it as the means to transcend the fluctuating contradictions of institutional logics.