



Layering of Controls: MCS Transformation in a Hybrid Public Accounting Firm

Ary Daniel Hartanto*

Universitas Surabaya,
Indonesia

Bonnie Soeherman

Universitas Surabaya,
Indonesia

***Corresponding author:**

Ary Daniel Hartanto, Universitas Surabaya,
Indonesia. ✉arydaniel07@gmail.com

Article Info:

Article history:

Received: June 10, 2026

Revised: August 14, 2026

Accepted: August 18, 2026

Available Online: October 07, 2026

Keywords:

Emerging Markets;

Insider Research;

Layering of Controls;

Management Control Systems;

Professional Service Firms



This is an open access article under the
[CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.

Copyright © 2026 by Author. Published by
Politeknik Siber Cerdika International

Abstract

Background: This study introduces layering of controls as a longitudinal and cumulative pattern in the transformation of Management Control Systems (MCS) within professional service firms.

Objective: Unlike redesign or archetype-change perspectives, which treat MCS transformation as substitutive, this research demonstrates how new controls accumulate without replacing existing ones. The study draws on a single-case, longitudinal investigation of a non-Big Four Indonesian public accounting firm affiliated with a global network, observed across nearly four decades of organizational growth.

Methods: Methodologically, the research combines eight years of participant observation by an insider partner-researcher (2017–2025), semi-structured interviews with six purposively selected informants reflecting maximum variation across hierarchy and background, and analysis of organizational documents, with reflexivity and triangulation employed to mitigate insider bias.

Results: The findings reveal four sequential layers: founder-based personal and cultural controls, action controls through global audit methodology, formal governance, and integrated audit technology. Each layer reinforces rather than supplants the preceding layers.

Conclusion: The study contributes by extending the MCS-as-package framework with a temporal dimension, explaining how intrinsic motivation sustains cultural control in professional firms, and showing that global affiliation in a hybrid model strengthens, rather than erodes, local strategic authority in emerging-market audit firms.

To cite this article: Hartanto, A. D., & Soeherman, B. (2026). Layering of controls: MCS transformation in a hybrid public accounting firm. *INKUBIS: Jurnal Ekonomi dan Bisnis*, 8(3), 2624–2641.
<https://doi.org/10.59261/inkubis.v8i3.352>

INTRODUCTION

Public accounting firms, known as Kantor Akuntan Publik (KAP) in Indonesia, are professional service organizations that play a strategic role in maintaining the credibility of financial information (Kristantiningtyas, 2025; Tanjung et al., 2025). KAPs operate under strict regulatory supervision. Each KAP is required to obtain a business license from the Ministry of Finance, while signing partners must hold a public accountant practice license, and the professional services provided must comply with the Standar Profesional Akuntan Publik (SPAP) and the Standar Manajemen Mutu (SMM) issued by the Indonesian Institute of Public Accountants (IAPI). The current SMM framework includes SMM 1, which addresses quality management at the KAP level, and SMM 2, which addresses engagement quality reviews. SMM 1 requires KAPs to design, implement, and operate a system of quality management for audits, reviews of financial statements, other assurance engagements, and related services. This regulatory framework provides an important context for understanding how KAPs organize their professional activities and maintain quality.

KAPs have generally been examined through their external functions, including the effects

of firm size, market structure, and reputation on audit quality (DeAngelo, 1981; Francis, 2004). Such a perspective tends to portray KAPs as relatively stable organizational entities, whereas in practice they grow, adapt, and continuously adjust their internal arrangements. KAPs belong to the broader category of professional service firms (PSFs), whose activities depend heavily on professional expertise, specialized knowledge, and collective reputation (Greenwood et al., 2005). Within von Nordenflycht (2010) classification, KAPs represent classic PSFs characterized by knowledge intensity, low capital intensity, and a professionalized workforce. These characteristics have direct implications for management control because professional authority can limit the effectiveness of hierarchical control, the quality of professional work is difficult to observe directly, and collective reputation requires consistency across engagements (von Nordenflycht, 2010).

The organizational growth of a PSF consequently creates a tension between maintaining professional judgment and ensuring consistency across an increasingly complex organization. When a firm is still small, coordination can rely heavily on personal relationships, informal discussions, and direct founder involvement. As the number of partners, employees, clients, and geographical locations increases, these trust-based mechanisms become insufficient on their own and need to be supplemented by standards, methodologies, quality reviews, and governance mechanisms (Empson, 2015). Greenwood and Hinings (1993) describe this tension through the distinction between the Professional Partnership, which emphasizes consensus, peer pressure, and professional identity, and the Managerial Professional Business, which relies more heavily on formal structures and administrative systems. However, organizational growth does not necessarily mean that the former is completely replaced by the latter. Studies of PSFs have shown that formal controls can be added while the cultural foundation of the organization remains intact (Akroyd & Kober, 2020). Similar evidence outside the PSF context also indicates that effective control may involve the combination of formal and social mechanisms rather than substitution between them (Bedford & Ditillo, 2022).

This issue is particularly relevant to understanding management control systems (MCS) in professional organizations. Malmi and Brown (2008) conceptualize MCS as a package consisting of planning, performance measurement, incentive, administrative, and cultural controls, while Merchant (2017) distinguish results controls, action controls, and personnel and cultural controls. In partnership-based PSFs, these control mechanisms operate under particular conditions. Professional behavior is often difficult to observe because much of the work is performed at client sites, professional expertise limits the extent to which hierarchical authority can be exercised, and partners simultaneously occupy the positions of owners and subjects of control (Greenwood & Empson, 2003). Personnel and cultural controls therefore remain important because partner selection, mentoring, professional socialization, and shared values can encourage professionals to regulate their own behavior (Ahrens & Chapman, 2007). At the same time, action controls such as audit methodologies and quality reviews provide consistency, while results controls need to be designed carefully so that commercial targets do not encourage excessive risk-taking or compromise professional quality (Cooper & Robson, 2006).

The continued relevance of cultural and personnel controls can also be understood from the perspective of intrinsic motivation. Self-determination theory explains that sustained motivation is associated with the fulfillment of autonomy, competence, and relatedness (Deci & Ryan, 2000). Pink (2009) similarly emphasizes autonomy, mastery, and purpose as important dimensions of motivation. These perspectives are particularly relevant to PSFs because professional work depends on judgment, expertise, and a sense of professional responsibility. When formal controls are consistent with these motivational dimensions, they may be experienced not merely as surveillance but as mechanisms that support learning, professional competence, and a shared purpose. Global standards, for example, may provide a common basis for professional development, while quality reviews can function as learning mechanisms. Conversely, controls that excessively constrain professional autonomy may encourage procedural compliance without generating genuine commitment. In auditing, where service quality cannot be secured through procedures alone, this distinction is important for understanding why cultural and personnel controls may remain functional even as formalization increases.

The interaction between formal and informal controls becomes more complex when a locally owned KAP is affiliated with an international professional network. Research on

international professional firms has often examined the Big Four as important drivers of global uniformity through common standards, methodologies, and organizational practices (Suddaby et al., 2007). A locally owned firm with a global affiliation, however, represents a different organizational arrangement. In such a hybrid structure, the global network may provide professional methodology, technology, quality review, and credibility, while strategic authority remains with local partners. Quattrone and Hopper (2005) demonstrate that global standards and technologies do not necessarily produce complete uniformity because their implementation is shaped by local conditions and professional roles. This suggests that global affiliation may operate as a source of professional discipline without necessarily displacing local organizational identity or strategic authority.

Despite these theoretical developments, three gaps remain evident in the MCS literature on PSFs. First, much of the existing literature has focused on firms in developed countries, leaving the internal control dynamics of non-Big Four audit firms in emerging markets comparatively underexplored (Greenwood & Empson, 2003). Second, the MCS-as-package framework has predominantly been examined through cross-sectional studies, providing limited understanding of how a control package is formed, expanded, and stabilized over time (Bedford & Malmi, 2015). Third, research concerning global and local dynamics in professional firms has largely concentrated on the Big Four and their role in homogenization, while locally owned firms operating under global affiliations have received less attention from the perspective of internal control (Suddaby et al., 2007). These gaps point to a broader research lacuna concerning how MCS packages develop over time in partnership-based PSFs operating within hybrid global-local structures.

The existing literature on MCS change also provides an incomplete explanation of this process. The redesign perspective views MCS change as a response to changes in the organizational or institutional environment, in which existing systems are altered to establish a new configuration (Abernethy & Chua Wai Fong, 1996). Similarly, the archetype change perspective of Greenwood and Hinings (1993) focuses on movement from one organizational configuration to another. Although these perspectives are useful for explaining substantial organizational transformation, they tend to emphasize change as a process of replacement or transition. They provide less explanation of situations in which new control mechanisms are introduced while earlier mechanisms continue to operate. This study therefore examines a different pattern of MCS transformation: control mechanisms are progressively added, retained, and combined, resulting in a cumulative structure rather than the displacement of earlier controls. This pattern is conceptualized in this research as layering of controls.

This research examines the transformation of MCS at KAP X, a locally controlled Indonesian KAP affiliated with Y International since 1989. KAP X provides an analytically relevant setting because its professional practices follow the standards of a global network while ownership and strategic authority remain with Indonesian partners. The global standards include audit methodology, software, annual quality reviews, and cross-country independence checks, creating a hybrid organization in which global professional discipline coexists with local strategic authority. The firm has also developed substantially from a sole proprietorship established in 1987 into one of the top ten KAPs in Indonesia, with 43 partners and more than 500 professional staff across four cities. In addition, its partner composition includes 21 partners promoted internally, eight from the Big Four, and 14 from other KAPs, creating a setting in which different professional backgrounds and control expectations need to be integrated. These characteristics make KAP X particularly suitable for examining how control mechanisms develop and interact during organizational growth.

Accordingly, this study focuses on how the management control system at KAP X has evolved over time and how successive control mechanisms have been added without replacing existing controls. The study develops layering of controls as a longitudinal perspective on MCS transformation, explaining how control mechanisms can accumulate and reinforce one another as a professional service firm grows. The study also examines how intrinsic motivation supports the continued role of cultural and personnel controls alongside increasingly formalized mechanisms, while the hybrid structure of KAP X provides insight into how global professional standards can coexist with local strategic authority. Practically, the study provides an alternative perspective for locally owned KAPs in emerging markets seeking organizational growth while maintaining

professional identity through the gradual development and integration of control mechanisms.

METHOD

This research adopted a qualitative approach using an in-depth single-case study to understand how MCS developed in partnership-based PSFs. The case study design was appropriate because the research question was a “how” question concerning a contemporary phenomenon over which the researcher had no control Yin (2018), and because case studies allow the exploration of complex, contextual, and process-oriented phenomena (Ahrens & Chapman, 2006). The design was oriented toward understanding processes, with direct quotations from interviews serving as primary evidence to uncover meanings that extended beyond the surface of participants’ words (Ahrens & Chapman, 2006).

The research employed an insider role-based approach in which the researcher acted as a participative observer (Brannick & Coghlan, 2007; Coghlan & Brannick, 2024). The researcher joined KAP X as a partner in 2017 and had been directly involved in partnership governance, quality control processes, and strategic decision-making for eight years. Prior to that, the researcher had 15 years of experience at another KAP, including seven years as a partner, accumulating 23 years of professional experience. This involvement included participation in partners’ meetings, internal quality reviews, client acceptance decisions, implementation of global audit methodologies, and daily interactions that shaped organizational control practices.

Insider research has been increasingly recognized as a legitimate methodological approach in management and accounting studies (Brannick & Coghlan, 2007; Coghlan & Brannick, 2024). Rather than treating proximity to the field as a source of disqualifying bias, the insider approach views it as a source of analytical depth, provided that reflexivity is exercised systematically. The researcher’s position as a complete member of the organization enabled access to tacit knowledge, informal dynamics, and historical context that would have been difficult for external researchers to access. At the same time, this proximity carried the risk of bias in interpreting data Alvesson (2003), which was managed through deliberate methodological discipline.

This research applied four complementary mechanisms to manage the risks of insider bias and strengthen the credibility of the interpretations.

First, active reflexivity. The researcher systematically maintained reflective notes after each key activity, including partners’ meetings, quality reviews, and interviews, capturing not only what occurred but also how the researcher’s professional position might have shaped the interpretation. As a concrete example, when the initial analysis indicated that all informants perceived the control system positively, the researcher deliberately sought data that might disconfirm this pattern, including probing follow-up questions about disagreements in subsequent interviews.

Second, devil’s advocate positioning. For each emerging theme, the researcher disciplined the analytical process by asking whether alternative interpretations were equally plausible and by searching for evidence that could support those alternative interpretations. This was particularly important when initial findings appeared to confirm the researcher’s prior expectations.

Third, member checking through validation conversations. After preliminary interpretations were formulated, three partners from different backgrounds were invited not only to confirm but also to critique the researcher’s interpretation of the data. This step served as a credibility check distinct from the original interview data.

Fourth, cross-source triangulation. Each empirical claim presented in the findings was supported by convergence from at least two of the three independent data sources: eight years of participant observation, six semi-structured interviews, and organizational documents. Claims supported by only a single source were either reframed as tentative observations or excluded from the analysis.

These four mechanisms were consistent with the methodological framework for insider research advanced by Brannick and Coghlan (2007), and with the reflexive interview approach proposed by (Alvesson, 2003). The research employed three complementary data sources, summarized in Table 1.

Table 1*Data Collection Protocol*

Data Source	Period	Volume	Function
Participant observation	2017-2025 (8 years)	Periodic field notes from partners' meetings, quality reviews, client acceptance decisions, system implementations	Primary source for longitudinal pattern of MCS transformation
Semi-structured interviews	December 2025 to April 2026	6 informants, 30-60 minutes each	Strategic and operational perspectives across hierarchy and background
Organizational documents	Cumulative archive	Y International quality review reports, audit manuals, internal SMM policies, partnership documents, standard client acceptance and independence check forms, internal training materials	Objective evidence of system changes traceable over time

Participant observation (2017–2025). Over eight years as a partner at KAP X, the researcher participated directly in partners' meetings, quality reviews, client acceptance decisions, and system change implementations. This period encompassed the firm's growth stage, during which the number of partners increased from approximately 25 to 43, accompanied by significant increases in client complexity and regulatory demands. Field notes were maintained periodically and organized thematically. Specific attention was given to moments of system change, integration challenges, and partner–staff interactions related to control practices.

It is important to note that the researcher's direct observation was limited to the period 2017–2025. The pre-2017 historical stages (covering the Initial Stage (1987–1995), Formalization Stage (1996–2010), and part of the Growth Stage (2011–2016)) were reconstructed through two complementary sources: (1) organizational documents, including annual Y International quality review reports, audit methodology manuals, partnership deed archives, and internal SMM policy files spanning the entire history of the firm; and (2) retrospective accounts provided by long-tenured informants, particularly the internally promoted partner with 20 years of service who had witnessed the transition from the Initial Stage onward. These pre-2017 sources carried a different evidentiary weight from direct observation, a methodological distinction that was explicitly acknowledged in the Research Limitations section.

Semi-structured interviews. Six informants were selected through purposive sampling using maximum variation criteria Lincoln and Guba (1985) to capture diverse perspectives across hierarchy and professional backgrounds. The composition of the informants is summarized in Table 2.

Table 2*Informant Composition*

Role	Background	Tenure at KAP X	Perspective Captured
Partner	Internal promotion	20 years	Strategic and historical, full transformation cycle
Partner	Ex-Big Four	3 years	Comparative perspective from highly structured environment
Partner	Ex-non-Big Four	9 years	Comparative perspective from peer firm environment
Manager	Ex-Big Four	3 years	Operational perspective with Big Four standards reference
Supervisor	Ex-non-Big Four	9 years	Mid-level operational perspective
Junior Staff	Internal	2 years	Recent-entrant perspective on current system

The decision to conclude data collection at six informants was guided by the principle of theoretical sufficiency rather than statistical sampling (Yin, 2018). The composition was designed to achieve maximum variation across three dimensions: hierarchical level (partner, manager, supervisor, and staff), professional background (internal, ex-Big Four, and ex-non-Big Four), and tenure (ranging from 2 to 20 years). By the sixth interview, no substantively new themes were emerging that would have altered the interpretation of the patterns, and convergence across diverse informants strengthened the credibility of the identified themes. Furthermore, the analytical weight of the research rested on a combination of three data sources, with interviews complementing rather than substituting for eight years of participant observation and document analysis (Ahrens & Chapman, 2006). Each interview lasted between 30 and 60 minutes and was conducted in December 2025 and April 2026.

Organizational documents. The documents accessed included annual quality review reports from Y International, audit manuals and methodologies, internal SMM policies, partnership documents, standard client acceptance and independence check forms, and internal training materials. These documents provided objective evidence of system changes that could be traced over time, enabling cross-verification of claims from interviews and observation.

Given the researcher's dual role as both partner and researcher, ethical considerations were addressed at multiple stages. All informants were informed about the purpose of the research and provided verbal consent prior to the interviews. Anonymity was maintained by not naming individuals, with identification limited to relevant role and background characteristics. The researcher's dual role was made transparent to all informants, with explicit clarification that participation or responses would not affect professional relationships. The firm was referred to throughout the research as "KAP X" and the global network as "Y International" to preserve organizational anonymity.

Data analysis followed a theory-driven coding approach Abernethy and Fong (1996), using the frameworks of Malmi and Brown (2008) as initial coding categories. These frameworks provided the analytical vocabulary for classifying control mechanisms observed in the data into planning, performance measurement, incentive, administrative, and cultural controls, and into the categories of results, action, and personnel and cultural controls.

The analysis proceeded in four iterative stages. First, initial coding was applied to all data sources, with each segment of interview transcript, observation note, or document excerpt tagged according to the relevant control category and historical period. Second, the categories were examined for emerging patterns not predicted by the initial frameworks. The pattern of layering of controls emerged inductively during this stage, when the researcher noticed that informants consistently described the addition of new controls without the removal of prior ones. The term "layering" itself was offered by one informant during an interview and was subsequently adopted as the analytical concept. Third, relationships between categories were identified, particularly the relationship between formal controls (action and results) and informal controls (personnel and cultural), as well as the relationship between local and global control mechanisms. Fourth, the findings were integrated into a coherent theoretical narrative in which each conclusion was supported by direct quotations from the data and was traceable to its source. The coding categories and their justification are summarized in Table 3.

Table 3
Coding Framework

Coding Category	Theoretical Source	Empirical Indicators
Cultural controls	(Malmi & Brown, 2008; Merchant, 2017)	Professional values, founder role, slogan, peer accountability
Personnel controls	Merchant (2017)	Partner selection, mentoring, role modeling, value socialization
Action controls	Merchant (2017)	Audit methodology, quality review, standard forms, documentation templates
Results controls	Merchant (2017)	Revenue targets, time budgeting, performance review
Administrative	Malmi & Brown (2008)	Quality Committee, governance

Coding Category	Theoretical Source	Empirical Indicators
controls		structure, delegation of authority
Planning controls	Malmi & Brown (2008)	Strategic decisions, client acceptance policy, expansion decisions
Layering pattern (emergent)	Inductive from data	New control added without removal of prior control

Reliability of analysis was strengthened through the four reflexivity mechanisms described above, particularly cross-source triangulation and member checking. Each thematic claim was tested against the convergence requirement and discussed with three partners as part of the validation conversations.

RESULTS AND DISCUSSION

Results

Management Strategy and Quality Control System of KAP X

The picture that emerges from the data is a tiered control structure formed organically over nearly four decades. KAP X currently operates a control system that encompasses the eight SMM elements established by IAPI, implemented through a combination of formal and informal mechanisms that complement one another rather than substitute for one another.

At the formal level, the system includes the global audit methodology of Y International, implemented through audit software deployed in 2024; a Quality Committee led by the managing partner; a tiered review process from senior staff to partner; an annual quality review conducted by an independent team from Y International; and standard client acceptance forms with embedded independence checks. At the informal level, control is maintained through professional values, peer accountability among partners, mentoring in daily relationships, and the founder's role, which remains symbolically strong as a normative authority. A senior partner who has been with the firm since the early years described this character:

"In my opinion, the system changes at KAP X have been gradual. There has been no change that completely replaces the old one. It is more about adding new systems to complement the existing ones." (Partner, internal, 20 years)

An ex-Big Four partner offered a comparative perspective drawn from a highly structured environment:

"In my opinion, the system changes at KAP X are more about continuous improvement. There has been no change that truly replaces the old system. So, it is evolutionary, not revolutionary." (Partner, ex-Big Four, 3 years)

The convergence of interpretation across two partners with different professional backgrounds is analytically significant. It indicates that the layering pattern is not merely a researcher construction, but an experience articulated by organizational actors themselves. This convergence satisfies the triangulation requirement and provides initial empirical support for the proposition that MCS transformation in KAP X follows a cumulative rather than substitutive logic.

The current management strategy of KAP X explicitly separates global professional discipline from local strategic autonomy. The managing partner formulates quality-protective policies, including selective decisions not to accept clients from certain sectors or risk profiles even when the engagement fees are attractive. Such policies generally receive partner approval without extended debate, since long-term reputation is treated as more important than short-term revenue. The organizational slogan, "right people, right size, right solutions," functions as an operational guide in decision making, particularly in client acceptance and partner recruitment.

Challenges in Managing KAP

The growth from one partner to 43 partners over nearly four decades has not been a frictionless process. The data reveal three recurrent categories of challenge, and how KAP X has managed these challenges provides analytical insight into how the control system operates in practice.

Integration of partners with diverse backgrounds. The first challenge involves integrating partners who carry different professional cultures. When partners from the Big Four began joining in 2011, they brought documentation expectations that differed substantially from the

more judgement-based culture of KAP X. A partner who experienced this transition described the dynamics:

"Ex-Big Four partners brought expectations of very detailed documentation. Initially, there was tension with KAP X, which was more judgement-based. However, this could be understood and improved by adjusting time budgeting, refining documentation templates, and introducing new training sessions for quality enhancement." (Partner, internal, 20 years)

What is analytically important is how the tension was resolved, namely through integration rather than replacement. An ex-Big Four manager described the personal adjustment:

"Initially it did require some adjustment, but over time I came to see it as flexibility rather than as a deficiency." (Manager, ex-Big Four, 3 years)

The reframing from "deficiency" to "flexibility" indicates successful normative adjustment. The process was bidirectional. Both the ex-Big Four entrants and the existing KAP X culture shifted through a renegotiation of norms. This finding qualifies the literature on Big Four homogenization Suddaby et al. (2007), which typically assumes that Big Four standards displace local practice. In the hybrid setting of KAP X, the encounter produces hybridization rather than displacement.

Maintaining quality consistency across geographies. The second challenge concerns maintaining consistency when the organization is distributed across four cities and many engagements are conducted simultaneously. An ex-non-Big Four supervisor described how the tiered review system operates in practice:

"Apart from review at the senior, manager, and partner level, there is also an internal Quality Review, and as far as I know, from Y International as well. At first, it might feel heavy and strict, but I think this is a reasonable condition as part of the process of maintaining quality, not just correction." (Supervisor, ex-non-Big Four, 9 years)

The reframing from "strict" to "part of the process of maintaining quality" is a critical observation. The system does not operate through coercion but through shared understanding of its purpose. Tiered reviews are perceived as professional support rather than as surveillance. This finding aligns with the intrinsic motivation perspective Pink (2009), in which controls that support competence and mastery are internalized as developmental rather than punitive.

Not all challenges are resolved harmoniously. Junior staff sometimes perceive the layered review system as significant pressure, especially during peak season:

"There is definitely pressure in audit work. The most noticeable pressure usually comes from deadlines, especially as the report publication time approaches or during peak season, so we have to work quickly but still meticulously. Additionally, there is also pressure from the review process because the work will be checked by seniors and managers, so the results must be correct and meet the standards." (Junior Staff, internal, 2 years)

Participant observation further indicates that expectations regarding standardization sometimes vary among partners, leaving staff on certain engagements uncertain about the expected level of documentation:

"Perhaps what can be improved in the future is coordination between teams, especially for large assignments or those involving many teams. But overall, the existing system has been quite helpful for the work." (Supervisor, ex-non-Big Four, 9 years)

These findings are analytically important because they show that the layering model is not without cost. The trade-off for maintaining judgement flexibility is variation in practice between teams, which sometimes confuses staff. Acknowledging this tension strengthens the credibility of the analysis by demonstrating that the findings are not idealized.

Cross-generational succession of professional values. The third challenge concerns the transmission of professional values across cohorts as the firm grows. The founder, who once exercised direct control over every engagement, has gradually transitioned from operational decision maker to guardian of organizational values. This transition is significant. The founder was not replaced by formal governance structures, but rather repositioned so that he continues to serve as a normative reference while operational delegation proceeds through the more formal structure. Participant observation during partners' meetings between 2017 and 2025 reveals that strategic disagreements are frequently resolved by reference to "what the founder would do" or to the organizational values rather than by reference to formal procedures alone.

Eight-Year Participant Observation: Timeline of Key Developments

To make the longitudinal evidence transparent, Table 4 presents a year-by-year summary of the researcher's participant observation during the period 2017 to 2025. This timeline reconstructs the organizational developments observed, the MCS layers active during each year, and the researcher's analytical reflection that informed the emergence of the layering concept.

Table 4***Eight-Year Participant Observation Timeline (2017-2025)***

Year	Organizational Scale	Key Developments Observed	Active MCS Layers	Researcher's Reflection
2017	~25 partners; ~300 staff; 3 cities	Researcher joined KAP X as partner. Existing Quality Committee, tiered review, and Y International audit methodology already in operation. Founder still actively involved in strategic decisions.	L1 + L2 + L3	First impressions emphasized the persistence of personal trust mechanisms despite formal structures. Surprising coexistence of formal and informal controls.
2018	~28 partners; ~330 staff	Continued integration of partners from diverse backgrounds. Tensions between judgement-based and documentation-based expectations actively negotiated.	L1 + L2 + L3	Observation of integration dynamics suggested that culture is not displaced by formal controls but renegotiated alongside them.
2019	~30 partners; ~360 staff	Strengthening of Quality Committee role; clearer delegation of authority across senior partners. Founder transitioning from operational decisions to value guardianship.	L1 + L2 + L3	Notable observation: governance formalization did not weaken the founder's symbolic authority. Founder's role repositioned rather than replaced.
2020	~32 partners; ~380 staff	COVID-19 disruption. Selective inflow of new clients (more than 10 percent) from larger KAPs seeking quality with competitive fees. Remote review processes intensified.	L1 + L2 + L3	Crisis revealed the resilience of the control package. Reputation effects of the established quality system attracted new clients despite disruption.
2021	~35 partners; ~410 staff	Continued client growth from peer-firm transitions. Intensified internal training to manage scale. Discussions on audit technology adoption began.	L1 + L2 + L3	Recognition that scale required additional control mechanisms, but partners explicitly resisted any change that would compromise the cultural foundation.
2022	~37 partners; ~440 staff	Strategic review of audit software options. Internal piloting and capacity-building for	L1 + L2 + L3	The phrase "we add, we do not replace" emerged in partner discussions,

Year	Organizational Scale	Key Developments Observed	Active MCS Layers	Researcher's Reflection
		technology integration.		providing an early signal of the layering pattern that would later be conceptualized.
2023	~40 partners; ~470 staff	Preparation for full implementation of integrated audit software. Updated training and revised documentation protocols.	L1 + L2 + L3	The forthcoming technology layer was explicitly positioned as a supplement to, not a replacement of, the existing methodology layer.
2024	~42 partners; ~490 staff	Implementation of integrated audit software across engagements. Adjustment period observed across all hierarchical levels.	L1 + L2 + L3 + L4	First explicit empirical confirmation of the four-layer structure. Technology layer added without disturbing the foundation.
2025	43 partners; 500+ staff; 4 cities	Consolidation phase. Early conversations on leadership succession. Continued refinement of the integrated system.	L1 + L2 + L3 + L4	The full layering pattern crystallized as the analytical concept. An ex-non-Big Four partner spontaneously used the term "layering" during an interview, prompting its adoption as the central concept.

Note. L1 = Personal and cultural controls (founder-based); L2 = Action controls (global audit methodology); L3 = Formal governance (Quality Committee); L4 = Technology integration (audit software). Partner numbers for 2018 to 2024 are approximate estimates based on participant observation and may be refined with internal records.

The timeline makes visible what the cross-sectional table (presented later as Table 5) summarizes in aggregated form. The annual data show that each layer, once added, remained active in subsequent years. No layer was removed, replaced, or substantially diminished. The pattern of cumulative addition is empirically traceable through the researcher's eight-year direct involvement, and it is corroborated by interview testimonies and organizational documents.

This longitudinal evidence directly addresses the central research question of how MCS at KAP X has evolved over time. The answer is that evolution occurred through layering, not through redesign or archetype change. The next subsection presents this pattern in its full historical scope, covering all four growth stages from the firm's founding in 1987 to 2025.

Pattern of Layering of Controls: Historical Transformation

The central empirical contribution of this study lies in identifying a pattern of cumulative MCS transformation that differs fundamentally from both the redesign and archetype change perspectives that have dominated the literature. Analysis of all data sources, namely eight years of participant observation, six semi-structured interviews, and organizational documents spanning multiple decades, reveals that KAP X's response to growth has consistently followed a layering logic. Each phase of growth has produced new control mechanisms, but the prior

mechanisms have not been abandoned. Instead, they have continued to operate as the foundation that supports the new mechanisms.

Table 5 summarizes the transformation of MCS at KAP X across four growth stages, from founder-based control in the initial stage (1987 to 1995), through the addition of action controls in the formalization stage (1996 to 2010), the strengthening of governance in the growth stage (2011 to 2019), and finally to technology integration in the consolidation stage (2020 to 2025).

Table 5

Transformation of Management Control Systems at KAP X (1987-2025)

Stage and Period	Organizational Scale	Dominant Dimension	New Mechanisms Added	Existing Mechanisms Retained
Initial Stage (1987-1995)	1-3 partners; fewer than 30 staff	Personal and Cultural Controls (Layer 1)	Founder as sole controller; direct client approval by founder; direct role modeling and mentoring; professional values transmitted through example	Not applicable
Formalization Stage (1996-2010)	4-10 partners; 30-100 staff; Surabaya branch opened in 2004	Layer 1 + Action Controls (Layer 2)	Annual quality review by Y International; standard client acceptance form; audit documentation template; internal partner review; formal independence check	Founder as final strategic decision maker; role modeling and mentoring; informal consensus among partners
Growth Stage (2011-2019)	11-30 partners; 100-350 staff; ex-Big Four partners began joining	Layer 1 + 2 + Formal Governance (Layer 3)	Quality Committee led by managing partner; delegation of authority to senior partners; strengthened governance structure; time budgeting and performance review; scheduled formal training	Founder as guardian of values; quality review by Y International; audit methodology and templates; peer accountability among partners
Consolidation Stage (2020-2025)	31-43 partners; 350 to 500+ staff; 4 cities	Layer 1 + 2 + 3 + Technology Integration (Layer 4)	Integrated audit software (2024); selective client acceptance policy; leadership succession preparation; strategic post-COVID response	All mechanisms from Layers 1 to 3; partner consensus for strategic policies; founder's role as symbol of normative authority

Source: Compiled by the researcher from participant observation, interviews, and organizational documents.

Note on evidentiary weight: Layer 1 (1987–1995) and Layer 2 (1996–2010) pre-date the researcher's insider tenure and are based primarily on archival documents (partnership deeds, early Y International quality review reports, audit methodology manuals) supplemented by retrospective

interview accounts from long-tenured informants. Layer 3 (2011–2019) is supported by a combination of archival documents, retrospective interviews, and, from 2017 onward, direct participant observation. Layer 4 (2020–2025) is supported by direct participant observation, contemporaneous field notes, interviews, and documents. Readers are advised to interpret the earlier layers with the understanding that retrospective reconstruction involves the inherent risk of selective recall and post-hoc rationalization.

The most analytically significant feature of this pattern is its cumulative character. Each new layer does not replace the prior layer. An ex-non-Big Four partner captured this character with a phrase that essentially summarizes the entire empirical finding of this study:

"This is not a change that replaces, but more like layering on top of what already exists. Now there is an audit methodology, there are templates, and there is a more formal review system, but the judgmental thinking approach is still maintained." (Partner, ex-non-Big Four, 9 years)

This quotation, which spontaneously used the word "layering" during the interview, became the analytical key for understanding the entire control framework of KAP X. The term was subsequently adopted as the central analytical concept of the study. This perspective is corroborated from a different vantage point by an ex-Big Four partner:

"In the Big Four, the system is indeed very structured. At KAP X, I see a more flexible approach, but the quality is still maintained. There is a balance between structure and flexibility." (Partner, ex-Big Four, 3 years)

The role of the annual quality review from Y International is particularly important in this layered ecosystem:

"The quality review from Y International has a significant impact, because we now have an external benchmark. So, we are not just satisfied with ourselves, but we are truly compared to global standards." (Partner, ex-non-Big Four, 9 years)

The external benchmark is not perceived as a threat but as an opportunity to ensure that perceived quality genuinely matches global standards. This is an organizational-level manifestation of the mastery dimension within the intrinsic motivation framework. At the staff level, the layering pattern is perceived as a learning environment:

"From that revision, I became more aware of the expected standards, so in the future I can do better." (Junior Staff, internal, 2 years)

Reviews are not perceived as punitive evaluations but as a learning mechanism, reflecting the alignment between formal controls and the intrinsic motivational need for mastery and competence.

Strategy for Scaling and Sustainable Business Growth

Contrary to the common assumption that external standards constrain professional autonomy, the data indicate that the global standards of Y International strengthen local authority by providing an objective reference point. A senior partner articulated this logic:

"The global standards provide an objective reference. So, when there is a difference of opinion, we can refer to that standard, not to each other's opinions. It helps in maintaining consistency." (Partner, internal, 20 years)

This mechanism reduces the need for hierarchical intervention and facilitates coordination among partners. From the standpoint of business scaling, the integration of new partners can proceed without major conflicts because global standards supply a shared professional reference. This finding qualifies the literature on Big Four homogenization Suddaby et al. (2007), which assumes that global standards displace local discretion. In the hybrid model of KAP X, global standards instead provide a shared professional language that strengthens, rather than weakens, the partners' capacity to exercise judgement collectively.

The second mechanism enabling sustainable scaling is commitment to quality grounded in intrinsic motivation. Data from partners through junior staff reveal a consistent pattern in which motivation arises not from financial incentives or threats of sanction, but from the three intrinsic dimensions of autonomy, mastery, and purpose. An ex-Big Four manager described the motivational structure:

"My motivation is more about how to deliver quality work results while also developing the team. Because at the manager level, we are also responsible for the team's development."

(Manager, ex-Big Four, 3 years)

The ex-non-Big Four supervisor added a broader sense of purpose:

"The value of professionalism is quite palpable, especially in terms of maintaining work quality. We are reminded that our work is not just about completing tasks but also about its impact on the office's reputation." (Supervisor, ex-non-Big Four, 9 years)

The internalization of purpose indicates that staff do not work merely to complete tasks but understand the contribution of their work to the collective reputation of the firm. This finding is consistent with self-determination theory Deci & Ryan (2000) synthesis. It also extends Akroyd & Kober (2020) observation that firms founded under a commitment blueprint can grow without abandoning their cultural foundation. KAP X demonstrates that this principle holds not only for early-stage firms but also for partnership-based PSFs growing over multiple decades.

The third mechanism is a collaborative culture that functions as an integration device. Junior staff describe the culture at KAP X in the following terms:

"In my opinion, the culture at KAP X is more flexible and more collaborative. There is room for discussion and sharing views." (Junior Staff, internal, 2 years)

The collaborative culture operates as a control mechanism that works through shared community and purpose, manifesting the firm's core value of "community: belong together," which sits alongside "passion: be the change" and "integrity: stay human." The combination of these three mechanisms, namely shared professional reference, intrinsic motivation, and collaborative culture, creates a model that allows business scale-up without losing professional identity.

Layering of Controls as a Model for KAP Growth

The findings of this study extend the framework of Malmi & Brown (2008) on MCS as a package by adding a dimension that has remained largely underexplored, namely the longitudinal and cumulative dimension. The existing framework typically treats the MCS package as a structure designed at a single point in time in response to specific uncertainties. The findings from KAP X demonstrate that, in practice, control packages accumulate gradually as the organization grows. Cultural and informal controls remain the foundation (Layer 1), supplemented by methodologies and templates at the formalization stage (Layer 2), Quality Committee and governance at the growth stage (Layer 3), and integrated audit software at the consolidation stage (Layer 4). Each new layer does not replace the previous layer.

This layering model needs to be positioned within the broader literature on MCS change. Table 6 presents a comparison of three MCS change models in the literature.

Table 6

Comparison of Management Control Systems Change Models

Dimension	Redesign Model (Abernethy & Chua Wai Fong, 1996)	Archetype Change Greenwood & Hinings (1993)	Layering Model (This Study)
Change Process	Planned, top-down	Comprehensive replacement	Gradual, organic, cumulative
Old System	Modified and replaced	Abandoned when the archetype changes	Retained as the foundation
Relationship Between Systems	Substitution	Comprehensive replacement	Mutually complementary in layers
Orientation	Event-based	Transition-based	Longitudinal and cumulative
Risk of Disruption	High	High to moderate	Low
Suitable Context	Fundamental institutional environmental change	High commercial pressure; transition from Professional Partnership to Managerial Professional Business	Value-based PSF growing organically

Source: Compiled by the researcher

Discussion

The implication of the layering model is that organizations can grow without turmoil because the initial stages are not replaced. Unlike redesign Abernethy and Fong (1996) and archetype change Greenwood and Hinings (1993), which assume substitution, the layering model is complementary and cumulative. This finding is consistent with Akroyd & Kober (2020), who show that firms founded under a commitment blueprint can grow without abandoning their cultural foundation, and with Bedford and Ditillo (2022), who find that control combinations evolve through layered addition rather than wholesale substitution.

The layering model contributes to the MCS literature in three specific ways. First, it provides a mechanism for explaining MCS evolution in firms that maintain strong cultural foundations across decades, a phenomenon that the redesign and archetype change perspectives are not well equipped to explain. Second, it adds the temporal dimension to the MCS as package framework, addressing the cross-sectional bias that has characterized most empirical applications (Bedford, 2020; Bedford & Malmi, 2015). Third, it identifies the conditions under which control packages accumulate without internal conflict, namely when each new layer is introduced as reinforcement of, rather than substitute for, existing layers. These three contributions establish the layering model as a distinct explanatory framework rather than a variant of existing models.

Intrinsic Motivation as a Control Mechanism

Combined with the perspective of self-determination theory Deci and Ryan (2000) synthesis, the findings provide an understanding of why personnel and cultural controls operate effectively in PSFs. Effective MCS in professional firms operates through alignment with intrinsic motivation. Autonomy is manifested in the judgement space that is maintained despite increased formalization. Mastery is realized in the review process, which is perceived as a learning opportunity, and the external benchmark from Y International serves as a source of improvement. Purpose is realized in the internalization of the principle that professional work contributes to the collective reputation of the firm.

The practical implications for MCS design in PSFs are substantial. Formal controls designed without considering intrinsic motivational needs risk producing compliance without commitment. In professions that rely on judgement, such as auditing, mere compliance is insufficient to sustain quality. The findings at KAP X demonstrate, however, that formal controls introduced within the context of deeply rooted values are perceived as a developmental force rather than as constraint. This integration of self-determination theory with the Merchant (2017) classification offers a conceptual explanation for why cultural controls remain functional in mature PSFs rather than becoming residual as organizations grow. The conventional expectation, derived from organizational theory, is that informal controls fade as firms formalize. The KAP X case suggests the opposite logic in value-based PSFs. Formalization strengthens, rather than displaces, the cultural foundation, provided that new controls are designed in alignment with intrinsic motivational needs.

Hybrid Model as an Alternative for PSF

The literature on international professional service firms has largely assumed that global affiliation standardizes firm practices and shifts control from local professionals to the global network (Cooper & Robson, 2006). The findings of this study challenge that assumption. Global standards in the hybrid model of KAP X strengthen local autonomy. Global standards function as a form of professional discipline that provides an objective reference without shifting strategic authority. This is reflected in the annual quality review from Y International, which serves as an objective benchmark such that recommendations are received as professional learning rather than as external imposition. Global standards reduce the need for direct management intervention because partners share a common objective reference, and they facilitate coordination by providing a shared professional language for peer review.

These findings are consistent with Quattrone and Hopper (2005), who demonstrate that global standards and technologies do not necessarily produce uniformity because local conditions and professional roles shape how standards are applied in practice. The hybrid model of KAP X differs fundamentally from the Big Four model in which strategic authority is centralized in the

global network. In the KAP X hybrid model, global professional discipline and local strategic authority are formally separated. The global affiliation supplies methodology, technology, and external review, while local partners retain ownership, governance, and strategic decisions. This separation offers an alternative organizational form for locally owned KAPs in emerging markets, one that allows access to global professional discipline without ceding local authority.

This finding has implications beyond the case of KAP X. For audit firms in emerging markets that confront the dual pressure of meeting international quality expectations while remaining locally responsive, the hybrid model demonstrates that these two objectives are not necessarily in tension. Properly designed, global affiliation can reinforce rather than erode local strategic autonomy. The condition for this complementarity is the layered architecture of the control system. Global standards must be introduced as a layer that supplements existing cultural and governance controls, not as a layer that replaces them.

Limitations of the Layering Model

The layering model is not universally applicable. Four boundary conditions need to be acknowledged.

First, the cultural foundation must function effectively from the outset. Without internalization of professional values at the initial stage, the formal layer added later will be experienced as imposed regulation rather than as developmental reinforcement. The KAP X case shows that the layering pattern works because Layer 1 was established by a founder who articulated and modeled professional values consistently. Firms without this initial foundation may not be able to replicate the layering pattern, and may require redesign or archetype change instead.

Second, the model is fragile to major exogenous shocks. Significant regulatory changes, hostile acquisitions, or entry of entities with incompatible cultures can disrupt the layered architecture. In such cases, redesign Abernethy and Fong (1996) may be unavoidable. Akroyd and Kober (2020) similarly show how acquisitions by private equity can force fundamental restructuring of MCS in firms founded under a commitment blueprint. The layering model assumes continuity of organizational identity, which is itself contingent.

Third, there is the risk of accumulated complexity. Layers continuously added become an administrative burden. Early signs of this risk are visible in the variation in standardization between teams, which has been raised as a concern by staff. As more layers are added without consolidation, coordination costs may rise. Future iterations of the layering model may need to incorporate mechanisms for periodic simplification or integration of existing layers.

Fourth, the model assumes continuity of leadership. When the founder does not transition effectively, the foundation of Layer 1 can weaken. Leadership succession therefore becomes a critical factor for the sustainability of the model. The current consolidation stage at KAP X includes early conversations on succession, which will determine whether the layering pattern endures beyond the founder's active involvement.

These boundary conditions clarify the scope of the layering model. The model is not a universal account of MCS transformation but a context-specific explanation for value-based PSFs that grow organically while maintaining a stable cultural foundation. Identifying these conditions strengthens the theoretical contribution by specifying where the model applies and where alternative perspectives such as redesign or archetype change remain more appropriate.

Implications

Implications

This study makes three theoretical contributions to the management control systems literature. First, it develops the concept of layering of controls as a longitudinal and cumulative extension of the MCS as package framework (Malmi & Brown, 2008). The package framework has predominantly been applied through cross-sectional designs, leaving the question of how packages form across time underexplored (Bedford, 2020; Bedford & Malmi, 2015). The layering model fills this gap by specifying a temporal mechanism through which control packages accumulate without internal substitution. This contribution is distinct from the redesign perspective Abernethy and Fong (1996) archetype change perspective Greenwood & Hinings (1993), both of which assume that MCS transformation involves displacement of prior systems.

Second, the study integrates self-determination theory Deci and Ryan (2000) with the Merchant (2017) classification to explain why personnel and cultural controls remain functional rather than residual as PSFs grow. The conventional expectation is that informal controls fade as firms formalize. The findings at KAP X suggest the opposite logic for value-based PSFs. Formalization strengthens, rather than displaces, the cultural foundation when new controls align with the intrinsic motivational needs for autonomy, mastery, and purpose. This integration offers a conceptual bridge between motivational theory and the design of management control in professional firms.

Third, the study demonstrates that global affiliation in a hybrid model can strengthen, rather than erode, local strategic authority. This finding qualifies the dominant assumption in the literature on transnational professional regulation Cooper and Robson (2006), which treats global standards as agents of homogenization. In the hybrid model of KAP X, global standards function as professional discipline that supports local judgement rather than as institutional pressure that displaces it. This finding is consistent with Quattrone and Hopper (2005) and extends their observation to the specific context of locally owned audit firms with global affiliations.

The findings carry practical relevance for locally owned KAPs in emerging markets that are pursuing sustainable growth while preserving professional identity. Five operational principles can be derived from the case of KAP X. First, the foundation of professional values should be established from the beginning and protected from erosion as formalization proceeds. Without a strong Layer 1, subsequent layers will be experienced as imposed regulation rather than developmental reinforcement. Second, formal controls should be introduced as complements to existing mechanisms rather than as replacements. Each new layer should be positioned to strengthen, not substitute for, prior layers.

Third, global affiliations should be utilized as sources of professional discipline that reinforce, rather than override, internal authority. The hybrid model demonstrates that global standards can supply technical methodology and external benchmarking while local partners retain ownership, governance, and strategic decisions. Fourth, founder leadership should transition gradually from operational decision making to the role of values guardian. The KAP X case demonstrates that the founder's symbolic authority can endure even after operational delegation, provided the transition is intentional and gradual. Fifth, leadership succession should be prepared systematically to ensure the sustainability of the existing foundation. Layer 1 depends on continuity of values transmission, and unprepared succession is one of the most significant risks to the layered architecture.

These principles offer a coherent alternative model for non-Big Four firms in emerging markets that are seeking to balance professional standards with local strategic authority. The findings suggest that growth and identity are not necessarily in tension. With the right architecture of controls, both can be sustained simultaneously.

The findings of this study contribute to the development and adaptation of MCS in new contextual settings, an outcome referred to in qualitative research as transferability (Lincoln & Guba, 1985). Although based on a single case, the analytical framework developed here, namely the four-layer architecture, the alignment with intrinsic motivation, and the hybrid global-local structure, can inform research and practice in PSFs operating under broadly similar conditions. The framework also emphasizes a holistic approach to MCS design and implementation, in which technical, motivational, and institutional dimensions are integrated rather than treated as separate domains.

CONCLUSION

This study demonstrates that the transformation of management control systems at KAP X has occurred through a gradual and cumulative process of layering rather than through the replacement of existing control mechanisms. Over nearly four decades of organisational growth, new controls have been added to an established foundation of professional and cultural values. The resulting control system consists of interconnected layers encompassing founder-based personal and cultural controls, global audit methodology and quality review, formal governance mechanisms, and integrated audit technology. These layers reinforce one another by strengthening professional discipline while retaining the firm's established values and local strategic authority. The findings therefore indicate that organisational growth in a professional

service firm does not necessarily require a shift from informal to formal control in a substitutive manner; instead, formal mechanisms can develop alongside existing cultural and professional controls.

The study contributes to the understanding of MCS transformation by extending the MCS-as-package perspective with a longitudinal view of how control mechanisms accumulate and interact over time. The layering of controls perspective highlights that the effectiveness of MCS in a professional service firm depends not only on the introduction of formal systems but also on their compatibility with professional identity, intrinsic motivation, and existing organisational values. In the context of a locally owned KAP affiliated with a global network, global standards can strengthen professional discipline without eliminating local strategic autonomy. Nevertheless, the single-case design, insider research position, limited number of informants, reliance on internal organisational perspectives, and retrospective reconstruction of the period before 2017 limit the generalisability and historical verification of the findings. Future research should therefore examine the layering pattern across multiple professional service firms with different ownership structures, cultures, and global affiliations, while also investigating leadership succession, the role of emerging audit technologies, and the conditions under which the layering model may require modification.

ACKNOWLEDGEMENT

The author gratefully acknowledges the six informants at KAP X for their valuable time and willingness to share their professional experiences. Appreciation is also extended to the three partners who participated in the member-checking process and contributed to strengthening the analytical rigor of the study. The leadership and partners of KAP X are also acknowledged for granting access to organizational documents and supporting the research process. This research received no external funding, and no conflict of interest is declared.

AUTHOR CONTRIBUTION STATEMENT

The authors conceptualized the research design and analytical framework, conducted participant observation over the eight-year period (2017–2025), designed and carried out the semi-structured interviews, performed theory-driven and inductive coding of all data sources, developed the layering of controls concept through iterative analysis, and drafted and revised the manuscript. The authors also managed potential insider bias through the four reflexivity mechanisms described in the methodology, conducted the member-checking conversations with three partners, and incorporated reviewer feedback throughout the revision process. Both authors reviewed and approved the final version of the manuscript and agreed to be accountable for all aspects of the research.

REFERENCES

- Abernethy, M. A., & Chua Wai Fong. (1996). A Field Study of Control System “Redesign”: The Impact of Institutional Processes on Strategic Choice*. *Contemporary Accounting Research*, 13(2), 569–606. <https://doi.org/10.1111/j.1911-3846.1996.tb00515.x>
- Ahrens, T., & Chapman, C. S. (2006). Doing qualitative field research in management accounting: Positioning data to contribute to theory. *Accounting, Organizations and Society*, 31(8), 819–841. <https://doi.org/10.1016/j.aos.2006.03.007>
- Ahrens, T., & Chapman, C. S. (2007). Management accounting as practice. *Accounting, Organizations and Society*, 32(1–2), 1–27. <https://doi.org/10.1016/j.aos.2006.09.013>
- Akroyd, C., & Kober, R. (2020). Imprinting founders’ blueprints on management control systems. *Management Accounting Research*, 46, 100645. <https://doi.org/10.1016/j.mar.2019.07.002>
- Alvesson, M. (2003). Beyond Neopositivists, Romantics, and Localists: A Reflexive Approach to Interviews in Organizational Research. *Academy of Management Review*, 28(1), 13–33. <https://doi.org/10.5465/amr.2003.8925191>
- Bedford, D. S. (2020). Conceptual and empirical issues in understanding management control combinations. *Accounting, Organizations and Society*, 86, 101187. <https://doi.org/10.1016/j.aos.2020.101187>
- Bedford, D. S., & Ditillo, A. (2022). From Governing to Managing: Exploring Modes of Control in Private Equity Relationships. *European Accounting Review*, 31(4), 843–875.

- <https://doi.org/10.1080/09638180.2020.1862684>
- Bedford, D. S., & Malmi, T. (2015). Configurations of control: An exploratory analysis. *Management Accounting Research*, 27, 2–26. <https://doi.org/10.1016/j.mar.2015.04.002>
- Brannick, T., & Coghlan, D. (2007). In Defense of Being “Native”: The Case for Insider Academic Research. *Organizational Research Methods*, 10(1), 59–74. <https://doi.org/10.1177/1094428106289253>
- Coghlan, D., & Brannick, T. (2024). Doing Action Research in Your Own Organization. In *Doing Action Research in Your Own Organization*. <https://doi.org/10.4135/9781529682861>
- Cooper, D. J., & Robson, K. (2006). Accounting, professions and regulation: Locating the sites of professionalization. *Accounting, Organizations and Society*, 31(4–5), 415–444. <https://doi.org/10.1016/j.aos.2006.03.003>
- DeAngelo, L. E. (1981). Auditor size and audit quality. *Journal of Accounting and Economics*, 3(3), 183–199. [https://doi.org/10.1016/0165-4101\(81\)90002-1](https://doi.org/10.1016/0165-4101(81)90002-1)
- Deci, E. L., & Ryan, R. M. (2000). The “What” and “Why” of Goal Pursuits: Human Needs and the Self-Determination of Behavior. *Psychological Inquiry*, 11(4), 227–268. https://doi.org/10.1207/S15327965PLI1104_01
- Empson, L. (2015). *The Oxford handbook of professional service firms*. Oxford University Press.
- Francis, J. R. (2004). What do we know about audit quality? *The British Accounting Review*, 36(4), 345–368. <https://doi.org/10.1016/j.bar.2004.09.003>
- Greenwood, R., & Empson, L. (2003). The Professional Partnership: Relic or Exemplary Form of Governance? *Organization Studies*, 24(6), 909–933. <https://doi.org/10.1177/0170840603024006005>
- Greenwood, R., & Hinings, C. R. (1993). Understanding Strategic Change: the Contribution of Archetypes. *Academy of Management Journal*, 36(5), 1052–1081. <https://doi.org/10.5465/256645>
- Greenwood, R., Li, S. X., Prakash, R., & Deephouse, D. L. (2005). Reputation, Diversification, and Organizational Explanations of Performance in Professional Service Firms. *Organization Science*, 16(6), 661–673. <https://doi.org/10.1287/orsc.1050.0159>
- Kristantiningtyas, D. (2025). The Impact of Audit Fees, Public Accounting Firm (PAF) Reputation, and Corporate Leverage on Audit Quality in Firms Conducting Online Sales. *Proceeding International Conference on Economics, Business and Information Technology*, 6(1).
- Lincoln, Y., & Guba, E. (1985). *Naturalistic Inquiry* Vol. 75 Sage. Beverly Hills, CA.
- Malmi, T., & Brown, D. A. (2008). Management control systems as a package—Opportunities, challenges and research directions. *Management Accounting Research*, 19(4), 287–300. <https://doi.org/10.1016/j.mar.2008.09.003>
- Merchant, K. A., and W. A. V. der S. (2017). *Management control systems*. Upper Saddle River, NJ: *Financial Times/Prentice Hall*.
- Pink, D. H. (2009). *Drive: The surprising truth about what motivates us*. Distribution, (Book, Whole).
- Quattrone, P., & Hopper, T. (2005). A ‘time–space odyssey’: management control systems in two multinational organisations. *Accounting, Organizations and Society*, 30(7–8), 735–764. <https://doi.org/10.1016/j.aos.2003.10.006>
- Suddaby, R., Cooper, D. J., & Greenwood, R. (2007). Transnational regulation of professional services: Governance dynamics of field level organizational change. *Accounting, Organizations and Society*, 32(4–5), 333–362. <https://doi.org/10.1016/j.aos.2006.08.002>
- Tanjung, A., Thahira, A., & Ummah, M. K. (2025). Indonesia Sovereign Wealth Fund and Accountability State Wealth Management: The Relevance of External Audit by the Office Public Accountant or Constitutional Audit by the State-Audit Board. *Contemporary Journal on Business and Accounting*, 5(2). <https://doi.org/10.58792/cjba.v5i2.82>
- von Nordenflycht, A. (2010). What Is a Professional Service Firm? Toward a Theory and Taxonomy of Knowledge-Intensive Firms. *Academy of Management Review*, 35(1), 155–174. <https://doi.org/10.5465/amr.35.1.zok155>
- Yin, R. K. (2018). *Case study research and applications* (Vol. 6). Sage Thousand Oaks, CA.