

# Dominant Auditors and the

*By Gaëtan Flocco*

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**How do we account for the "voluntary servitude" that reigns in auditing firms? A survey of their employees shows the cause can be found in the spirit of competition and the cult of elitism.**

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Sébastien Stenger's book deals with how auditing and consulting firms subject their salaried employees to their workload. These international groups, also called the "Big Four" place their employees in other companies so that they can provide services (in auditing, legal consulting, etc.). The author starts off with a paradox: how does one explain these auditors' investment in their daily tasks, working long hours under extremely high pressure? How do we understand their obedience to the company and its goals? Echoing this question, S. Stenger explains that these firms' employees strive to such an extent primarily because of the prevailing competitive atmosphere. From an organizational perspective, that competition is implemented by an "up or out" system. In other words, the employee must perform effectively and progress in the hierarchy from one year to the next, or else leave the company. From the individual's perspective the competition becomes internalized through subjective processes of compliance with this system. This translates into a simultaneous desire to be held in distinction with regard to other auditors, and to identify with an elite.

**An Ethnographic and Interactionist Inquiry**

Awarded *Le Monde's* prize for academic research, S. Stenger's book is the fruit of his doctoral dissertation. Though his field was management sciences, his dissertation is largely based on ethnographic methods. The author practiced participant observation in the context of a three-month internship with the auditing department of a consulting firm belonging to the "Big Four." He also conducted some forty interviews with different profiles of salaried employees from auditing firms of the Parisian scene. Among the many references brought to bear in this effort, there is a symbolic interactionism which conceives of individuals as able to adapt to the restrictions of their professional environment and develop strategies to deal with them. This theoretical framework is consistent with the immersive investigation carried out as closely as possible to social interactions. That being the case, there are also many references to Thorstein Veblen and Pierre Bourdieu. These perspectives allow for a clearer view of the different kinds of symbolic rationales for the rankings and distinctions that hold sway in this world.

## **The Multiple Ways of Engineering, Internalizing and Experiencing Competition**

In order to present the results of his research, Stenger structures his book into three major parts. The first deals with the organizational constraints that weigh on auditors: for one there is the necessity of acquiring highly specialized, technical knowledge, particularly in accounting. For another there is the possession of business as well as interpersonal skills. There is also the need to respect the "up or out" system. This last point assumes that the auditors cultivate a sort of "life of intrigue" made up of networks and alliances, requiring them "to be the entrepreneurs of their own reputation" (p. 101). The second part, probably the book's key section, tackles the perceptions that justify these constraints as a whole, particularly those resulting from the "up or out" system. Here, the author elaborates on the auditors' different motivations, such as career progression, interest for the work itself, or remuneration. Above all, the author lays out the most frequently given incentives in the auditors' discourse: they aspire to distinguish themselves socially by belonging to an elite. They embrace this status-conscious thinking by way of a work ethic that the author calls "agonistic." The auditors therefore possess perceptions and beliefs in keeping with the highly selective functioning of the organization. This then creates ways of judging

peoples' work that justifies the hierarchy. An ethos of this kind will vary according to the position of the auditing firms in the business sphere, as is apparent when compared with the ethic of investment bank employees and those of business strategy firms (the "Big Three"). This section ends with an analysis of the origins of the agonistic ethic. Its roots reach back into the socialization experienced at prep schools and business schools, and more specifically into culture of work, of urgency, and the kind of permanent mindset of assessment that they instill. The third part analyzes the different ways auditors experience their uncertain career paths—these famous moral careers built around individual performance. More specifically it analyzes how they deal with career endings. The author identifies three types of auditor: those who fail and struggle unsuccessfully with that failure; those who manage to obtain some sense of distance from the situation, with the help of resources outside the firm; and those who change their value system and no longer embrace the competitive ethic.

## **An Enlightening Look into the Heart of the Auditing World**

The author presents this highly readable book as a demonstration in which different hypotheses are considered as the book unfolds. He ends each section with remarks summarizing the larger ideas which also serve as transitions. Its language avoids theoretical jargon as well as over conceptualization, for a clearer and more accessible understanding of a complex reality. To do so, S. Stenger uses eloquent and germane excerpts from interviews. As its title indicates, the reader is immersed in the world of auditing firms. This is made possible by the positional advantage of the author—an alumnus of the Hautes Études Commerciales school of management and also as a former intern at one of these firms. Because of this, his precise knowledge bears on both professional aspects and formal, organizational aspects. Other less formal and less visible dimensions also come into play. The data thus obtained is comparatively difficult to access from a more typical investigation in which the researcher is external to the field observed. The chapters devoted to the auditors as entrepreneurs of their own reputation reveal their thinking in terms of alliances and networks, of rankings and judgment by one's peers: these are just some of the ways the book is eye-opening. Though surely exacerbated in audit firms, this data forms the

base of what we find in so many other spheres, including the public sector, as well as the academic world.

## **A Subtle Critique of Capitalist Domination**

These enlightening results come out of an ethnography of real critical significance, even though the writing style does not make this explicit. In point of fact, S. Stenger brings to light both the subjective and objective mechanisms of internalizing servitude and submission to capitalist domination, even if he often rejects the latter's existence. The critique is in shades of gray. The book is of course intended to reveal significant trends across different categories of salaried employees, a perspective that seems fundamental. While doing so, it takes into account social differentiations. Examples of this include gender, for instance, or the different dispositions of the auditors be they strategic, technical or professional. There is also the comparison with investment banks or how failure is experienced by different individuals. Grasping such complexity also concerns motivations that the book does go over. Even if the competitive mindset reigns supreme, this does not exclude the effects of careers, remuneration or interest for the work itself. This mentality also includes the constraints of the employee relationship as embodied in the "up or out" system, even if it must also be justified and internalized. The multiple factors contributing to this submission are made clear. The book's contributions, however, also raise some questions.

## **Auditors Freed from the Managerial Grip**

The first question deals with S. Stenger's position with regard to certain analyses. In his introduction, he indicates his desire to differ from research that has shown how managerial ideology exerts a hold on workers' subjectivity, producing a "voluntary servitude." But isn't it this very viewpoint that the author holds? Isn't it within this precise perspective that the author places himself? Can we not consider the "up or out" system as a kind of mechanism for managerial mobilization? Is it not then a managing tool used to inspire the auditors' compliance, and so make domination

more absolute? In the final analysis doesn't the author himself also describe how such "voluntary servitude" is created? And isn't this due to the existence of this managerial system itself which engineers competition, the obedience to constraints by means of the work ethic, and its corresponding socialization in a school setting? In other words, why not consider that the "up or out" system makes up a part of normative coercion, necessitating the respect for a certain kind of discipline and thereby giving rise to domination? There is no real contradiction or incompatibility between S. Stenger's analysis and studies demonstrating managerial domination. There is rather a continuity and, in fact, a close relationship.

### **...With Full Insight?**

As an extension of this first set of questions, another follows concerning beliefs and perceptions. Again in the introduction, S. Stenger specifies that "members of these firms refuse to be reduced to 'cultural idiots' (Garfinkel 2007) manipulated and dazzled by a managerial discourse which dominates and inculcates them without their full understanding." (p. 20). It is true that the book emphasizes the criticisms and the discontent of auditors. They are far from simple dupes of the exploitative mentalities implemented by the firms. That being said, S. Stenger also defines the notion of a social ethic as "a collection of beliefs and mental images" (p. 181) and even speaks of "credentialism" (p. 207) while discussing the belief in the meritocratic effect of the accumulation of degrees. By that same token, doesn't this kind of symbolic, affective rationale of competition constitute a form of ideological manipulation? It may not be absolute but its efficacy seems to be in large part confirmed by the investigation.

### **Utilitarian and Non-Utilitarian Motivations**

To conclude, there is a final question resulting from the book's analysis. S. Stenger constructs an opposition between "extrinsic utilitarian" motives (such as career, remuneration) and motives considered to be non-utilitarian and intrinsic, that is to say the race to performativity and to competition. For the author, this second type of motive, which he also describes as social and symbolic, would alone be enough to motivate the auditors, as disconnected from economic reasons. Yet, are not utilitarian

motives themselves also symbolic and social? Inversely, is the quest for social prestige really entirely so non-utilitarian? Isn't the importance given to self-worth a kind of echo to the pervasiveness of economic worth in our society? Ultimately, isn't the quest for social prestige also linked to the fact that individuals are intimately aware that sooner or later such prestige can be turned into economic value? Furthermore S. Stenger himself seems to realize this when he reminds the reader that "what most defines the in-group that the auditor aspires to is its elitism, the privilege of access to spheres of economic and symbolic power" (p. 129). And moreover, "the 'up or out' system creates spectacular inequalities in reputation in order to differentially allocate prestige and retributions"? (p. 185). These are the many crucial questions, theoretical as well as political, that this captivating and stimulating book brings to the fore.

Sébastien Stenger, *Au cœur des cabinets d'audit et de conseil. De la distinction à la soumission*, Paris, Puf, 2017. 278 p., 26 €.