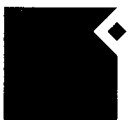


Franz Michael Fischer

The Application of the Controllability Principle and Managers' Responses

A Role Theory Perspective

With a foreword by Prof. Dr. Utz Schäffer



GABLER

RESEARCH

Table of Contents

Foreword	V
Preface	VII
Table of Contents	IX
List of Tables	XV
List of Figures	XVII
List of Abbreviations	XIX
A Introduction	1
1. Motivation and Objective.....	1
2. Course of Analysis	5
B Literature Review on the Controllability Principle	9
1. The Conceptual Scope of the Controllability Principle	10
1.1 The Controllability Principle in Different Research Streams	10
1.1.1 Management Accounting	10
1.1.1.1 Analytical Management Accounting.....	10
1.1.1.2 Empirical Management Accounting.....	13
1.1.2 Administrative Science	14
1.1.3 Psychology	15
1.2 Definitions of the Controllability Principle.....	16
1.2.1 Traditional Definition of the Controllability Principle	17
1.2.2., Redefinition of the Controllability Principle Emphasizing Informativeness	19
1.2.3 Redefinition of the Controllability Principle Emphasizing Influenceability.....	23
1.3 The Importance of Subjectivity for the Controllability Principle	25
1.4 Controllability of Performance Measures as Conceptual Specification.....	29
2. The Rationale of the Controllability Principle	32
2.1 Responsibility in Organizations	32
2.2 Authority in Organizations.....	35
2.3 Justifications for the Application of the Controllability Principle	37
2.3.1 Justifications Based on Agency Theory	38

2.3.2	Justifications Based on Administrative Science.....	40
2.3.3	Justifications Based on Theory of Learned Helplessness	41
2.3.4	Justifications Based on Expectancy Theory.....	42
2.3.5	Justifications Based on Justice Theory.....	44
3.	The Application of the Controllability Principle.....	46
3.1	General Remarks on the Applicability of the Controllability Principle.....	46
3.2	A Classification of Uncontrollable Factors.....	48
3.3	Empirical Evidence on the Application of the Controllability Principle	50
3.3.1	Organizational Interdependencies	54
3.3.1.1	Horizontal Interdependencies.....	55
3.3.1.2	Vertical Interdependencies.....	60
3.3.2	Uncontrollable External Factors.....	67
3.4	Explanations for the Limited Application of the Controllability Principle.....	71
C	Introduction to Role Theory.....	77
1.	Overview of Classical Role Theory	79
1.1	History of Role Theory	79
1.2	Terminology and Basic Concepts of Role Theory.....	80
1.2.1	Role	81
1.2.2	Role Stress.....	83
1.2.2.1	Role Conflict	83
1.2.2.2	Role Ambiguity.....	84
1.2.3	Coping Efforts and Symptom Formation.....	85
1.2.4	Surrounding Conditions	87
1.2.4.1	Organizational Factors	87
1.2.4.2	Personality Factors	87
1.2.4.3	Interpersonal Relations.....	88
1.3	The Role Episode as Causal Sequence in Role Processes	88
2.	Recent Developments and Expansions to Role Theory	91
2.1	Role Orientation	92
2.2	Extra-Role Behavior.....	94
3.	Role Theory in Management Accounting Research	96
D	Development of the Causal Models.....	105
1.	The Basic Line of Argument.....	106
2.	The Main Models	110
2.1	Proposed Effects of the Application of the Controllability Principle on Cognitive Mediators.....	110

2.1.1	Proposed Effect of the Application of the Controllability Principle on Role Conflict	110
2.1.2	Proposed Effect of the Application of the Controllability Principle on Role Ambiguity	113
2.1.3	Proposed Effect of the Application of the Controllability Principle on Flexible Role Orientation	117
2.2	Proposed Effects of Cognitive Mediators on Affective Outcome Variables	119
2.2.1	Proposed Effect of Role Conflict on Job Tension and Job Satisfaction.....	119
2.2.2	Proposed Effect of Role Ambiguity on Job Tension and Job Satisfaction	121
2.3	Proposed Effects of Cognitive Mediators on Behavioral Outcome Variables...	122
2.3.1	Proposed Effect of Role Conflict on In-Role Performance.....	122
2.3.2	Proposed Effect of Role Ambiguity on In-Role Performance	123
2.3.3	Proposed Effect of Flexible Role Orientation on Extra-Role Performance	125
2.4	Summary of the Main Models.....	127
3.	The Moderated Models	129
3.1	Proposed Effects of Hierarchical Level	129
3.2	Proposed Effects of Self-Efficacy	131
3.3	Proposed Effects of Trust in Superior	133
3.4	Summary of the Moderated Models.....	135
E	Development of the Research Design	139
1.	Elements of the Research Design.....	139
1.1	Methodology	139
1.2	Method	141
2.	Operationalization of the Research Model.....	145
2.1	Variables Used in the Main Models.....	148
2.1.1	Application of the Controllability Principle.....	148
2.1.2	Role Conflict	151
2.1.3	Role Ambiguity	153
2.1.4	Flexible Role Orientation	153
2.1.5	Job Tension	155
2.1.6	Job Satisfaction	156
2.1.7	In-Role Performance	157
2.1.8	Extra-Role Performance	158
2.2	Variables Used in the Moderated Models	159
2.2.1	Hierarchical Level.....	159
2.2.2	Self-Efficacy.....	160

2.2.3	Trust in Superior.....	161
3.	Structural Equation Modeling.....	162
3.1	Fundamentals of Structural Equation Modeling.....	163
3.2	Alternative Approaches to Structural Equation Modeling.....	166
3.3	The Choice of the LISREL Approach.....	168
3.4	Test for Mediating Effects.....	169
3.5	Test for Moderating Effects.....	170
3.6	Goodness-of-Fit Measures.....	172
3.6.1	Reliability and Validity.....	172
3.6.2	Criteria of First-Generation Statistical Techniques.....	175
3.6.3	Criteria of Second-Generation Statistical Techniques.....	177
4.	Data Collection and Sample.....	186
4.1	Data Collection Process.....	186
4.2	Target Population and Final Sample Characteristics.....	187
F	Empirical Results.....	193
1.	Descriptive Statistics and Evaluation of the Measurement Models.....	193
1.1	Application of the Controllability Principle.....	194
1.2	Role Conflict.....	197
1.3	Role Ambiguity.....	198
1.4	Flexible Role Orientation.....	199
1.5	Job Tension.....	200
1.6	Job Satisfaction.....	201
1.7	In-Role Performance.....	202
1.8	Extra-Role Performance.....	203
1.9	Self-Efficacy.....	204
1.10	Trust in Superior.....	205
1.11	Test for Discriminant Validity.....	206
2.	Evaluation of the Main Models.....	208
2.1	Effects of the Application of the Controllability Principle on Job Tension.....	208
2.2	Effects of the Application of the Controllability Principle on Job Satisfaction.....	209
2.3	Effects of the Application of the Controllability Principle on In-Role Performance.....	210
2.4	Effects of the Application of the Controllability Principle on Extra-Role Performance.....	211
2.5	Summary of the Main Models.....	212
3.	Evaluation of the Moderated Models.....	213
3.1	Effects of Hierarchical Level.....	214

3.2 Effects of Self-Efficacy 215

3.3 Effects of Trust in Superior 216

3.4 Summary of the Moderated Models 217

G Discussion 219

1. The Application of the Controllability Principle as Corporate Practice 219

2. The Application of the Controllability Principle and Managers' Cognitive Responses 227

2.1 Role Stress 228

2.2 Role Orientation 233

3. The Application of the Controllability Principle and Managers' Affective Responses 236

3.1 Job Tension 236

3.2 Job Satisfaction 237

4. The Application of the Controllability Principle and Managers' Behavioral Responses 238

4.1 In-Role Performance 238

4.2 Extra-Role Performance 240

H Conclusion 243

1. Summary of the Results 243

2. Practical Implications 250

3. Limitations and Future Research Directions 253

References 257