
A Reflexive Account of Microfinance Management Accounting: Ethnographic Experience in a Bangladeshi Village

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*Journal of
Entrepreneurship and Business*
E-ISSN: 2289-8298

Vol. 9, Issue 2, pp. 53-69. December.
2021

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<http://fkp.umk.edu.my/journal/index.html>

Date Received: 05 December 2021

Date Accepted: 30 December 2021

DOI: 10.17687/jeb.v9i2.799



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Abstract – Research Originality: The study employed the methodological approach of reflexive ethnography to analyse management accounting in microfinance. **Research Objective:** The study aims to present an illustration of reflexive ethnography and its application in investigating management accounting in an informal setting, specifically a rural village in Bangladesh. **Method:** The study used a reflexivity lens that presents a detailed account of the author’s personal doctoral journey in gaining access to and exploring the field, analysing field data, and overcoming challenges. **Empirical Result:** The study highlights how to overcome the barrier of ‘functional stupidity’ while examining (management) accounting, governance, and related issues in microfinance. **Practical Implications:** The contributions include enhancing the accounting and development literature which are dominated by functional paradigm. Moreover, alternative approaches were proposed, such as reflexive ethnography to recognise a more mundane form of management accounting and governance.

Keywords: Development, Ethnography, Microfinance, Management Accounting, Reflexivity

1. Introduction

Reflexive methods were recently emphasised in organisation and management studies (Antonacopoulou & Tsoukas, 2002). Reflexive research gained attention due to awareness of the shortcomings of positivistic research and conventional interpretive approach (Alvesson & Sköldbberg, 2000). Generally, reflexive research extends beyond the duality of researcher’s interaction with its object in considering every aspect of the context where the research occurs. Alvesson and Sköldbberg (2000) explained that a deeper understanding is needed for “the way different kinds of linguistic, social, political and theoretical elements are interlinked in the knowledge development process when empirical material is constructed, interpreted, and written” (p.9). The two main elements of reflexive research approach include careful interpretation of all events and follow up reflections. Haynes (2017a) stated that researchers in all traditions need to adapt reflexivity while collecting

and interpreting data despite being broadly used in the qualitative genre. Thus, researchers should pragmatically consider the totality of the research context: the researcher, society, paradigms, language, and the local research community.

The study presented a reflexive account of microfinance management accounting according to the author's ethnographic engagement in a local community for six months. This study illustrates a first-hand experience of how management accounting in microfinance is examined through a reflexive lens. Past studies addressed various methodological and paradigmatic issues of reflexive approach and their suitability for organisation and management (Alvesson, 2003; Alvesson, Hardy & Harley, 2008; Antonacopoulou & Tsoukas, 2002; Cunliffe, 2003; Johnson & Duberley, 2003; Mustafa, 2009). Nonetheless, each reflexive account is an exposition of the researcher's unique endeavour as their social skills and social positions function as factors of reflexivity (Suddaby, Viale & Gendron, 2016). Performativity and embodiment are crucial constructs of reflexive ethnographic study (Hickey & Smith, 2020; Haynes, 2017b). Hence, examining microfinance through a reflexive approach is vital to provide an alternative account that extends beyond the functional explanation of microfinance to solve social ills, such as poverty. The study provided a reflexive account based on ethnographic encounters comprising conversations with organisational and community participants of a Microfinance Institution (MFI) in a Bangladeshi village.

The study presents a background summary on the concepts of development and microfinance and is structured as follows. First, the discussion of the development concept with special attention towards reflexive traditions is highlighted considering local context and traditions. Second, microfinance is described according to economic and reflexive traditions. Third, a reflexive account of microfinance operations based on the author's fieldwork experience is presented. Finally, the conclusion identified the alternative microfinance management accounting mechanisms.

2. Understanding 'Development': Going Beyond 'Functional Stupidity'

The mainstream perception of development rarely emerges from the ghetto of 'functional stupidity' (Alvesson & Spicer, 2012, 2016). Alvesson and Spicer (2012) state that functional stupidity arises from the incapacity or disinclination among organisational members (development theorists) to critically reflect their actions (reflexivity), why they are doing it (justification), and the consequences of their activities are beyond the immediate task (substantive reasoning). Insufficient reflexivity exists in the functional conception of development. Development theorists who view development through functional lens deem scientific revolution to be the key factor of economic growth and embrace political philosophy of the early modern era through liberal classical economics to the current neoliberalism.

The functional conception of development builds most international organisation works, such as World Bank that uses Gross Domestic Product (GDP) and other economic growth terms to categorise the countries into different development groups. Thus, societies wanting to develop should open borders and allow change, participate in the present global capitalist system, welcome and encourage multinational corporations, advanced

technology and export-oriented economic activities, withdraw state aid and privatise economies. The advocates of the approach suggest a perpetual economic growth that will 'trickle down' to everyone through individuals' rational behaviour and free functioning of the markets. Nevertheless, more reflexive understanding questions the naturalistic view of markets as markets are social and institutional constructions. Therefore, more considerations are needed for real-world institutions and social processes. More reflexive views of development is observed in structural and post-structural understandings.

Structural theorists view the Euro-centric modernisation and consequent functionalist conception of development as fundamentally flawed and detrimental to people and the planet (Peet & Hartwick, 2009). Karl Marx (1818-1883) and Friedrich Engels (1820-1895) conceptualised social existence that demands social control over the development process. Additionally, modernity is the progress in material life and a movement directed by several rich people motivated by profit and capital accumulation with unequal results regarding benefits. Hence, development denotes changing society in favour of the oppressed by utilising state power supported by mass people movements. Marxist and Neo-Marxist theories directed the systematic and structural form of reflexive thinking, attempting to position each historical event and position each social characteristic as a component of a more general overarching system, such as the mode of production, world capitalist system, or global market.

Marx explained that capitalism is a crucial stage to progress towards socialism, which is the highest form of social advancement. Socialism involves communal ownership instead of private dominates, and individuals work based on individual abilities and are provided with based on their needs. Nonetheless, socialist forms of political and economic organising are non-linear but impacted by the nature of past societies and economic forms (Kilmister, 2000). Furthermore, Marxist and neo-Marxist theories usually depict widespread tensions between structural imperatives and people's struggles to transform their living conditions between revealing a world system and people's conducts to form history, or between structure and agency.

Many reflexive critical thinkers view structural explanation and social transformation with suspicion, such as Jean Baudrillard (1929-2007), Jacques Derrida (1930-2004), Michel Foucault (1926-1984), Gilles Deleuze (1925-1995), and Felix Guattari (1930-1992). The critical theorising elements produced various 'post-structural' forms that emphasise the singular event or person, using cultural language to criticise modernity and conceive development as a modern power and social control strategy. Post-structuralism describes that the previously acknowledged aspects that are progressive, beneficial, and benevolent, were viewed as powerful, controlling, and often detrimental. Furthermore, 'progress' and 'beneficial' is questioned regarding 'beneficial for whom?' and 'Who determines what beneficial means?' or 'Why does beneficial assume that life is in progress?' Thus, , the term 'development' for post-structuralists is an invention or social construction, possessing a discursive or cultural (rather than natural) history. Based on the cultural logic, development is divided into two interrelated forms (a set of ideas, behaviour forms, and social practices functioning directly in the economic world) and a discourse

representing the real practices albeit with origins from academia, state bureaucracies, and institutions.

Based on Foucault, post-structural theorists emphasised development discourses formed in cultures and framed within power relations (Crush, 1995; Escobar, 1995; Goldman, 2008; Mudimbe, 1988). Escobar (1995) provided a detailed account of how development should be a highly technocratic approach applied by the World Bank, the United States (US) government, and other northern institutions in the post-Second World War period. Before ‘outsiders’ intervened in Colombia, nothing was deemed ‘poverty’, thus excluding the need for ‘development’. Most people owned low life expectancies, many children lacked access to formal education, and houses required water and electricity, but the factors were not considered problems. Escobar argued that imposing external norms and expectations on Colombian society and economy described the country as ‘lacking development’ and only addressed by adopting northern forms of development. Hence, the Escobar model describes that with international development organisations, academic institutes exercised power by controlling money flow and creating the dominant ideas, representations, and discourses framing the world on Western theoretical categories, apprehended social imaginaries, and constructed identities. Meanwhile, other post-development theorists contended that people should be allowed to choose the way they want to live, laying the base for different projects established by many communities and groups from the Southern grassroots (Esteva & Prakash, 1998). Nonetheless, celebrating local knowledge and the appeal for indigenous culture can cause ‘reification of both culture and locality or people’ (Pieterse, 2010). Moreover, a development that unrealised potential and reflexive analysis should be committed to extracting the notions from modern developmentalism to develop the peasants and workers’ interests instead of dismissing the whole venture (Kothari, 1989; Nandy, 1987).

3. Understanding Poverty and Microfinance—Functional and Reflexive Views

Theorising poverty is a debated issue with no clear evidence supporting one specific explanation (Davis & Sanchez-Martinez, 2014). Nevertheless, international development institutions satisfy economic and sociological factors in poverty measurement. Economic factors are easily measurable and produce indices for sociological factors for specific reasons. Poverty must be measured to keep poor people on the agenda, to identify poor people, to target suitable interventions, to monitor and assess projects and interventions, and to assess the effectiveness of institutions with goals to aid poor people (Haughton & Khandker, 2009). Hence, poverty is a management affair for international development institutions that ‘produce knowledge about poverty’ and ‘set the agenda of poverty alleviation’ (Roy, 2010).

Debates on who are the poor and what is the nature of poverty impact microfinance. The microfinance journey begins with microcredit, an innovation of Grameen Bank¹,

¹ Grameen Bank is the first specialised MFI in the world. It was established by Nobel Laureate Professor Muhammad Yunus in 1983 following a successful pilot microcredit project in a Bangladeshi village.
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extending small collateral-free loans to poor group members to aid income-generating activities. Microfinance was recognised globally in 2006 when the Nobel Peace Prize was awarded to Professor Mohammad Yunus and Grameen Bank. The organisation brings happiness and peace among the borrowers by granting access to the most desirable credit. Small loans allow poor borrowers (mostly women) to become entrepreneurs, send children to school, improve family healthcare, and increase protection from sickness, death, and natural disasters (Wegner, 2006). Although microfinance is one of the largest global development programmes, microfinance studies depict mixed results, primarily due to the ontological and epistemological differences in every research project. Thus, three alternative views are considered: the functional or economic view, institutional dynamics, and the critical view. The institutional and critical views are more reflexive in considering socio-cultural and other contextual factors.

Microfinance in the functional understanding is a poverty alleviation programme that ensures the poor borrowers' economic wellbeing. The functional view follows several economic principles on asymmetric information and transaction costs in imperfect rural credit markets or household economics, and poverty or welfare analysis (Marr, 2012). Microcredit could address adversity and market failures following several fundamental provisions, such as peer group selection, joint liability, and monitoring (Ghatak, 1999). Alternatively, microfinance directly highlights programmes impact on the clients in alleviating poverty or making positive changes in education, healthcare, and empowerment of individuals and households (Fouillet, Hudon, Harriss-White & Copestake, 2013; Littlefield, Murdoch & Hashemi, 2003). The economic tradition tends to evaluate the end-use of microfinance services and determine the potential benefits of service usage while considering joint-liability groups as neutral and as if the internal dynamics of groups do not exhibit negative effects on members, households, enterprises, and communities (Marr, 2012).

Institutional dynamics in microfinance also gained the attention of many researchers who attempted to describe and understand the different business models (Conning, 1999; Hermes & Lensink, 2011) that MFIs adopt and consider the logic behind changing from one model to another. The proponents of the microfinance model popularised the model as social business², not aiming to make a profit but to support marginal people in mitigating poverty and turning self-sufficient. Based on the model, international development bodies first supported MFIs through subsidies and donations, hoping that new contractual structures and organisational forms would minimise the risk and cost of taking small collateral-free loans.

The bodies encouraged MFIs to be financially sustainable and promoted private commercial institutes in the sector with growing attention from different quarters, arguing that the practice enables firms to reach more people and secure more funds from private investors (Morduch, 2000). For instance,, stakeholders believe that the premature expansion of the sector has failed ultimately due to uncontrolled mismanagement, malpractice, and corruption (Siwale & Ritchie, 2013). Although economic logic explains the transformation

² A social business is a business which is formed to solve a social problem like hunger, poverty, malnutrition etc. and the business should be operated under seven principles that are not typically found in commercial firms (Yunus, 2010).

of socially oriented non-profit MFIs to for-profit MFIs, management theorists increasingly adopted the perspective of institutional theory in general and institutional logic to understand MFI operations and commercialisation (Battilana & Dorado, 2010; Kent & Dacin, 2013; Khavul, Chavez & Bruton, 2013). Other institutional explanations for microfinance emphasise aspects of social capital, such as networks, norms, and social trust (Mayoux, 2001; Woolcock, 1998). The view refers fundamentally to economic theories, highlighting social networks among the poor facilitate the deepening of formal markets, social capital benefits firms by lowering transactions costs, and families and communities are harmonious institutional frameworks. Nevertheless, many critics believe the benign formulation of social capital neglect the possibility that associational life instils cooperation and conflict, specifically in microfinance (Rankin, 2002).

Ethnographic microfinance field studies debate positive holistic perspective in poverty alleviation, women empowerment, and social capital formation. The critical tradition describes that microfinance is an artefact in the guise of participatory rural development that capitalises on poverty (Banerjee & Jackson, 2016; Hsu, 2014; Rankin, 2001, 2002, 2008; Roy, 2010). The term is acknowledged as ‘poverty capital’ (Roy, 2010) or ‘poverty business’ (Banerjee & Jackson, 2016), providing various opportunities for global financial institutions and development authorities. Microfinance shapes new knowledge on poverty and numerous management technologies applied to manage and govern poor people. The technologies provoke individual subjects to act upon themselves, participating in self-production and regulation with several effects and connect subjects with broader programmes and goals. The underlying truth is to fortify the position of international development bodies and the neoliberal policies at the expense of poor people living in Least Developed Countries (LDCs). The reinforcement process involves engaging in alliances with states, non-governmental organisations (NGOs), civil societies, and other third sector organisations. Collectively, the bodies engage in a poverty management process and microfinance is employed as a regulatory tool to integrate initially marginalised groups of people into the market and the development process.

4. Studying Microfinance through Reflexivity: Field Experience

The reflexive account of microfinance operation was applied in a six-month ethnographic study in a Bangladeshi village. Although ethnography is mainly embraced in anthropological research, the subject was gradually incorporated in other social science research, including organisation and management (Moeran, 2006). Generally, ethnography denotes ‘the researcher participating, overtly or covertly, in people’s daily lives for an extended period, watching what happens, listening to what is said, and/or asking questions through informal and formal interviews, collecting documents and artefacts—in fact, gathering whatever data are available to throw light on the issues that are the emerging focus of inquiry’ (Hammersley and Atkinson (2007), p.3). Reflexivity is needed to enumerate the social process that influenced the research at each level of ethnographic engagement (Brewer, 2000). Hence, researchers must be physically present for an extended period at the study site to deeply observe the events that will eventually aid in

forming a close relationship between the researcher and the researched and create ‘high-quality data’.

A reflexive ethnography requires a detailed depiction of the setting location, the topic sensitivity, power relations in the field, and the social interaction between the researcher and the researched (Brewer, 2000; Davies, 1999). The present study is a reflexive ethnography for several reasons: the researcher experienced direct, in-depth contact in the village (including borrowers) and with organisational participants, specifically in interviews and direct observations of activities, and the contacts present a primary source of data, the research emphasised real tasks or processes, excluding artificial situations created by the researcher, the research design evolved with the field observations, and the data presentation involves detailed context descriptions (organisations and villages) and practices. The subsequent headings present a brief account of how the reflexivity was achieved.

4.1 My Connection with Fieldwork Site

The SHP village and LXM district were selected from the author’s home district due to familiarity with the local language and culture. The author resided in the area for 16 years before moving to the capital city to pursue higher studies. The author frequently visited the parents that reside in the area despite relocating to the capital city. The author’s father is an executive officer in a public sector local commercial bank with good connections with villagers. People from the area constantly refer to the author’s father for financial advice. The author’s grandfather was a principal in a local ‘*Fazil Madrasha*’³, a renowned religious authority in the area titled ‘*Boro Huzur*’⁴. People from all walks of life including all religions, caste, classes, or gender, visited the author’s grandfather and requested to make ‘*dua*’⁵ for the people. Furthermore, the author’s grandfather widely influenced villagers on numerous family and social matters, such as naming newborns, marriage and divorce decisions, and religious guidance. The author’s family still holds the legacy of the grandfather’s name and fame. People would refer to the author as his grandson wherever the author goes in the locality. Meanwhile, the author’s mother is a housewife living in the ancestral house for over 35 years of her conjugal life. The mother possessed strong bonds with neighbours and village women. The mother also usually provides money and other donations to poor people in the area on festivals and holy months. The author’s uncles, aunts, cousins, and other relatives live in the same village, several of which were ABC borrowers. The author selected the village as the ethnographic site due to the deep-rooted relationship with the village.

³ A religious school that offers education up to bachelor level.

⁴ Literally, this means ‘elder religious preacher’, but in local terms it signifies a superior authority in religious matters.

⁵ Dua means prayer, but it is not the regular prayer that Muslims usually do five times daily. It is rather asking for Allah’s blessing in suffering and hardship. In Bangladesh, especially in villages, people normally consider themselves to be sinners whose prayers are not accepted by the Almighty. So, they go to local religious gurus and ask for prayers on their behalf.

4.2 Geography, Demography and Economic Activities

The fieldwork site was SHP village located in the LXM District. The village is near to the district town—a 15-minute drive from the south town area. The site infrastructural facilities are excellent. An expressway crosses one side of the village and connects all the primary sub-districts and divisions, extending to the capital city approximately 250 km away. Several country-side roads pass through the village and connect the highway with the union council and local markets. The village comprised one government primary school, one nursery school, three mosques, two Hindu temples and two mukhtabs. Like other places in Bangladesh, numerous tea stalls and grocery shops are spread across different places throughout the village. The village men usually gather at the tea stalls in the afternoon and spend time watching television or gossiping about local politics and the private affairs of fellow villagers. Sometimes, the conversations continue past midnight. The village comprised more than 20 *Bari* (living compartments) between five and 15 houses per compartment. The MFI case includes three groups in the village and borrowers meet weekly in a fixed place.

The village comprised approximately 2,000 inhabitants. The village demography includes two major religions: Muslims and Hindus, with Muslims as the majority. Irrespective of religion, each living compartment possessed a name traditionally inherited from the occupants' forefathers and is connected to each caste and occupation. For example, the name 'Chowdhury Bari' denotes that the elite landlords originate from the house. Religious division is absent among the Muslims as most of them follow similar religious guidance and rituals. Nonetheless, a vast difference in Muslims' occupation exists, generally determined by family ancestry. A few Hindus live in the village, hierarchically divided based on certain ritual practices over others. The hierarchical division causes a vertical occupational impact on the Hindus. Nevertheless, the situation changed recently. People are currently well informed of the surrounding environment and are better educated, which motivates the people to venture beyond their forefathers' professions.

The villagers mostly hold conventional family-oriented occupations. For the last two decades, the people began employing diverse jobs, such as government and private service providers, small businessmen, farmers, fishermen, and day labourers. Specifically, villagers will know each other, supporting the neighbours despite their financial needs. The villagers usually implement community initiatives collectively and share the responsibility together. If any unfortunate event occurs to any house, the local elders will resolve the issue through mutual discussion and cooperation to avoid ridicule from other villages. The villagers possess strong respect for their community, their 'bari' and their house. During any financial difficulties, villagers traditionally aid each other through short-term lending. Subsequently, local moneylenders emerge as a product of social changes. The moneylenders charge exorbitant interest rates and normalise harsh conditions. For instance, the lenders require the repayment of borrowed money as a single sum. The MFIs eased the pressures by establishing instalment-based loan disbursement and collection.

To substitute traditional money dealers, villagers discovered the convenience of the microfinance approach and started banking activities with MFIs. Grameen Bank and other leading MFIs operate in the village for over two decades. The case firm, ABC, operated in the village for over 15 years with three member groups in the village. Each group acts as a collection centre. Group members meet once a week in a specific place where the Loan Officer (LO) visits to collect instalments and conduct other formalities. Like other MFIs, the main target of ABC is women.

4.3 Doing the Fieldwork: Initial Encounter and Gaining Access

Selecting ABC as the study case was a purposeful decision. At the start of the project, the author considered Grameen Bank as the case firm due to pioneering in the sector, the pervasive recognition through awards (including the Nobel Award) and the worldwide replication. Although the author established a preliminary connection with the acting managing director, the connection was lost due to the executive's retirement. Consequently, the author attempted to recall other acquaintances to find another MFI without changing the microfinance context. The author discovered that one acquaintance was the founder's son and ABC president, one of the largest MFIs in the country and worldwide. The author discussed the situation with the founder's son who informally assured the author that he would confirm the matter with the president of ABC. The author waited for two weeks and finally received assurance to use ABC as the study case.

The author was satisfied and confident over the firm selection and the associated risks upon receiving informal assurance. Nonetheless, formal approval from ABC was needed to secure ethics committee approval. The author continued to contact acquaintances through email and social networking. Subsequently, a request was sent requesting formal approval to use ABC as the case MFI and for access to the field site. After a month of official formalities and continuous communication, the author received formal acceptance of the application. The ABC management allowed the author to conduct interviews, observations, and other required data collection procedures. The management designated a contact person for the study. Thus, the initial access to the fieldwork was entirely assisted by the organisation.

The author spent the first week settling in with his family and adjusting to the warm weather. Additionally, the author visited his parents in SHP, relatives, and other elders at the location. The author's relatives were all excited as the author was staying with them for an extended period to conduct the study. The author went to the capital of Bangladesh, Dhaka, during the second week, where the ABC head office is located, and met with the contact person. The author discussed the fieldwork plan and requested a meeting with the ABC president to begin the fieldwork with an introduction from the top management. The author then met with the president and discussed the work plan in detail. The president suggested discussing with several people before heading to the fieldwork site. In the next eight to ten days, the author met with the people with the aid from the contact in the organisation. At the end of September, the author returned to the village site, spending

most time there. Meanwhile, the central office of ABC issued a directive to the LXM District Office and BHNG-1 branch office (where the jurisdiction of SHP village is located under) to assist the study. Several days after returning to the field site, the author met with the local Branch Manager (BM) and discussed the study plan. During the remaining stay at the site, the author experienced unconditional support and cooperation for the study.

Upon returning to the site, the author spent the first few days visiting each house, old friends, and local elders. The author also spent many hours with village men at local tea stalls discussing national politics, village events, and the author's experience in Great Britain. The villagers view European countries as paradise on earth, believing that money is abundant in Europe. The villagers also believe that anyone with the chance to live in a European country must earn hundreds of pounds. Thus, the men were attentive listeners to whatever the author discussed regarding the United Kingdom. The villagers were awed at almost everything the author said and wanted to know why the author returned and left such a beautiful place behind. The conversation enabled the author to gain open access to the site. The author's familiarity with the local people, language, culture, and lifestyle aided the author to reach the ABC borrowers and observing their daily lives, their relations with the firm, and the activities conducted with microfinance support. The author easily made informal conversations with them on numerous aspects.

4.4 Conversation with Officers and Borrowers

Interviews are the most commonly used method to study the social world. Interviews could be structured, unstructured, or semi-structured (Bryman, 2012). Structured interviews prevent the interviewer to comment beyond the format, whereas unstructured interviews lack overall guidance on the researcher's part. Semi-structured interviews maintain a balance between the two formats, providing flexibility and exploring more ideas on the topic. Research mainly based on semi-structured interviewing is a popular and significant form of qualitative research in social sciences. The study adopted two formats: unstructured interviews for conversations with borrowers and the semi-structured format for interviewing executives at different levels of the MFI. The study considers the unstructured interviews as 'conversations' due to being informal and held in the microfinance borrowers' natural settings. Nonetheless, an interview schedule was maintained during data collection. Moreover, interviewees were identified using selective sampling. Organisational participants were chosen according to the positions within the firm as the study focused on a single firm. Furthermore, borrower respondents were naturally chosen from the village where the ethnographic work was performed.

The study performed semi-structured face-to-face interviews with different level executives of ABC at their office environment during the fieldwork. The initial days were utilised to meet and discuss the relevant issues with top level executives. The conversations with other executives (at the central office or at the branch office) were arranged at their convenience by the contact person. The interviews were primarily designed to understand an extensive range of issues including (but not limited to) managerial practices, adopted strategies (ensuring timely repayment and collecting overdue payments), operational

policies, banking procedures, existing mission, and future vision. The author travelled to Dhaka to maintain the appointment schedule for one or two days each month to interview central office executives. Meanwhile, the author did not travel far for branch level officials as most were in nearby branch offices, several minutes of walking distance from the village. The author needed to confirm the appointment time one or two days before each interview. The author also interviewed branch officials in the late afternoon upon closing daily operations or completing field visits. For instance, the author visited a remote branch to interview one Regional Manager (RM) and one District Manager (DM) during early office hours. The author also interviewed a representative of the regulatory authority and one academic.

Many conversations occurred during the author's ethnographic stay in the village. The author does not consider the conversations as formal interviews, as the conversations occurred in the natural home environment of women borrowers. The borrowers were reached through personal connections in the village and conversations were arranged at their convenience. During the conversation, several borrowers were joined by their spouses and other members to share experiences with MFI. Specifically, the conversation highlighted their experiences, perceptions, everyday practices, emotions, body language, and the surrounding environments. Nevertheless, sometimes the borrowers discussed family matters in detail for several hours.

4.5 Observing Microfinance Activities

Participant observation in any ethnographic research is an essential research strategy instead of a mere research technique. Most primary data originate from participant observation, involving participation in the daily lives of the informants—watching, observing, and informally talking to the informants to reveal the interpretations, social-cultural meanings, and activities (Brewer, 2000; Davies, 1999). The study observed branch activities, village group activities, and the borrowers' daily lives in their real context. Thus, the author's role as a field researcher was as a complete observer. Observation data were collected through observing people, processes, characteristics, interactions, behaviours, reactions and organisational reporting procedures, and related incidents. Observations were conducted on the daily branch operations, field officers' activities and borrowers' activities in groups, and in individual spaces. Several observations were organised, and the others were spontaneous.

The author spent one whole day in a branch to observe the systems, operations, and procedures. The observation was an excellent opportunity to understand the branch relationship with borrowers. Borrowers usually visit the branch in the afternoon to collect the loan amount. The author witnessed how the borrowers approach branch officers, what documents were provided, how the borrowers receive the money, and what type of relatives normally accompany the borrowers. The author also experienced how field officers were established as the primary connecting force between the MFI and the borrowers. The officers consistently encouraged villagers to purchase microfinance products, monitored the activities of the borrowers and the resultant groups, and evaluated

their performance. During the observation, the author examined the branch books of accounts, branch documentation, the software used, and branch displays on the board or wall.

In microfinance, borrowers must build a group to avail the credit, undergoing meetings, reporting procedures, and other governance mechanisms. Thus, on three occasions, the author was accompanied by the local BM and LO to visit members' weekly gatherings and observe the banking systems, group operations, and meeting proceedings. Additionally, individual borrowers were observed on other occasions in their personal space as villagers. The observation presented a clear understanding of borrowers' personal financial management, credit history, and relationships with the case MFI.

4.6 Continuity in Reflection and Analysis

The above discussions imply that most field materials are unsystematic, unstructured, and voluminous. Most data were in the form of extracts of natural languages, such as long quotations from in-depth interviews, document entries, extracts from observation field notes and conversation transcripts. Due to the size and complexity, ethnographic data demands proper analysis, interpretation, and presentation (Brewer, 2000). Data analysis in qualitative research tends to be an ongoing and iterative process. Organisational field studies often require an ongoing data reflection and the positioning against different theories such that data contribute to and develop the chosen research questions further (Ahrens & Chapman, 2006). The study embraced the ongoing and iterative process of data analysis from the beginning of the fieldwork.

The initial days were utilised to orientate with the organisation and field environment. The main contacts were identified from the first few interviews to understand the operational policies, strategies, and managerial guidelines of the case MFI. Accordingly, further discussion concentrated on the firm microfinance programme. Similarly, after establishing open access in the field, the initial conversations emphasised microfinance operations in the village and the impact on people's lives. The initial discussion revealed that the local people's ethos, values, and networks impact microfinance operations. Thus, the subsequent conversations with borrowers at the field site emphasised the aspect while discussing the MFI operation and impacts.

A personal diary was maintained during the fieldwork to record personal reflections on data collection. The diary covered a broad range of issues, such as the thinking process before the interview or conversation, personal thoughts instantly after the meeting, interview description or conversation settings, and a summary of emerging themes. The data were all handwritten amounting to several hundred pages. After the fieldwork, primary data from participant observations and interviews were transcribed and translated. The transcription and the notes identified the common themes, which were visually displayed through diagrams, such as network diagrams and flow charts.

4.7 Complications and Solutions

The fieldwork was finalised with full support and cooperation from the case MFI. Specifically, a designated contact person constantly arranged meetings with the main participants within the firm and issued office orders to remote branch officials in the field site. Conversations in the village were arranged using the author's personal contacts and familiarity with people. Nevertheless, the author faced several complications while conducting fieldwork in the village. Several borrowers were confused of the author's role despite gaining full and open access to people in the village and was familiar to most villagers.

During the author's time rebuilding connections with village elders and elites and spending afternoons at local tea stalls, there was a rumour among the villagers that the author was about to open a new NGO in the village. On village roads, people asked, "*When will you start your NGO??? I want to open a DPS with you!! Please take care of us when you open your one!!*" To eliminate the confusion, the author spent several minutes in each group visit to clarify why the author was there. As the villagers were less literate or illiterate rural people, the villagers did not understand what research entails. Thus, the author explained about his study in the UK and informed them that the author needed to write a report, specifically on the operation of ABC in the village.

Several borrowers or their spouses were still unsure of the author's role. Occasionally, the borrowers stated, "*When did you join ABC? Why did you not give us more profit? Why did you not give us another loan while we are struggling to pay the previous one? Is it not better if you took monthly instalments?*" The reason behind the questions was that the villagers believed the author was a top official from ABC and visited them like others on different occasions. In the group settings, convincing each villager about the author's role was difficult despite explanations from the local BM and field officer. The author utilised face-to-face conversations with borrowers to address the reasons behind the author's stay in the village. Nonetheless, a few borrowers remained sceptical until the study completion.

The author needed to overcome the barrier of talking with rural women, as only women are qualified to be ABC group members, like other MFI. In Bangladeshi villages (such as in the LXM district), women are generally housewives and practice a very conservative life. The women rarely speak with unknown males. The author's mother resides in the village and possessed excellent connections with local women. The author used the connection to converse with some borrowers. Moreover, the author conversed during family leisure time when the women's husbands were at home. Hence, several conversations happened at night and one conversation in the early morning. Other members were difficult to reach. Thus, the author was assisted by one female cousin living in the village with useful connections through experience as a social worker, and thus a familiar face in the village. The author's cousin was an ABC member in the early years and one of the key contacts for ABC to start operating in the village.

5. Discussion and Conclusion

The study demonstrated how management accounting in microfinance is examined using a reflexive approach. The researcher's reflexivity is required to understand the relevant social relations and structures and identify the researcher's position in the field (Alvesson & Sköldberg, 2000). The study first discussed alternative views on development, poverty, and microfinance to illustrate the practicality of the reflexive approach. The detail account of the fieldwork depicted how to employ and maintain the reflexivity during the process. The complete immersion in the field and the reflexive ethnography enabled understanding the intricate relationship in microfinance and the implications for management accounting. Researchers describe ethnographic approach as autoethnography (Haynes, 2017b).

Management accounting is deemed a formal technology operating within hierarchical settings. Microfinance that forms a new space for global capital questions management accounting formalities as the new space is governed by informal networks and fluid arrangements. Hierarchical MFIs constantly enter private spaces of community and explore new villages, and territories at each stage of advancement through financial services of credit, deposit, and insurance. Communities are no longer confined into geographical borders but developed around women borrowers, and relationships are created with the formed societies. The MFIs earn profit by maintaining the relationships within the gendered communities. Consequently, three alternative management accounting emerged. First is at the meso-level: a form of management accounting connecting the hierarchy with local communities. Second is at the micro-level: a form of management accounting intermingled with local people's mundane social and economic practices. Third is at the individual level: a form of management accounting assisting life production. Summarily, the new form of management accounting is integrated with household and village exchange relations, the social structures, and related values and beliefs.

Earlier management accounting research adopting the qualitative ethnography (Ahrens & Mollona, 2007; Bassani, Pfister & Cattaneo, 2021) mostly examined formal organisational structure. The study explored an informal rural setting where formal and informal form of management accounting exist. Hence, the study provided several contributions. First, the study contributed in presenting a reflexive approach of studying microfinance management accounting. Second, the study contributed to the extant functional approach of development and microfinance by encouraging researchers to think beyond the 'functional stupidity'. Finally, the study presented a detailed account of how a researcher can adopt reflexivity in research, specifically in gaining access, exploring the field, and resolving the challenges.

The study also presents limitations. For instance, the generalisation of research findings is not possible and recommended under reflexivity. The researcher's subjectivity is the key to reflexivity, but the generalisation is misleading. Furthermore, the findings from reflexive approach differ based on the research setting (location, organisation, time duration etc.). Hence, researchers are encouraged to perform more reflexive ethnographic studies to understand accounting, governance, and management control of various organisational contexts.

Disclosure Statement

No potential conflict of interest was reported by the authors.

Funding

This research has been conducted as part of author's PhD study which is funded by the Adam Smith Business School PhD Studentship, University of Glasgow, UK.

Acknowledgement

The author acknowledges suggestions and comments of his PhD supervisors Professor Danture Wickramasinghe and Dr. Alvis Favotto during the fieldwork for this study.

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