Colonization contests: How both accounting and law firms gain legitimacy in the market for forensic accounting

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ABSTRACT

Considerable research attention has been devoted to the processes of so-called colonization, in order to explain the success and transformation of large accounting firms into large conglomerate Professional Service Firms (PSFs). However, we still know little about how these processes may be contested. Drawing on a rhetorical perspective of legitimacy and on in-depth interviews with high-level members of leading accounting and law firms in the forensic accounting market in the Netherlands, our research identifies various rhetorical devices used by these firms to expand and/or defend their legitimacy in a common market, by simultaneously seeking to promote competition and collaboration. By showing how these rhetorical devices relate to the evolving field dynamics, this study provides a deeper and more nuanced understanding of the desired outcomes and primary means of achieving them that are central to colonization contests between PSFs.

KEYWORDS: colonization; lawyers; rhetoric; forensic accounting; accountants; professions

INTRODUCTION

Theorists have recently considered the phenomenon of ‘colonization’ as crucial in understanding how and why some professional service firms (PSFs) have become powerful social and economic forces in contemporary society (Suddaby and Greenwood 2001; Cooper and Robson 2006; Empson, Muzio and Broschak 2015). In this context, such colonization is generally seen as a mode of jurisdictional expansion by PSFs, primarily aimed at establishing jurisdictional claims and at dominating ‘new’ areas of professional work (Reed 1996; Malsch and Gendron 2013; Anteby, Chan and DiBenigno 2016). In explaining accounting firms’ ability to successfully ‘encroach’ on other knowledge fields such as law, tax, management consultancy, and forensic accounting (Lawrence 1999; Suddaby and Greenwood 2001; Greenwood and Suddaby 2002, 2006; Faulconbridge and Muzio 2008), studies have considered the role of gaining legitimacy as crucial in colonization processes (Reed 1996; Gardner, Anand and Morris 2008; Malsch and Gendron 2013). As Suddaby and
Greenwood have suggested, ‘Colonization involves the *legitimation* of specific actors as the appropriate sources of management knowledge and the *delegitimation* of others’ (2001: 935, emphasis added).

Although much has been written about jurisdictional battles in the broader literature on the sociology of professions (e.g. Anteby, Chan and DiBenigno 2016; Heusinkveld et al. 2018), research on colonization in relation to the literature on PSFs remains limited and relatively fragmented. Prior work has indeed advanced our understanding about the possible implications of colonization, both for PSFs in particular and for society as a whole. Some theorists have explained the major advantages of jurisdictional expansion strategies, particularly for large conglomerate PSFs. These advantages include the potential to attract more high-potential university graduates, enhancing cross-selling of different services, and more effectively helping corporate clients operate on a global scale (Greenwood and Suddaby 2006). Others have explored how colonization projects by PSFs are accompanied by major organizational challenges and societal difficulties (Power 1997b; Fourcade 2006). A nascent stream of research has focused more on explaining the occurrence of colonization by studying the main drivers of such projects by PSFs (e.g. Malhotra and Morris 2009). This stream also deals with the specific resources and capabilities needed for PSFs to successfully migrate to uncharted areas of work or to existing areas occupied by others (Suddaby and Greenwood 2001; Lawrence, 2004; Gardner, Anand and Morris 2008).

Despite these important insights into the implications and occurrence of colonization, the literature remains limited on at least two main issues. First, research has mainly been based on analyses of the successful expansion of scale and scope by the Big 4 accounting firms over the last few decades, and has considered colonization as primarily aimed at establishing a dominant position in particular markets for professional services. This one-directional perspective in the current PSF literature ignores the possibility that colonization can also be reversed, for instance, in the case of jurisdictions being reclaimed by the previous ‘owner’ (e.g. Waring and Currie 2009) and that PSFs may aim at alternative settlements in terms of division of labor (e.g. Abbott 1988; MacDonald 1995). As a result, we know little about the primary aims of the relevant actors involved in colonization contests. This issue is of particular significance, because these contests probably affect whether and how large conglomerate PSFs may (or may not) maintain their status as powerful institutional actors in contemporary society (Muzio, Brock, and Suddaby 2013).

Second, theorists have continuously and consistently stressed the crucial role of gaining legitimacy in order for PSFs to successfully colonize new jurisdictional space (Suddaby and Greenwood 2001; Gardner, Anand and Morris 2008). However, prior studies have focused mainly on how legitimacy develops at relatively early stages in the colonization process (e.g. Reed 1996; Lawrence 2004; Gardner, Anand and Morris 2008), but provides very little detail on how exactly legitimating jurisdictional claims in colonization projects by PSFs relate to evolving field dynamics. As such, prior work on colonization by PSFs offers only limited potential for developing a deeper and more dynamic conceptualization of the role of legitimacy as the central means used to shape colonization contests. Yet, this issue is particularly relevant in the light of recent calls to enhance our understanding of how PSFs relate to ongoing processes of (de)institutionalization (e.g. Suddaby and Viale 2011; Suddaby and Muzio 2015).

To address these two issues in the current conceptualization of colonization in relation to PSFs, this study draws on a rhetorical perspective of legitimacy, an approach that tends to relate changes in an institutional field to the purposeful uses of rhetoric by different and often competing institutional actors (e.g. Green, Babb, and Alpaslan 2008; Suddaby 2010). Moreover, by demonstrating how these institutional actors use rhetorical means to achieving very different ends (e.g. Suddaby and Greenwood 2005), this perspective provides a more advanced understanding of the complexities of gaining legitimacy which are probably inherent to colonization contests. Overall, a focus on rhetoric in relation to colonization is not only important because rhetoric is an important currency of PSFs (Suddaby and Viale 2011), but also because gaining legitimacy for their jurisdictional claims ultimately relates to a PSF’s potential access to essential resources (Scott 2001; Zimmerman and Zeitz 2002; Covaleski, Dirsmith and Rittenberg 2003; Lawrence 2004). In the words of Bucher et al. : ‘the stakes are...
Boundaries define a profession’s access to material and non-material resources such as power, status, and remuneration’ (2016: 498).

To further enhance our insights into the possible desired outcomes and dynamics in colonization contests between PSFs, we analyzed the way rhetorical devices are deployed by leading accounting and law firms in legitimating their jurisdictional claims in the evolving Dutch forensic accounting market. This context is of particular theoretical relevance, because, in the field of forensic accounting, law firms have sought to claim segments of the market which have been dominated by accounting firms since a successful colonization project in the 1990s (McClelland and Stanton 2004; Suddaby and Greenwood 2005). Therefore, we pose the following question: How are rhetorical devices employed by different actors (in this case accounting and law firms) in order to maintain or expand their perceived legitimacy in the forensic accounting market?

Using data from 12 in-depth interviews with partners and senior-level staff from accounting and law firms, along with data obtained by analyzing media and industry documents, we develop a view of colonization contests (cf. Kaplan 2008) as comprising various rhetorical devices used by firms to expand and/or defend their legitimacy in a common market. Our research shows how these devices are aimed at both competition and collaboration, and relate to different perceived stages in the evolving field dynamics. Based on these findings, the study makes two main contributions. First, rather than a primarily one-directional emphasis on the dominance and expansion of the Big 4 accounting firms, our findings indicate the importance of a more open-ended conceptualization of colonization, in which dominance in a field may be challenged successfully by other PSFs who simultaneously seek to increase inter-firm collaboration. Second, whereas prior studies have merely emphasized the significance of gaining legitimacy in colonization processes, this study provides more depth and detail by demonstrating how the use of rhetoric by institutional actors is associated with the specific interpretation of different stages in the evolving field dynamics. As such, the study stresses the need to pay far more attention to how these dynamics may provide critical resources to PSFs, enabling them to legitimate different strategic positions in a market for professional services.

In the next section, we review prior work on colonization in relation to PSFs, and then outline our rhetorical perspective on legitimacy. We then elaborate on the research methods and data. Finally, the findings are presented, followed by an analysis and discussion of our research, after which some conclusions are drawn.

**PSFS AND COLONIZATION**

While theoretical work on colonization by PSFs remains limited and relatively fragmented, at least two analytically distinct research foci can be identified. One focuses primarily on the potential consequences of colonization for PSFs and society in general, and another that focuses on the main conditions that enhance or limit the occurrence of colonization.

First, prior work has related colonization processes to the growing power of Big 4 accounting firms as institutional actors in contemporary society (Suddaby and Greenwood 2001). For instance, theorists have noted that large conglomerate PSFs not only control the performance of auditing services, but also increasingly shape ‘the whole apparatus of intervention’ (Dezalay, quoted in Power, 1997a: 125). Furthermore, the successful colonization of adjacent territories is also related to Big 4 accounting firms’ vital role in the functioning of the economic system, to their influence on the diffusion of management knowledge, and to their position in the labor market as an employer of choice (Reed 1996; Empson, Muzio and Broschak 2015). More generally, theorists have considered Big 4 accounting firms as increasingly important in maintaining and reshaping key institutions (Greenwood and Suddaby 2006; Scott 2008; Suddaby and Viale 2011). Muzio, Brock, and Suddaby even consider ‘the rise of the professional services firm as a key locus and vector of professionalization’ (2013: 701; see also Falconbridge and Muzio, 2008; Suddaby and Muzio 2015).

At the same time, serious concerns have arisen regarding the possible implications of colonization efforts by Big 4 accounting firms, in particular the fact that they can no longer be regarded as pure accounting firms (Greenwood, Suddaby, and Hinings 2002) but should be seen as ‘multidisciplinary business service providers’ (Suddaby and Greenwood 2001: 946).
On an organizational level, the colonization of adjacent professional jurisdictions is regarded as involving significant complexities for managing a PSF (e.g. Mawdsley and Somaya 2015). For instance, studies have revealed important issues arising from internalizing people from other professions who most likely hold ‘different views and beliefs about how professional services should be organized’ (Greenwood, Hinings and Brown 1990: 752; see also Malsch and Gendron 2013). Given their internal diversity, Power (1997a: 124) even argues that we can no longer regard them as ‘speaking with one voice’. On a societal level, theorists have shown how colonization efforts by Big 4 accounting firms are also accompanied by major difficulties and controversies. The Enron scandal demonstrates the potential incompatibility of a specific combination of professions working for the same client (auditing and consulting). However, and in spite of the implementation of stricter regulations (for example, the Sarbanes-Oxley Act, SOx), observers have witnessed a renewed interest by the Big 4 accounting firms in the lucrative consultancy market and in expanding into new areas of expertise, such as IT consulting, legal services, and forensic accounting (The Economist, 2010, 2012, 2013, 2015, 2018).

Second, a growing number of studies have focused on the processes and conditions that can explain the occurrence and success of colonization efforts. For example, some theorists have suggested that the likelihood of colonization relates to the specific occupational background of a PSF. Malhotra and Morris (2009) theorized that professions with relatively low social closure are more likely to migrate into adjacent professional jurisdictions than those professions characterized by high social closure (see also Lawrence 2004). Other theorists see attempts to colonize new domains as the result of various market forces, such as increased competition, decreased market demand for particular professional services, and commodification processes (Covaleski, Dirsmith and Rittenberg 2003; Malsch and Gendron 2013; Bucher et al. 2016). As Suddaby and Greenwood stated: ‘Colonization is a natural consequence of knowledge commodification, which makes proprietary managerial products both transparent and imitable and thus subject to intensifying competition’ (2001: 935).

Another stream of research has consistently emphasized that colonization processes are driven mainly by the desire of PSFs to establish a dominant position in a particular area of work (Lawrence 2004; Malsch and Gendron 2013; Anteby, Chan and DiBenigno 2016). For instance, Muzio and Flood (2012) argued that large PSFs ‘embody an entrepreneurial spirit as they try to compete by continuously developing new markets, competencies and products or services’ (2012: 369). Gardner, Anand and Morris (2008) relate this ‘inherent imperative for both organic growth and diversification’ to the deployment of an up-or-out system and the related need to optimize the use of human resources. When expanding into a new field, PSFs are not only expected to acquire new and relevant knowledge and skills, but also to monopolize this field. Suddaby and Greenwood indicated that colonization attempts of large conglomerate PSFs stem from ‘the broader strategy of dominating the field of management knowledge production’ (2001: 947, emphasis added).

A key issue in research on colonization is how a PSF gains legitimacy as a dominant actor in a field that is occupied by other professions and, ultimately acquires exclusive control over a new area of work (e.g. Power 1997b; Lawrence 2004). Prior work has attributed PSFs’ establishment of legitimacy in new fields to efforts that ‘legitimate monopoly control for “us” by delegitimating predatory incursions by “them”’ (Reed 1996: 575; see also Suddaby and Greenwood 2001). For instance, various studies show how accounting firms initially suffered from a lack of legitimacy in the field of environmental auditing. However, these firms were eventually able to monopolize this field largely because they were in a position to capitalize on their legitimacy in ‘old’ fields, where their work was already widely accepted as ‘valuable and appropriate’ (Lawrence 2004; see also Malsch and Gendron 2013). Lawrence concluded that colonization by PSFs is aimed primarily at ‘affecting a subject position within a field that gains its legitimacy and influence through its connection to positions outside the field’ (2004: 137).

Overall, prior studies consider colonization as an important mode of jurisdictional expansion by PSFs, thereby focusing primarily on the success of Big 4 accounting firms as well as the major organizational and societal challenges that they face (Suddaby and Greenwood 2001). A nascent stream of literature on
Colonization has shed important light on the crucial role of gaining legitimacy as an important asset that may contribute to dominating a new field. However, we still know very little about how other actors challenge colonization efforts by Big 4 accounting firms and successfully (re)claim jurisdictional spaces (Currie et al. 2012). This lack of attention is surprising, given that the literature on the sociology of professions has not only considered dominance as only one possible outcome or ‘settlement’, but also stressed the finite dimensions of professional power positions. Or in the words of Abbott, ‘No profession can stand forever’ (1988: 141). In addition, the literature on colonization has provided few details on how PSFs seek to maintain legitimacy in a field beyond the initial stages of colonization. Thus, if we wish to enhance our understanding of colonization contests by PSFs around new areas of work, we must advance our knowledge of how exactly they gain or maintain legitimacy, in relation to the evolving field dynamics and with what outcomes (see also Bucher et al. 2016). For this purpose, we focus on the role of rhetoric in attaining legitimacy.

A RHETORICAL PERSPECTIVE ON LEGITIMACY

In explaining institutional change and stability, an important stream of research has focused on the role of different forms of persuasive language (e.g. Green 2004; Suddaby and Greenwood 2005; Vaara et al. 2006; Vaara and Tienari 2008; Maguire and Hardy 2009). Two related insights from this research are particularly relevant to our understanding of colonization processes. First, studies demonstrate that rhetoric is particularly important in institutionalization processes, playing a crucial role in shaping ‘the legitimization and delegitimization of practices and structures within an institutional field’ (Green, Babb, and Alpaslan 2008: 43, emphasis added). Suddaby and Greenwood’s study (2005) identified five types of rhetorical forms and explained their role in institutional change. First, historical rhetoric appeals to history and tradition and is usually used to resist radical change and to promote evolutionary change. Second, cosmological rhetoric tends to be used when changes take place because of natural evolutionary laws that follow their own course. This is considered ‘part of the orderly evolution of universal laws’ (Suddaby and Greenwood 2005: 52). Third, teleological rhetoric relates to activities with a focus on a divine purpose or final goal. This can be used in a situation where ‘certain events must occur within the context of some ‘grand plan’ or ultimate objective’ (Suddaby and Greenwood 2005: 46). Fourth, ontological rhetoric is based on logical reasoning; for example, a statement cannot be simultaneously true or false, and the same applies to certain attributes that are regarded as incompatible. Finally, value-based rhetorical devices refer to a ‘normative authority drawn from wider belief systems’ (Suddaby and Greenwood 2005: 52). This implies that the ethical evaluation taking place with regard to a proposed change is related to emotionally laden issues such as ‘good’ and ‘evil’.

Second, theorists have increasingly emphasized that changes in an institutional field do not ‘routinely emerge to fill latent resource opportunities’ (Suddaby and Greenwood 2005: 41). Rather, these approaches emphasize the agency of institutional actors by conceptualizing their use of language as an important means of promoting or inhibiting institutional changes in line with their own interests. As such, in studying the way actors in a particular field use rhetoric to legitimate or delegitimate institutional change, research has revealed how similar rhetorical forms can be deployed by different relevant actors, and can become associated with different objectives (Suddaby and Viale 2011). In particular, it has been noted that emphasizing a need for change is most often connected to teleological and cosmological arguments, while resistance is generally associated with value-based and ontological arguments. Historical arguments are expected to be drawn upon by actors, both to support and resist change (Suddaby and Greenwood 2005).

Overall, this perspective not only sheds important light on the rhetorical basis of gaining legitimacy, but also shows how a dominant position in an institutional field is created—and how it is contested. Moreover, by showing how distinct forms of rhetoric can be used by different actors to achieve different ends, the perspective also focuses on the crucial complexities involved in understanding processes of (de)legitimating institutional change (cf. Maguire and Hardy 2009). We will take this as a starting point for our empirical research, focusing on the
colonization contests of accounting firms and law firms in the market for forensic accounting.

**METHODS**

Research context: Forensic accounting

We focus on the field of forensic accounting, a context of particular theoretical relevance for two main reasons. First, since the 1980s, forensic accounting has become a legitimate professional field, with recognized service offerings provided by a variety of actors, including accounting firms, law firms, independent research agencies (boutiques), small specialist IT firms, and investigation agencies. They serve important clients such as private companies, insurance companies, and semi-governmental and governmental agencies. According to a comprehensive report by Grant Thornton about the sector, a forensic accountant should be seen as:

“The experienced and specialized expert in the field of fact-finding, who collects facts that are relevant to answer a main question concerning a (potential) dispute, through dispute settlement or dispute prevention. […] The expert is able to determine the causes of a case, the financial consequences and investigate and objectify the matter’ (Grant Thornton, 2013: 32).

The Netherlands was one of the first markets in which the Big 4 accounting firms developed forensic accounting as a new line of service (1992–1993). Moreover, although it is defined as a niche, the market for forensic accounting is expanding. At present, the forensic accounting sector in the Netherlands comprises around 300 specialists, of whom two-thirds work for Big 4 accounting firms. In this sector, about 10 other medium-sized and small firms—often spin-offs of the larger firms—are also active. These spin-offs are mostly driven by a desire by some professionals to operate more freely than is possible within Big 4 accounting firms. Approximately 25 law firms offer specialized forensic research. The top 10 Dutch law firms all have investigative departments, and this is certainly the case for Dutch law firms that are part of an international network, as well as American and British law firms located in the Netherlands (FD, 2015).

**Table 1. Overview of shift in activities related to forensic accounting between accounting firms and law firms**

| Main activities of forensic research | Accounting firms | Law firms |
|-------------------------------------|-----------------|----------|
| 1) Secure information               | X               | X        |
| 2) Collect information by conducting interviews or conversations with third parties | X               | X        |
| 3) Select information               | X               | X        |
| 4) Compile analyses:                |                 | X        |
| a. Financial analysis               | X               | X        |
| b. Digital analysis                 | X               | X        |
| c. Data analysis                    | X               | X        |
| 5) Verify and falsify information, by application of the principle of hearing both sides | X               | X        |
| 6) Draw up research report          |                 | X        |

Second, forensic accounting is also of theoretical interest, given that the firms seeking to colonize this relatively new occupational field stem from two classic professions—law and accounting (Suddaby and Greenwood 2005; Von Nordenflycht 2010). Of particular relevance for our study is that the nature of each profession’s influence has changed over time (Grant Thornton 2013). Accounting firms have dominated the field since a successful colonization project in the 1990s (Suddaby and Greenwood 2005: 36). However, from the 2010s onward, a substantial number of forensic activities that used to be the exclusive domain of accounting firms have increasingly been taken over and implied by law firms (see Table 1). As a consequence, the definition of what ‘forensic accounting’ entails has been broadened beyond only investigating financial accounts. The activities that remain at the core of the accounting firms’ activities are: securing information, financial analysis, and digital analysis.

**Data collection**

In order to develop more insight into the ways PSFs seek legitimacy in colonization contests, we adopted
a qualitative research approach (Ritchie et al. 2013; Bryman 2012), which was based primarily on semi-structured interviews with accountants and lawyers from leading firms and supplemented by relevant media data and industry documents (see Table 2 for an overview). In other words, given that forensic accounting is a small niche market with a small number of key players, our interviews provide the core of the empirical research, and constitute our own primary source. We used secondary sources mainly to develop a more advanced understanding of the field of forensic accounting as our research context, and to enhance our ability to interpret and verify the interview data.

To find theoretically relevant respondents, we used the network of one of the authors, and engaged in ‘snowballing’ and purposive sampling (Ritchie et al. 2013). Within this process, we sought a mix of people who worked in the field of forensic accounting and were employed by accounting and law firms. We focused mainly on respondents at the higher levels (senior/partner levels) of these firms, as we expected that they would be particularly able to provide a good overview of the institutional field, to describe the different strategic positions of the various actors, and explain the use of different rhetorical devices over time. This search resulted in 12 respondents: 7 accountants or former accountants, 4 lawyers, and 1 forensic IT (Information Technology) specialist (see Table 3 for an overview). These respondents included a number of ‘founding fathers’ of forensic accounting in the Netherlands (>30 years of experience) and represented the different parties involved (Big 4, large law firm, boutique). The participants were well informed about the evolving dynamics in the markets, and their reputed expertise was recognized and confirmed by interviews in the Dutch financial newspaper, the Financieele Dagblad (FD). Almost all respondents have first-hand experience with inter-professional and inter-firm collaboration.

The in-depth interviews were held in the spring of 2017, and lasted 60 min on average. The main questions related to the following topics: the history of forensic accounting/research; descriptions of the main actors in the field; perceptions of the market,
institutional changes and pressures on the two professions, as well as responses to these changes; responses to the entrance of lawyers into the field; collaborative arrangements, competition, and exclusion; and future trends in the field. The transcripts were sent to the respondents to confirm their accuracy.

We supplemented our interview data with an in-depth analysis of a large number of relevant publications in a leading Dutch financial newspaper, FD, articles on the website accountant.nl, industry publications, and reports on the topic of forensic accounting. A key source was a comprehensive research report published by the accounting firm Grant Thornton (2013), a 114-page document that deals specifically with inter-professional interaction between accountants and lawyers in the field of forensic accounting. This research report was based on in-depth interviews with 34 forensic lawyers, and reported how the main representatives of the top law firms described their experiences with forensic accountants, as well as their views and appreciation of their work. There was some overlap between representatives of firms who participated in the research project, and seminars organized by Grant Thornton and the firms where our respondents work (or their colleagues). This enabled us to cross-check the opinions expressed by the various respondents or the opinions of their colleagues. For reasons of confidentiality, we cannot provide more details about the respondents, as the market of forensic accounting is small in the Netherlands (see Table 3).

The search in the newspaper database LexisNexis for additional FD articles was conducted using the keywords ‘forensic accounting’ and ‘forensic research’ resulted in 409 pages of articles containing detailed information on this specific market. From this initial search result, we made a selection (deleting small incidents), which resulted in 134 focused articles (249 pages) that dealt with the development of forensic accounting from the period 1994 to mid-2018. The content varied, including factual information, interviews

| #  | Organization | Type of organization                      | Function of respondent                                                                 | Educational background   | Years of experience |
|----|--------------|------------------------------------------|----------------------------------------------------------------------------------------|--------------------------|---------------------|
| R1 | A            | Mid-4                                    | Partner forensic accountant                                                            | Accounting               | >30                 |
| R2 | B            | Authority for Financial Markets           | Forensic specialist/accountant                                                          | ICT                      | >15                 |
| R3 | C            | Big 4                                    | Partner forensic accountant                                                            | Accounting               | >10                 |
| R4 | D            | Multinational energy firm                 | Head of internal auditing, forensic accountant, large firm                            | Accounting and law       | >20                 |
| R5 | E            | Big 4                                    | Partner forensic accountant                                                            | Accounting               | >30                 |
| R6 | F            | Business School, department of accounting | Associate professor, forensic accountant                                              | Accounting               | >20                 |
| R7 | G            | Big 4                                    | Partner forensic accountant                                                            | Accounting               | >30                 |
| R8 | H            | Boutique law firm, specialist in forensic investigation | Partner lawyer                                                                      | Law                      | >30                 |
| R9 | i            | Large law firm                           | Partner lawyer and professor                                                          | Law                      | >20                 |
| R10 | J          | Large law firm                           | Partner lawyer                                                                       | Law                      | >30                 |
| R11 | K          | Large law firm                           | Associate partner                                                                    | Law                      | >20                 |
| R12 | M          | Large law firm                           | Partner lawyer                                                                       | Law                      | >20                 |

aRespondent mentioned, quoted, or interviewed in FD.
bFirm involved in the Grant Thornton research project.
cRespondent involved in the Grant Thornton research project.
with key players, background articles about the development of the forensic accounting market, and reconstructions of large cases of violation of integrity norms (such as a former mayor of Rotterdam and the Dutch railways) or cases of fraud (Ahold and Imtech). In general, the length of the newspaper articles ranged from half a page to in-depth journalistic investigations of three pages. These supplementary newspaper articles not only provided us with an additional opportunity to check the statements in the interviews, but also yielded important historical background on the evolving field dynamics, thus deepening our understanding of the interviewees’ views (see Supplementary Appendix A1).

Data analysis
Our analysis of the interviews and the supplementary secondary documents focused primarily on the way respondents perceived their firms’ use of different rhetorical devices in relation to the dynamics of the forensic accounting field. As pointed out in the section on data collection, the transcripts constitute the core of our empirical research and were supplemented by our analysis of the secondary sources (see for examples: Accountant, 2007, 2012, 2013, 2016, 2017, 2018a, 2018b; Advocatenblad, 2013, Advocatie, 2017). We had different coding phases (Babbie 2007) to categorize and compare the empirical material. First, the transcripts, the Grant Thornton report, and the publications in the professional journals were read carefully and coded manually, to get a sense of the data and to develop a chronological narrative of the main perceived stages and related events in the evolution of the forensic accounting field. A central element in this narrative involved the realized and expected shifts in the power position between accounting firms and law firms, during the stages following a successful colonization project by accounting firms in the 1990s. Second, we began open-coding these slices of data with Atlas-ti. We coded the different ways in which the members from different firms (accountants, lawyers, other specialists) perceived the current forensic accounting market, its origins, competition, collaboration, trends, and future developments. We accomplished this by coding and comparing more specific sections of our material that described the following topics: commercial drivers, institutional pressures (regulations, certification, forms of quality assurance), ethical issues and dilemmas, boundaries between professions/jurisdictions, and institutionalization and legitimacy of professions. The articles published in the FD (starting from 1994) supplemented our dataset and were coded to supplement our knowledge on two main issues: the historical background and evolution of the field, as well as the most current dilemmas and issues at stake.

Third, to better understand the key actors’ positions and to determine whether the actions were justified, we interpreted the coded fragments in terms of the five rhetorical devices identified by Suddaby and Greenwood (2005): historical, cosmological, teleological, ontological, and value-based (see Table 4), and linked them to the relevant institutional actors. By constantly comparing the data with the theory, we moved from more descriptive codes to more abstract ones, thereby revealing how the rhetorical devices are related to different perceived stages in the evolving field dynamics. We also suggest different desired outcomes in terms of competition and collaboration.

Finally, we critically evaluated the emerging model by referring back to the empirical fragments and constantly comparing and contrasting accountants’ descriptions with those of lawyers, of the forensic accounting field. Ultimately, this process of constant comparison resulted in a framework of the various rhetorical devices used by accounting firms and law firms to legitimate their preferred strategic positions in a common market. As such, the framework indicates how these devices are aimed at different outcomes and relate to different perceived stages in the evolving field dynamics.

FINDINGS
When analyzing colonization processes in the field of forensic accounting, we found five types of rhetorical device (Suddaby and Greenwood 2005), and examined how they relate to enhancing collaboration or competition (see Table 5). The analysis also revealed how the different types of rhetoric were associated with different analytical stages in the evolving field: (1) a pioneering stage referring to the onset of forensic accounting, a period in which accounting firms colonized and proceeded to dominate the field; (2) a stage of which we dub shifting panels, highlighting a period of change in the power balance in favor of law firms; and (3) a stage of truce, emphasizing the
persistence or change in current practices and position in the forensic accounting field.

In the following sections, we explain and illustrate how these devices play a role in colonization contests, and in particular their main aims, primary users, and the way they relate to different stages.

**COLLABORATION**

Our analysis revealed that the rhetoric used by institutional actors to promote collaboration were primarily historical and cosmological, with teleological rhetoric used by lawyers only. In discussing the main types of rhetoric used to promote collaboration, we also explore the salience among the main users and the way this is associated with different stages in the evolving forensic accounting field.

**Historical rhetoric**

We found that members of accounting firms draw on historical rhetoric to justify their pivotal role in what they see as a relatively new domain of forensic investigation. In using these types of rhetoric, accountants seek to glorify their unique position and indispensability by emphasizing: (1) their direct involvement in establishing and institutionalizing the field and (2) the complementary role of other professions and their firms.

First, interviewees refer to early developments in the market for forensic accounting to highlight the heroic role played by accounting firms in establishing of this new, specialized field, and emphasize the relative long-term and widespread recognition of their expertise. This is well demonstrated by how one of the founding fathers, working a Big 4

| Rhetorical devices | Indicators                                                                 | Exemplary quotes from the data |
|--------------------|---------------------------------------------------------------------------|--------------------------------|
| Historical         | • Tradition<br>• Evolving slowly<br>• Referring to historical figures and the origin of phenomenon<br>• Resisting radical change | ‘A number of commissions of which, ten years ago, we were sure that we (the Big 4) would do are now being done by law firms’. (accountant, R5) |
| Cosmological       | • Control falls outside the sphere of those affected by it<br>• Vague forces (‘client demand’ or ‘globalization’)<br>• Deterministic | ‘I think it will be more and more focused on data analysis and data-driven evidence gathering. Because that’s just simply the direction we are all heading in’. (accountant, R5) |
| Teleological        | • Focus on a divine purpose or final course, part of ‘grand plan’ or ‘ultimate objective’<br>• Support for radical and discontinuous changes<br>• Agency | ‘(…) That was of course very clever what the accountants did, they were the first, and developed a new specialism for which there was a need, and they developed this further’. (lawyer, R10) |
| Ontological         | • Logical reasoning<br>• Statement cannot be simultaneously true or false<br>• Incompatible attributes or categories<br>• Mutual exclusivity | ‘I don’t think as a regular lawyer you necessary want to do forensic research for your client; you must always consider if your independence is in jeopardy, or you might give the appearance of a conflict of interest’. (partner forensic boutique, FD, #117, 2015) |
| Value-based         | • Emphasis on values, based on a ‘normative authority drawn from wider belief systems’<br>• Issues such as ‘good’ or ‘evil’ with regard to a proposed change | ‘(…) what is abuse of private privilege? Delegate the assignment to an accountant and as a lawyer don’t do anything. Privilege is then only used in order not to disclose the report’. (lawyer, Grant Thornton, 2013: 42) |
accounting firm, explicitly referred to this period as special and epic:

’Soo, the accounting market was filling up with forensic accountants. And during those first seven years of our existence, between 1993 and 2000, everything was great and wonderful, and they talked about us in all the newspapers. It was actually a very cool story about a new type of business, about boring gray men in suits who changed into accountants on an adventure. We sometimes said: ‘If Organization A is the army, then we are the special forces.’ That was how we felt’ (R5, accountant).

By reference to these early stages, professionals from accounting firms were not only considered ‘special forces’, but also regarded as pioneers,

| Stages | Pioneering | Shifting panels | Truce |
|--------|------------|-----------------|-------|
| Key actors | Accounting firms | Historical | Cosmological | Ontological | Teleological |
|          | (collaboration) | (competition) | (competition) | (competition) |
|          | → Accounting firms are the pioneers of the forensic market; they played a heroic role in the establishment of the field, and have always been indispensable in the forensic work | → Various developments have undermined accounting firms’ position and have increased their dependence on law firms | → In current forensic projects, law firms are less independent and have more conflicting interests compared with accounting firms | → Accounting firms’ investments in digitalization and forensic IT tools constitute an important basis for new business opportunities in the forensic market, and allow for reclaiming jurisdiction |
|          | Law firms | Historical | Cosmological | Ontological |
|          | (collaboration) | (collaboration) | (competition) |
|          | → Law firms played a minor and reactive role during a pioneering stage, mainly forwarding and outsourcing forensic work to accountants | → Due to changing client demands, culture, and regulations, law firms have taken a leading position in forensic projects and are entitled to delegate part of the work to specialist accountants | → The current practice of law firms may undermine fair competition in the forensic market with accounting firms, and may obstruct fact-finding in forensic projects |
|          | Law firms | Teleological |
|          | (collaboration) |
|          | → Law firms are best positioned to serve contemporary client needs in forensic work, and to take the lead in coordinating the project work between lawyers and accountants |
developing a new commercial market from scratch. In the print media publications, we also found examples of how, in the pioneering stages, accounting firms sought to develop a market for ‘forensic accounting’ by taking advantage of a latent fear among businesspeople that criminals might otherwise gain a foothold in the business community. Accounting firms had an interest in frightening companies about dangerous elements. However, as stated by one of the pioneers and partners of the forensic accounting department of KPMG: ‘That does not mean this issue does not exist. It is much closer to reality than most of us think’.

In developing this new market, the founding fathers emphasized that they needed to deal with a lot of resistance in establishing legitimate working processes for professional accountants. Unsurprisingly, the pioneering stage is generally characterized by many lawsuits against accounting firms offering forensic accounting. These firms were strongly criticized for a lack of methodological rigor of their services (for instance, a failure to apply the rule of *Audi alteram partem*, to interrogate different sides of a conflict) as well as the interrogation practices (for instance, hiring former policemen to interrogate respondents suspected of fraud). One journalist, describing the history of forensic accounting, suggests that the difficulties in the pioneering stage led to more rules and regulations from the accounting profession:

‘This cowboy phase is now over, partly due to new rules for forensic accountants’. (FD, #124, 2017)

Second, accounting firms also use historical rhetoric to emphasize that they had already established successful collaborative relationships with law firms as during the pioneering stage. In this respect, the role of law firms is seen as complementary, and generally positioned as more subdued, passive, and sometimes reactive. Even though accountants may be hired by the lawyer of a client, the forensic accounting work is traditionally considered as the exclusive domain of forensic accountants. As one accountant recalls:

‘There were often lawyers involved, and that makes sense. They had a different role to that of researchers (forensic accountants). They were more like a main contractor: the person who translates a difficult, technical question into something the researcher could work with’. (R1, accountant)

Lawyers also draw on historical rhetoric, albeit in a less salient way, as they acknowledge the traditionally dominant position of accountants and Big 4 accounting firms during the pioneering stage. One lawyer phrased this as follows:

‘As a lawyer, twenty years ago, you were mainly reactive. You were called by your client only when the authorities were already acting repressively and penalizing your client due to some incident’. (R11, lawyer)

At the same time, historical rhetoric is drawn upon by law firms to distance themselves from accounting firm dominance in this field, for instance by considering this position as something that went ‘out of sync’ with the legislation that was established in the past (hard cut between audit and advice).

‘Look, in the past when a scandal occurred, then everyone would call his internal auditor. And this auditor would call his external auditor, one of the Big 4. And the Big 4 firm would send its own forensic accountants. This is no longer possible, due to regulatory rules that were introduced afterwards’. (R8, lawyer)

In sum, the findings indicate that historical rhetoric is used as a means of acknowledging and promoting collaboration between accounting firms and law firms in forensic work. Primarily referring to a pioneering stage in the evolving forensic accounting field, this rhetoric depicts accounting firms as the first to develop this new market, while at the same time recognizing the long-standing and complementary role of law firms. However, whereas accountants tend to glorify these pioneering and entrepreneurial years, lawyers use historical rhetoric to justify their collaboration with accounting firms, while at the same time defining their role as crucial, given the scandals associated with accounting firms in the early stages of development of the field.
Cosmological rhetoric

Cosmological rhetoric involves references to external factors that actors cannot influence, but which are considered to impact on their ability to act. In relation to cosmological rhetoric, we found that accounting firms explain and justify their role in the field, and discovered how they relate to other actors. Primarily by reference to a perceived stage that can be dubbed as ‘shifting panels’, cosmological rhetoric is used to construct the position of accounting firms after the pioneering years and in particular in terms of (1) their increased dependency on law firms and (2) their strong position with regard to specialized aspects of forensic accounting.

First, accountants deploy cosmological rhetoric to explain how various developments beyond their control (e.g. changing regulatory environment, financial crisis, or increased institutional pressures from peers) undermine their position and increase their dependence on lawyers. For instance, accountants complained that, after the pioneering stage, a number of American and British international law firms with large international networks entered the Dutch market and opened up offices in Amsterdam. In addition, accountants refer to changes in USA and EU regulations, as well as guidelines from their own professional association, to explain how their hands are tied in various important ways. Overall, accountants refer to a stage of ‘shifting panels’ in order to emphasize the changing position of accounting firms vis-à-vis law firms. One accountant perceived the development of clients tending to prefer lawyers as their trusted advisor, as something one could do little about:

‘As far as communication is concerned, it’s always a little easier for lawyers. After all, if you are the big boss of a large organization and you’re faced with a problem in one of the subsidiaries somewhere in South America or wherever, you have to ask yourself who to call first: your accountant or your lawyer? In many cases, people will decide on their lawyer. As a result, the lawyer often has the front seat when it comes to communication.’ (R5, accountant)

Second, to legitimate their distinctive position in the market, accountants present their association with new developments as an important asset that complements the typical skills of other actors in the field. For instance, accountants draw on cosmological rhetoric to show their mastery of developments related to digitalization.

‘Digitalization has strengthened our position, because it’s more in our nature, since we have to work with technology in our regular auditing work. The digital technology feels more comfortable to us than to lawyers. They don’t need it. We need to be able to read all digital information present within a firm’. (R5, accountant)

Also, accountants legitimize their position by associating their firms with globalization and the internationalization of their corporate clientele. They particularly emphasize that the changing needs of international clients have compelled them to expand internationally, and as a result, the Big 4 accounting firms have developed a large international network, which makes international forensic research manageable when forensic accountants are involved in projects:

‘Many of these files pertain to cross-border activities. And although there will be more tightly-organized law firms, we’ll have a tight international network no matter what’. (R7, accountant)

Our data indicated that law firms also draw on cosmological rhetoric, thereby primarily referring to a stage following the pioneering years. However, in the use of cosmological rhetoric, law firms connected this stage of ‘shifting panels’ to (1) increased client demands for their specific services, (2) the increased influence of American litigation culture, and (3) the stronger need to remain connected to accountants. First, drawing on cosmological rhetoric, lawyers legitimize their position in the market by referring to the fact that they are drawn into forensic accounting by changing client demands, in particular by increased requests for help from high-level managers. As one of the lawyers explained:

‘Society’s call for moral and ethical ways of conducting business—corporate social
responsibility—is becoming ever louder. That call, the urgency among clients to operate with integrity is clearly important. At the same time, I have the impression that the authorities, for various reasons—capacity, money, complexity, and let’s not forget scope—are increasingly relying on internal research’. (R11, lawyer)

Second, our interviewees justified their position by noting how, after the establishment of the field, lawyers in forensic accounting became more attractive through an increased awareness of the value of forensic accounting for a company’s reputation. This was strengthened by entry of American litigation culture into the Dutch corporate world, where organizations aim to reach an out-of-court financial settlement between the different parties involved.

‘(...) I think that our system is often very strongly influenced by the American way of doing things when it comes to integrity problems and financial criminal law. It’s the way we look at it, and the methods of the investigative authorities, and certainly the way in which we assist our clients. It is becoming increasingly American’. (R9, lawyer)

Our data indicate that the interviewed lawyers’ use of cosmological rhetoric was associated with a period characterized by the entrance of American and British law firms into their affiliated networks, as these firms already had forensic experience in this field for 10–15 years. For instance, one informant explained that one Dutch law firm in particular provided an important ‘opening wedge’ to other law firms in promoting a more proactive approach to legitimizing their position in the forensic accounting market:

‘We became more proactive, which meant that when you receive a signal that something is wrong, you start to do your own research and ask what could have happened there’. (R11, lawyer)

Third, cosmological rhetoric is also deployed to show the general desire of lawyers to stay connected to accountants, which is often driven by client demands about the way forensic accounting is organized. Our findings indicate that, in spite of a period of changing demands, the signature of accountants is still highly valued by the different parties. Lawyers also position and justify themselves as being connected to accountants because of the latter’s strong reputation forensic accounting work—especially the Big 4 accounting firms. This positive image is associated with their specific methods and independence. For instance, one of the lawyers explained that he often opts for one of the Big 4 accounting firms based on the following considerations:

‘I will look into what kind of work the accounting firm has done before, in order to know what to expect. We focus on large cases, where money is not an issue, and then you go for the top. You want a good firm with people you can engage with, who know how it works. I am looking for someone who fits with me, who is credible and trustworthy’. (lawyer, Grant Thornton, 2013: 33)

Overall, the findings show that both accounting and law firms seek to legitimize their roles in the field as well, as their relationship to each other by drawing on cosmological rhetoric. They do so primarily by referring to a perceived stage of ‘shifting panels’ in the evolving forensic accounting market. This involve major developments in the relevant environment of this field, such as increased regulatory pressures, internationalization, digitalization, changing culture, and shifting client demands. In relation to these developments accounting firms follow an associating strategy; in using cosmological rhetoric, they refer mainly to developments in digitalization and globalization to emphasize their unique and complementary skills, thereby emphasizing their continued value in large projects in which lawyers are in the lead. Law firms follow a stratification strategy, primarily referring to a stage marking major developments in clients’ needs. Cosmological rhetoric is used to justify the need for collaboration with accounting firms, while at the same time presenting law firms as the legitimate leaders in forensic accounting projects, and as entitled to delegate part of the work to others.
Teleological rhetoric

Drawing on teleological rhetoric, law firms tend to promote inter-professional collaboration while presenting themselves as the legitimate leader in the market for forensic accounting, primarily by referring to their significant role in current forensic accounting as (1) the main client contact and (2) the coordinator of work between different professions and firms.

First, our analysis revealed that in using teleological rhetoric, law firms present themselves as the professionals that are best positioned to develop close relationships with their clients at the highest level, not least because of their assumed ability to better understand client needs. For example, one of the lawyer interviewees views the way their product is perceived by the current clientele as follows:

‘Generally, a client will say: ‘I will never need you. Your area of expertise isn’t my area, after all. Me and fraud? No way!’ So, you must get into people’s heads somehow, without confronting them with the fact that they may actually have to deal with something like that in the future’. (R11, lawyer)

Second, law firms also use teleological rhetoric to refer to and legitimize their current leading position in coordinating forensic accounting work. This primarily involves highlighting and promoting the present situation of ‘truce’ as one in which lawyers and accountants are able to complement each other. Lawyers appreciate the particular elements that accountants currently bring to the collaboration, such as their independence and their impartial, critical, and scientific approach. They emphasize the desire to continue working together with accounting firms. One lawyer expresses this desire to continue the present situation as follows:

‘I don’t think we’re really competing or in each other’s way. I’m sure there is some overlap, and sometimes we take on a job that was previously done by accountants, or the other way around. But I do feel that we offer two totally different services. We mostly complement each other and should work together as much as possible’. (R11, lawyer)

At the same time, law firms also emphasize their current leading position in much of contemporary forensic accounting work; they can decide how much work to delegate to forensic accountants, if at all. For instance, one of the partners of a law firm explains in a newspaper article:

‘The area of expertise is under development. There is a need to take the judiciary expertise on board right from the start of the forensic accounting research. In this way, an optimal research team is created’ (partner, FD, # 117, 2015)

Despite its assumed merits, collaboration in the current stage of truce is also considered very sensitive, as lawyers would like to delegate as little as possible. They only delegate to forensic accountants when they lack the necessary knowledge, need the certainty provided by of a renowned name, or when they need independent and impartial research:

‘We do a lot ourselves and have all kinds of software at our disposal to search all kinds of data. In the case of financial specialization, then our specialisms cease and the forensic accountant provides added value because he looks at it from a different angle’. (lawyer, Grant Thornton, 2013: 35)

In their use of teleological rhetoric, law firms primarily refer to the current stage of truce in forming the way they relate to the accountants in contemporary forensic accounting work. As such, this rhetoric contributes to promoting collaboration with accountants, while at the same time positioning law firms as crucial in understanding client needs and as the trusted advisors of the present top of the corporate community. The lawyers confident and in charge, working with other actors only when really necessary.

**COMPETITION**

Our findings indicate that, in promoting competition within colonization processes, mainly accounting
firms draw on teleological rhetoric. At the same time, we found that both groups use ontological and value-based rhetoric, albeit in a more or less salient manner. We will elaborate on these findings and give examples in the following paragraphs.

Teleological rhetoric
We found that accounting firm use of teleological rhetoric is strongly related to the way they promote their substantial investments in IT skills and data analytics resources. This enables them to realize a grand ‘divine’ plan of attracting new clients and thereby reclaiming jurisdictional space at a possible future stage of truce. As such, they seek to contest with others by referring to the significance of various developments for the future of forensic accounting and presenting themselves as experts in relation to these developments. For instance, informants present an accounting firm as working at the forefront of digital developments, and themselves as professionals with access to the appropriate tools for effectively collecting, safeguarding, and analyzing information in the future:

‘Data. Data, data, data. The whole world is changing, and so are the data. Therefore, the way in which you look for evidence . . . as a resource, but also what a fraudster could do with it . . . you try to follow that digital development’. (R3, accountant)

For accounting firms, the focus on digitalization is considered important in developing and offering new forensic services, which would make them less dependent on collaboration with lawyers during a forthcoming stage in the evolving field. These developments include using IT tools to screen companies at different levels and to detect their weak spots that are vulnerable to fraud. The accountant informants regard most business opportunities as resulting from the increased demand for digitalized forensic accounting processes in a future stage. One of the accountants stated it as follows:

‘We are becoming more and more reliable, we call each other to account more and more. So that’s growing. But an entirely different market in addition to that, which is actually much larger, consists of: ‘What can we do to prevent that kind of trouble? What can we do and what basic understanding, knowledge, and skills do we need?’ Technology plays a major and we use it of course. So, we’re advancing the agenda a bit ourselves, too. Because we know that this is how we can distinguish ourselves from others’. (R5, accountant)

In short, our findings show that both actors use teleological rhetoric to legitimize their endeavors to accomplish a ‘grand master plan’. However, whereas law firms draw on teleological rhetoric, emphasizing the current truce, to promote collaboration, accounting firms use teleological rhetoric to refer to a future, expected truce primarily to stimulate competition. By emphasizing their large investments in data analytics, accounting firms not only seek to distinguish themselves from law firms, but also to refer to the future development of new markets in which lawyers do not have a role to play. This should create an opportunity to reclaim jurisdiction in relation to an expected stage of truce.

Ontological rhetoric
We found that ontological rhetoric—referring to instances which cannot be true and false at the same time—is used mainly by accounting firms to highlight at least two controversial issues in the position of law firms in relation to the present truce in evolving forensic accounting market. First, accounting firms draw on ontological rhetoric to stress that, because of the specific nature of their profession, lawyers currently cannot operate completely independently; it is a lawyer’s professional duty to always advance the client’s interests. In this manner, accounting firms use this rhetorical form as a means of highlighting vital difficulties in the present stage of truce, thereby attempting to delegitimize the position of the lawyers in the forensic accounting market:

‘An investigation by a lawyer is per definition less independent than a forensic one by an accountant. And of course, I also know who pays the accountant and who pays the lawyer, but the lawyer has a natural tendency to have his master’s voice, the voice of the client. Because
his main task is to serve the client’s interests. Conversely, the accountant has independence in his genes. And with that, he has a more independent role vis-à-vis his client (…) this difference as a starting point is relevant the moment a third party needs to trust the forensic report’. (R7, accountant)

Second, accounting firms also use ontological rhetoric to refer to cases in which a law firm should not have been allowed to represent the same client. This is often connected to a recent situation that occurred in the current stage of truce. The reputation of one of the large Dutch law firms was severely damaged, because they were not critical enough in their forensic report for a large client, for whom they also provided legal services. In relation to this issue, one accountant said that the issue attracted the attention of NoVA (the Netherlands Bar, the professional organization of the legal profession): ‘The Netherlands Bar does not know what to do about it and is currently investigating the matter’ (R1, accountant).

Law firm use of ontological rhetoric is less salient, and concentrates on defending their present position in the evolving field. Lawyers display a general awareness of the complexity of combining independent forensic financial researcher and lawyer roles. In the present truce, accounting firms are no longer allowed to provide auditing and consulting services for the same client, due to EU and national regulations. We found that even lawyers are very critical of their current role in relation to doing forensic research for their own clients:

‘Given the lawyers’ lack of independence and experience, it would be better if they did less research themselves. Otherwise, they fall into the same traps as forensic accountants 15 years ago’. (lawyer, Grant Thornton, 2013: 36)

At the same time, lawyers also justify their current position by emphasizing that no problems can be expected, given their code of professional conduct, provided one makes the right arrangements in specific cases:

‘I personally believe—and it’s what we do, too—that a lawyer is not only a representative party but can also do independent research. It’s just a matter of making the right agreements with your client. We arrange with our clients that we will conduct independent research and that our client will not be able to influence our research method or results’. (R8, lawyer)

Institutional actor use of ontological rhetoric refers essentially to conflicting interests in a current stage of truce, particularly when lawyers provide various services to a single client. However, whereas law firms draw on ontological rhetoric to downplay the possible issues, accounting firms use this rhetoric primarily to contest law firm legitimacy, by moralizing and undermining the other actor’s position in the forensic accounting market. This thereby enhances potential to criticize the current stage of the evolving field.

Value-based rhetoric
Our analysis indicated that value-based rhetoric—related to ethical considerations—is primarily associated with the current stage of truce and the desire of accounting firms to contest the present practices of other actors in the field. In particular, they use this rhetoric to criticize the current legal privilege of lawyers (giving an accused party the opportunity to speak freely and in an open manner with his/her lawyer) and the potential implications for (1) market competition and (2) the performance of forensic accounting services.

First, we found that the present use of legal privilege is presented as hindering an equal playing field in a current stage of truce between accounting firms and law firms. In particular, accountants argue that they do not have legal privilege and, through drawing on value-based rhetoric, they criticize the way lawyers actually use their privilege as a marketing tool to attract clients, which is significantly at odds with its original purpose.

Second, accounting firms also use value-based rhetoric in seeking to delegitimize law firms by emphasizing that, in the current stage of the forensic accounting field, the practices associated with legal privilege significantly hinder fact-finding. One informant emphasized that the present practices of law
firms probably results in withholding ‘the truth’ from the general public:

‘If legal privilege serves the purpose of finding the truth, then it’s excellent. But if it is used to evade justice, avoid the truth, to ignore the facts (…)’ (R1, accountant)

He continues:

‘That whole idea of legal privilege—I’m so fed up with it! Lawyers conducting research that the accountant is ultimately unable to use for his or her basic operations. . . An accountant should be able to convince the client straight away. Many of these internal investigations (by lawyers) raise questions like: What exactly happened? What went wrong? And what measures have been taken by the client to protect the organization? An internal investigation doesn’t qualify the answers to these questions. So, if you want to keep secrets, fine. But then you need a different kind of research. And the client won’t be happy with two expensive investigations. So, legal privilege is often not a valid argument’. (R1, accountant)

Our findings indicate that law firms also tend to refer to value-based rhetoric to (1) stress the current need for legal privilege and (2) explain how this is employed reflectively in forensic accounting work. First, we found that law firms use value-based rhetoric to emphasize that legal privilege is related to the contemporary client needs and interests. The main advantage of legal privilege is that the client has more control over what kind of information from the investigation is made available and at what time, if any and if ever. Overall, most lawyers want to use legal privilege to determine which results of the research will be made public: ‘We will not use it when it works against the client’ (lawyer, Grant Thornton: 41).

‘Legal privilege is essential for lawyers. And any business will select a lawyer to be in charge as long as legal privilege exists’. (R8, lawyer)

In the present situation in the field, the lawyer in charge will argue in favor of the using of legal privilege for the entire investigation, including anything done by accountants (under derived legal privilege) in the case of subcontracting that work.

Second, given the value-based issues related to legal privilege, lawyers stress the need to use it reflectively in their forensic accounting work. In particular, its use is seen as depending on the answers to questions such as: What is at stake? Who is the main client? How are the parties under scrutiny indirectly affected? For instance, the use of legal privilege is not appreciated by judges in the case of research into governmental agencies or into semi-governmental bodies:

‘One cannot always afford to rely upon legal privilege. We often do research under derived legal privilege, but we agree with the authorities not use it towards them. One always has the choice to lift legal privilege’. (lawyer, Grant Thornton: 41)

In summary, our findings indicate that accounting firms’ use of value-based rhetoric is aimed mainly at contesting current practices of law firms, particularly by moralizing to these firms for not behaving with integrity in the manner they sell legal privilege to their clients. This form of competition is primarily related to the present stage of truce, and deployed the potential to reclaim jurisdiction. Although the issue of legal privilege may be associated with undermining their legitimate position in the field, accountants continue using ‘derived legal privilege’ for pragmatic and commercial reasons. However, they remain critical, as they arguing that forensic accounting is generally conducted best under the conditions of independence, openness, and transparency.

DISCUSSION AND CONCLUSION
Using a rhetorical perspective on legitimacy, this study set out to explore how colonization efforts by large conglomerate PSFs may be contested. This emanates from the need to develop a more advanced conceptualization of what colonization entails, and in particular how and why these processes may occur in relation to PSFs. We focused on the relatively new field of forensic accounting, as it is characterized by
ongoing colonization contests by both accounting and law firms. Therefore, our research question was: How are rhetorical devices employed by different actors (in this case, accounting and law firms) in order to maintain or expand their legitimacy in the forensic accounting market? Our analysis shows how, through the use of the rhetorical devices, these institutional actors simultaneously pursue different strategic positions related to competition and collaboration, and connect to distinct stages in the evolving field dynamics. As such, our study contributes to the prior PSF literature by enhancing our understanding (1) of the desired outcomes and (2) of the dynamics within the primary means associated with colonization contests.

First, the extant PSF literature tends to consider colonization primarily as a one-directional process which contributes to the further expansion of scale and scope of Big 4 accounting firms. Based mainly on analyses of successful colonization projects of accounting firms, theorists have sought to explain the main drivers underlying these firms’ achievements in expanding to adjacent jurisdictions such as law, tax, management consultancy, and forensic accounting (Gardner, Anand and Morris 2008; Empson, Muzio and Broschak 2015). Prior studies have emphasized that, in colonizing new jurisdictional spaces, large conglomerate PSFs primarily aim to gain legitimacy as a dominant actor in a field (Suddaby and Greenwood 2001; Covaleski, Dirsmith and Rittenberg 2003; Malsch and Gendron 2013). However, rather than seeing the ‘encroachment’ or dominance of new fields by these conglomerate PSFs as an end point, our analysis of accountant and lawyer use of different rhetoric in the forensic accounting market suggest a more open-ended view of colonization contests in which the initial dominance in a field may be challenged successfully by other institutional actors who simultaneously promote interfirm collaboration. Thus, in contrast to much of the prior work, this study shows how a colonization contest is associated with simultaneous collaboration and competition as desired aims.

In particular, our analysis revealed that in the field of forensic accounting, both accounting and law firms signal a desire to collaborate. This is particularly apparent in their use of historical and cosmological rhetoric, through which they relate to a pioneering stage and to a period of shifting panels in order to emphasize their complementary roles in the market. Moreover, law firms also use teleological rhetoric to promote collaboration with accountants, while simultaneously positioning themselves as the leading actor in the field. Our analysis also showed how the same actors use rhetoric that is aimed downgrading the competition. For instance, to delegitimize the position of law firms, accountants used ontological and value-based rhetoric to emphasize various controversial issues, such as the way legal privilege was marketed by law firms and the fact that lawyers combined conflicting professional roles. In addition, accountant use of teleological rhetoric signaled a desire to limit their future dependence on law firms, thereby contesting the current status quo. In sum, rather than a primary desire for dominance as the main aim in colonization contests, this dual approach of collaboration and competition, adopted by both accounting and law firms, provides a deeper and more nuanced analysis of complex maneuvering by two institutional actors, both seeking a legitimate position in an evolving field.

Second, prior literature on colonization by PSFs has emphasized the crucial role of gaining legitimacy in successful colonization projects (e.g. Suddaby and Greenwood 2001). Focusing mainly on early stages in the colonization process, studies have revealed how gaining legitimacy in a new field is related to capitalizing on positions and practices outside this field, and de-legitimizing potential competitors in the field (e.g. Reed 1996; Lawrence 2004; Gardner, Anand and Morris 2008; Malsch and Gendron 2013). Our study provides new insights into the primary means underlying gaining legitimacy by showing how, in colonization contests, legitimating jurisdictional claims relates to evolving field dynamics. In particular, in our analysis of the data, we found how the different types of rhetoric used by accounting and law firms were associated with different perceived stages in the new field’s evolution. The salience of specific actors’ interpretations of these perceived stages indicates that not only positions in other fields (e.g. Lawrence 2004; Gardner, Anand and Morris 2008), but also the evolution of a new field provides important resources for legitimacy-building efforts in colonization contests. Moreover, we found that efforts to de-legitimize others were
mainly initiated by accounting in order firms to undermine the dominant position of law firms.

In particular, our findings show how, in their use of cosmological rhetoric, law firms mainly refer to a stage of shifting panels which enables highlighting developments such as changes in client demand and regulation that were favorable to them and unfavorable to the accounting firms. In a similar way, law firms draw on teleological rhetoric to refer to extant practices in a current stage of truce, which provides crucial opportunities to emphasize and claim their leading position in forensic accounting, and the subordinate role of accountants. By referring to the present stage in the evolving field, law firms particularly emphasized their current potential to develop trusted relationships with clients at the right level, and link this to a larger plan of obtaining a leading and coordinating position in the forensic accounting market.

Accounting firms, in turn, also draw on teleological rhetoric but in relation to an expected truce. This future stage of truce is considered to be realizable through their major investments in IT, and is expected to create an opportunity for accountants to reclaim jurisdiction in the forensic accounting market. Moreover, accountants also seek to contest the leading position of law firms in the market by using ontological and value-based rhetoric, particularly in relation to the present truce. As suggested by Suddaby and Greenwood (2005), the unsatisfied party will most likely criticize the intruder, or, in the case of forensic accounting, accounting firms tend to criticize law firms as the relatively new incumbents. They do so by moralizing the current position and practices of law firms (by using ontological and value-based rhetoric). Finally, by referring to a pioneering stage, accountants use historical rhetoric to present themselves as indispensable to the field of forensic accounting, and as closely associated with lawyers, primarily to continue receiving assignments from law firms. Thus, overall, the findings demonstrate the significance of developing a more dynamic conceptualization of colonization as a process that both shapes and is shaped by the evolving field dynamics.

Limitations and future directions
Our research has a number of limitations, thus opening up various complementary research avenues. For example, the concept of legal privilege is worthy of greater academic attention, in particular how accountants working on behalf of lawyers draw on derived legal privilege.

Moreover, it would be of particular interest to further examine to what extent and how law firms may experience the same kind of problems as the accountants during and following the pioneering years (cf. Suddaby and Greenwood 2005). Also, if this is the case, whether one can determine similar patterns in the evolution of lawyers working in the field of forensic accounting.

Furthermore, in the development of the analytical stages, we mainly drew on interview data which were complemented by various forms of secondary data (industry publications and medial publications). It would certainly be worthwhile to further analyze a possible sequence in the use of rhetorical forms in relation to the evolution of the field, by drawing on more real-time or process data. For instance, one could study how the intra-organizational dynamics of one particular firm relate to field dynamics (cf. Greenwood and Hinings, 1996).

It would also be interesting to investigate the number of accountants who leave the profession so as to operate more freely commercially, given that the accounting profession is perceived by some to be a straightjacket. Lastly, more research is also needed on the lobbying activities employed by the different professional associations, which aim to limit or even undermine legal advantages that provide one actor with important competitive advantages in the field of forensic accounting.

SUPPLEMENTARY DATA
Supplementary data is available at JPO online.

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