

# **Cultural Transitions: Organisational Change and its Impact in Culture**

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To  
*Manuel, Rosario and Tina*

*It is not having been in the dark tunnel,  
but having come out of it together,  
that counts.*

## Abstract

This thesis explores, from a cultural perspective, the organisational change process resulting from a string of take-overs within Blazehard, a tyre manufacturing company in Spain. It looks at the effects of these changes in the way people reconstruct the organisation and their role as its employees through the stories they share.

The first part of the thesis elaborates on the uses of culture as a conceptual tool for observing organisations and, especially, on the need to account for the complementary processes of continuity and change in social experience. The thesis proposes historical recollections, as cultural manifestations, as a vehicle that reproduces and challenges a cultural order through their reproduction and generation within that order. They articulate a space where the new and the uncertain can be made safe through their integration into the traditional and the known, thereby providing possibilities for permanence and security as well as for innovation.

The research combines different methods of data gathering - interviews, documents and group discussions - and of analysis - narratives and discourses to facilitate the exploration of both the commonalities and the diverse interests and perspectives existing among Blazehard employees. The exploration of the stories shows how they compose a collectively reproduced narrative that guides -and therefore constrains- employees' historical recollections. This referential narrative is the vehicle through which people reproduce but also challenge their cultural order in the organisation. As such, storytelling is presented as the constant process of reformulation that opens possibilities for individual development within the cultural constraints that the organisation imposes on its members.

The results suggest when people try to make sense of a change situation both turn to their own experiential resources and use the symbols that their cultural environment provides. It is in the tension between the two, that the conditions of fluidity and ambiguity required for a cultural transition can be created.

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## Introduction

This study has its roots in the reality of my own country. After more than 40 years as a ‘closed country’ Spain became a democracy, opened up, joined the European Union and entered the world economy. This change, known in Spain as ‘*la transicion*’ and considered by the majority as a gain, created nonetheless a tense situation in which the old arrangements of the dictatorship were no longer valid and new alternatives had to be found. This tension was noticed especially in my region, the Basque Country, traditionally one of the most economically developed regions in Spain but, at that point in time, dealing with high levels of unemployment after the restructuring of its heavy industry. As such, this transition meant, for many people, hopes for an economic recovery and a better future.

On the other hand, the region is also known for its high levels of socio-political awareness centred on the issue of national identity. From this vantage point of view, the opening up was seen by many as a threat to the local identity, a potential dissolution of the Basque cultural fabric. It was particularly threatening for sectors of a nationalistic movement that defines the Basque identity on the basis of the unique and distinct characteristics the region has - for instance the language - and therefore rejects anything ‘external’ that can threaten either by contact or mixture - that ‘uniqueness’. Of course, not everyone shares in this interpretation and, after almost two decades of struggle, the tension between opening up to other cultural and economic influences and what this might mean for the definition of being Basque is still present, unresolved and being constantly - and sometimes violently negotiated.

Clearly, the Basque transition is a much more complex affair than the sketch I have drawn above. However, what I found especially intriguing in it was how a change process – in this case the opening up to new influences – can present itself both as a possibility for exploration, learning and improvement and as a threat that renders meaningless and in need of repair the symbolic boundaries that demarcate the world as we know it.

The contours of this process can be seen nowadays in many other regions and communities. However, it is business organisations that have been, and still are, at the very centre of this kind of transition. Since its beginnings, industrialisation has drawn members from small communities into larger regional, national and international spheres, not only physically, but also symbolically through increased possibilities of communication and interchanges of information. In some cases, this move beyond the reach of the local community implies defying its tyranny and shuffling its constraints. But liberation from a small community also means losing its old protections. The tension between the two has the power to suck people out of their cosy, local niches and turn them into mobile actors in a world system. It is not a comfortable situation since in setting people 'free' it also leaves them more exposed.

The case that this thesis presents illustrates this process. Through the story of one company located in a specific local context at a specific point in time, the reader will be able to access change processes that are taking place in organisations all over the world. Indeed, many organisations have undergone similar tensions and transitions to those narrated here even if the dialectics between the local and the global, between opening up, reflecting and redefining boundaries manifest themselves somewhat differently every time. What the story of the organisation presented here provides is a case to explore in great detail, how these tensions are lived, perceived, reconstructed and rendered meaningful by those who are affected by, and who shape, them.

I have seen through the experience of my country that when these processes occur, the tradition-informed life that might not have been questioned before is stirred up. Indeed, people do not question the boundaries that define their cultural identity when they think of themselves as belonging to a whole. However, how do they act when a situation arises in which they have to reflect and assess the usefulness of their traditional ways of defining reality? Do they stand back from, and critically look at, what the traditional order has to offer? Do they turn to their own experiential resources to decide what they value, to organise their priorities and to make sense of their lives? Or is it our cultural environment that provides us with answers?

This thesis exposes how, even if people are able to decide on what they value and on how to organise their local environments, they are not fully autonomous. We speak as individuals only through being informed by all the sustained voices of external authority that give enough shape to our lives to enable us to act as identifiable subjects. Thus, at the end of the day and despite our ability to decide as individuals, we are cultural beings. And it is through the concept of culture that this thesis explores these tensions through the examination of a cultural transition occurring in a business organisation.

The thesis is divided into three parts. The first part contains two chapters dedicated to clarifying my theoretical position regarding cultural studies in organisations. The aim is to present the conceptual basis of the study, and to summarise the basic assumptions and arguments of earlier studies in the area to use them as a mirror for the empirical findings of the analysis. As such, the first chapter looks at the way organisational theory explores both organisations and culture through their more ideational and symbolic aspects. The chapter concentrates on the study of the mediation of the social life within the organisation through meanings. Meaning is taken here as the symbolism associated with specific activities and events through which people express and realise their outlook on and attitude towards, life. The implication throughout the thesis is that organisational reality is construed through and through; composed of collective interpretations of meanings and rules of interpretation – culture - that help people to orient themselves in their everyday lives.

However, in organisational literature the debate around culture is centred on two distinct but interrelated aspects: the degree to which organisational members shape the interpretative frameworks they share with their interventions, and the degree to which those frameworks are actually shared. Thus, culture is based on shared meanings. But can we talk about the culture of an organisation when we are confronted with the fragmentedness and meaninglessness that changing situations can provoke?

The second chapter tackles this issue, looking at how culture provides us with the potential to share a collectively reproduced interpretative framework - a way of looking at the world - but it rarely provides us with the full interpretations themselves, since these are dependent on personal experiences and expectations. It also addresses the question of how people make sense - personally and organisationally - of a change process. On the one hand, the cultural context in which we live provides us with the discursive strategies and therefore the continuity necessary to make sense of new circumstances. However, change brings with it the potential to disrupt, challenge and/or innovate that cultural context. The fact that challenges to an already existing narrative are possible implies that there are more inconsistencies, contradiction and fragmentation in these cultural frameworks that we share than is traditionally recognised. The thesis highlights how these two aspects, the culturally shared and the different interpretations, co-exist and contribute to the process of maintenance and innovation of the symbolic world of the organisation.

In my exploration of these types of processes, I have used the stories surrounding an organisational change programme that occurred in a business organisation in the field of car manufacturing: the firm Blazehard (pseudonym). In the second part of the thesis, chapter 3 deals with the methodological framework and the techniques (documents, in-depth interviews and group discussions) used to collect and reconstruct these stories. Chapter 4 explains how after almost 60 long years of Spanish ownership the company was bought and sold twice in increasingly 'internationalising' moves that brought about two organisational change programmes. Blazehard was selected as the object of study because its employees, as members of a working community with a long history and stable membership have developed an intense and common experiential world as a basis for a collective history and a shared outlook on the world. Its low personnel turnover allowed also for a group of respondents who were able to relate their experiences in stories that spanned through three decades and two take-overs.

On the other hand, a change in ownership had recently taken place twice in the organisation and different organisational change programs had been initiated with the primary objective of changing various corporate practices. A change of managing directors and owners had taken place and the structure of the organisation was changing together with the operational policies, in a way that had the potential to impact on the meaning that the employees attached to their known working world.

These two factors: i) the possibility to ascertain that a long history and common development had existed in the firm and ii) that an organisational change program had been carried out twice in the company made it very suitable as the object of study.

The third part of the thesis concerns the empirical results of the study and their discussion. The aim of these chapters is to show the story of Blazehard in the eyes of its employees and how the stories that compose this main narrative are part of a shared interpretative framework that is nevertheless produced and (re) produced on the basis of co-existing discursive strategies. Chapter 5 looks at how the organisation is interpreted and redefined by its members through their descriptions of the different periods the company went through. Chapter 6 demonstrates how the limits that the main narrative about Blazehard sets are not rigid, homogenous and static but rather permeable and based on two co-existing discursive strategies.

Finally, in chapter 7 the findings of the study are further considered in the light of the prior theoretical discussions. The findings are also discussed in a larger metacultural context and some suggestions for further research are made.

The aim of this study is to contribute to a more processual understanding of culture than what has been so far the norm in organisational studies. Despite some work in this direction the study of culture in organisations assumes a consensus and harmony-seeking form where, if conflict is noted at all, it is in reference to explicit conflicts, rather than to the underlying creative tension that this thesis highlights. There is also a heavy emphasis on the stability of ideas characterising the organisation as a whole rather than an

appreciation of how ideas are expressed and developed in relation to specific concerns. By focussing on how organisational members reflect upon, select and assess their available discursive strategies in order to make sense of their organisational environment, I hope to counteract some of those biases existing in organisational studies. The idea is not to resolve the tension between context and discourse, agent or structure, advocating one or the other, but rather to propose a view from which these two poles of the same continuum can be seen as managed rather than resolved.

## 1.0. On Concepts: Culture and Organisation

This thesis focuses on processes of change in organisations. This is an issue that seems to be one of the central phenomena causing tension in our society and our work-life nowadays. It is discussed in the media, in magazines and in our coffee breaks. Organisational changes are likely to occur, especially in connection with mergers and acquisitions, when firms are set up or closed down, parts of companies are sold, and organisational change programs are carried out. Globalisation and the internationalisation of markets have also contributed to setting new requirements for organisations and to inducing change.

But, as Handy (1991:5) says, “change is not what it used to be”. From a period where change was continuous and comfortable, when the past acted as a guide for the future, we have moved into a period where circumstances tend to combine to the discomfort of the advocates of the status quo. Indeed, the changes we are experiencing are no longer foreseeable or comfortably cast into predictable patterns but rather discontinuous, uncomfortable and tensional.

This is noticeable especially in our business organisations. Although their influence has always been very important in any kind of social transformation, lately it seems that their role in this respect has increased as many institutions –e.g. the church- have lost their former central role in our everyday lives. Certainly, the transition from a previous social order based on custom and tradition to one founded on rational calculation and control, seemed secured by the raise of bureaucratic organisations (Handy 1991). However, the current set of interrelated economic, technological, social and cultural changes is reflected, and reflects in turn, an underlying fragmenting dynamic in our organisations that has transformed the hierarchical structures and disciplinary practices of the traditional rational bureaucracies into more self-regulating, decentralised, diffuse and

flexible arrangements (Reed 1992). In organisations, this has encouraged the proliferation and free interplay of different discursive rationalities through which different people construct multiple organisational realities or ‘cultures’.

The culture of our era is characterised by this state of discontinuous change and therefore by an absence of a stable world of meanings. As a result, uncertainty and fragmentedness have become characteristics of our everyday lives where the only thing that does not seem to change is this state of perpetual transformation. Certainly, the workplace as a very likely arena for change is especially influential in our search for meanings and understanding. It forms a frame of reference for us where meanings are established and which become meaningful in that context. Since we spend most of our time in our work places, organisations have turned into one of the most influential contexts of our everyday experiences and have become both producers and products of our cultural world.

The objective of the next two chapters is to place this work within the mainstream arguments of cultural change in organisational settings. This first chapter delves into the meaning that the concepts “organisation” and “culture” have in organisational literature, and how they shape our conceptualisation of what an organisation is and how it relates to its environment. The second section explores the results of the combination of these two concepts into the notion of organisational culture and its different conceptualisations. The chapter ends with a proposal to consider the organisation as a nexus where different cultural influences come together and in which the boundaries between environment and organisation are not fixed but rather constantly negotiated.

## **1.1. CULTURE AND ORGANISATIONAL STUDIES**

As a concept, culture has evolved historically in order to conceptualise man’s unity as well as his diversity, asserting how we socially construct different understandings of the reality that surrounds us and which we also help to create. Its use within organisational theory signifies the concept’s increasingly broader application.

It was back in 1979 that Pettigrew explicitly talked about 'organisational culture', describing it as a system of generally accepted collective meanings, which operate for a concrete group on certain occasions. In his work he brought together two different conceptual standpoints to develop the concept of culture in organisations within the framework of organisational behaviour theory: the symbolism of cognitive anthropology, introducing concepts such as language, ideology, belief, ritual and myth and the views of historical and sociological studies.

From then onwards the concept grew to become one of the ideas with had the strongest impact on organisational studies during the last few decades. The reasons for its emergence and popularity within organisational literature are manifold, but there are three kinds of problems that contributed to its development and represent important steps in its development as a research field (Lynn Meek 1992):

- First, the economic difficulties in Western countries related to productivity decline and competition mainly with Japanese corporations. The success of Japanese companies and the interpretation of such success as being related to special cultural features influenced the way in which many scholars emphasised culture in relation to organisational functioning during the 1980s and early 1990s.
- Second, the social changes in the recent decades, which have reduced the impact of traditional leadership obedience and the traditional Protestant work morale and motivation (Giorgi and Marsh 1990). Indeed, in recent years there has been a change in emphasis in the managerial literature from control of behaviour and measurement of outputs to control of employees' attitudes and commitment. Nowadays a wider set of motives than the traditional economic rewards seems to drive workers' motivations in their work environment. These changes have inspired the development of new and softer 'means of controlling people' (Rose 1989) and the culture concept seems to offer the possibility of a more successful approach to this development. The marketing attitude that the consulting sector has towards the concept may also account for its popular expansion.

- And finally, the dissatisfaction that some scholars expressed with the knowledge achieved by the quantitative methodologies in the social sciences in general. Regarding organisational studies in particular, the discontent was centred on earlier theories, which focused upon the structural and objective aspects of organisations. Allegedly, the main aim of a research focused on more ‘subjective’ concepts and methodologies replacing the old objective ones is to get a deeper understanding of the ‘real life’ of organisations (Alvesson and Berg 1992).

The idea of sharing a set of common values, concepts and norms in the organisation may help to counteract feelings of chaos and lack of order. This can be one of the main reasons for the increasing interest in the cultural metaphor for exploring our constantly transforming organisations. Organisational culture may be seen as a myth of today, fulfilling the same functions as any myth: a device that helps us to organise and define the relationships between the individual and others, and between the individual and his own local environment (Levi-Strauss 1995).

### **1.1.1 Development of the culture concept**

In any case, even now it is not an easy task to explore what is meant by the culture of an organisation. Social scientists are still far from agreeing about what a cultural phenomenon is, what it means, what its characteristics are, what it is comprised of, what it does or how it should be studied. The definitions of culture variously include as components ideas, concepts, values, ideologies, attitudes, goals, norms, learned behaviours, symbols, rites, rituals, customs, myths, habits and/or artefacts. Underlying this diversity we find the various assumptions of what culture is and what its main components are. The consequence is that approaches to organisational culture research are multifarious, and the links between concepts, models and theories are not always clear and unambiguous. As such, the historical emergence of the concept within its field of origin would help us to both better understand its different uses in organisational literature and to clarify how the concept is used in this study.

The history of the concept, its various uses and different meanings derive from a wide range of disciplines. However, organisational literature consensually attributes the roots of the concept to anthropological sources (Douglas 1987, Scott 1992). In anthropology it has been used generally to designate two different things: on the one hand Taylor's (1871/1958) "complex whole" comprising of everything that is considered cultural; and on the other the specific aspects that are considered components of culture such as artefacts, rituals, customs, knowledge, ideas or symbols. The concept's connotative meaning depends mainly on the anthropological school that is - or was - influenced by its main representatives' assumptions about culture, and their interests regarding it<sup>1</sup>.

As such, Darwin's theory of evolution provided the scientific background for the first definitions of culture. In a context where growth and development were equated to good civilisation it is not surprising to find that the early evolutionary perspective representatives, such as Taylor and Morgan, provide us with definitions of culture which refer directly to the term 'cultivation' as a way to improve human conditions. They used a comparative method to deduce the state of past cultures from the state of actual ones. The method was based on two interrelated assumptions. On the one hand, the view of all human history as unified and following a common route: historical processes are understood as a linear competition between alternatively situated groups of people in which human beings had to match their abilities against the various constraints of their environments. Morgan, for instance, assumes that combinations of race and scarce resources gave rise to the distributions of modern peoples and their relative levels of civilisation.

On the other hand, culture was conceptualised as a complex whole including cognitive, behavioural and material aspects. There was no difference between cultural and societal boundaries:

"Culture or civilisation, taken in its wide ethnographic sense, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society" (Taylor 1958:149).

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<sup>1</sup> For a more complete classification see Sackmann (1992).

Thus, the cultural and social realms appear integrated into a harmonic socio-cultural system where culture is manifested in the observable human practices and their products.

This definition of culture as an overarching concept was strengthened at the beginning of the twentieth century with the work of Franz Boas and his followers. However, the sense differed from that of Taylor's original views. The previous dominant paradigm of evolutionism based on absolute beliefs was replaced by a historicism based on a commitment to relativism. As a consequence, the representatives of this historical relativism insisted on the plurality of cultures, and their isolated, discrete and independent functioning. Culture came to be seen not as a sequential manifestation of an unfolding saga, extending from Palaeolithic hunters to modern civilisation, but rather as 'what people do' collectively in different ways, places and times (Jenks 1993).

Individual human behaviour in relation to its determinant factors became the focus of attention, whereas the economic, social and political systems were treated as external forces reacting over the individual's subjective evaluation of his physical and social environment. History became disentangled from the concepts of natural progress and evolution and linked with material interests which were essentially human. Cultures were explored with the aid of an elaborate mosaic of data gathered through numerous, exhaustive and often repetitive, ethnographies. The objective of this exhaustive data gathering was to understand the '*sui generis*' characteristics of the customs and material artefacts in their context. Historical facts were considered as phenomena that could be immediately observed by a naive observer when confronting the data.

This emphasis on the differences that cultural variability provides, and the conception of culture as interrelated components, was developed further by Radcliffe-Brown and Malinowski. As functionalists, their guiding analytical principles were basically the integration and interrelation of the different elements composing culture. They denied that the concept of culture related to an autonomous realm, since they considered their work as addressing the only social reality, namely social structure. As such, the interrelation of the different cultural components and the resultant social structure came

to be seen as equal, or at least continuous (Malinowski 1962). Different manifestations of culture, such as institutions and myths, were explained only by their functional necessity for the satisfaction of certain human needs such as nutrition, reproduction, comfort and safety (Jenks 1993).

When it comes to the analysis of the different but interrelated components of culture and the role of the individual in the cultural process, two different perspectives emerge: the historical/adaptive and the cultural idealism schools (Allaire and Firsirotu 1984). These two perspectives have their origins in the approach to culture in terms of ideas, symbols and artefacts advanced by Boas. This approach was later described as the general theory of cultural patterns. The theory stresses the study of the pattern, the form, the structure and the organisation of culture, rather than the discontinuous cultural features and their content (Kahn 1975). As a contrast with the previous functionalistic view, culture is to be understood on the basis of its general and recurrent elements, differentiating them from their social structure. The issue of social structure developed by functionalists is not ignored, but the deep structural patterns of social organisation are regarded as entrenched and less amenable to transformation than the resulting functioning structure.

The historical/adaptive school considers culture exclusively determined by technical or/and environmental factors (Khan 1975), whereas individuals are considered merely as carriers of culture not participating in its development (Kroeber 1963). Although culture is still considered a component of the social system, it is treated as diachronic. Thus, the time dimension is now encompassed and the focus is on the processes involved in the development of particular cultures.

Leslie White, for instance, defines culture as an adaptive system of socially transmitted behavioural patterns that serves to relate human communities to their ecological settings. Within the same school, Kroeber regards culture as consisting of temporal, interactive, super-organic and autonomous configurations produced by historical circumstances and processes. Although retaining a broad definition of culture, Kroeber separates behaviour from the habits, techniques, ideas and values of a culture. All of them are conceived as

behavioural patterns, which exist in each individual and which appear at the same time as the 'organic' behaviour:

"Culture is the special and exclusive product of mankind, and the quality which distinguishes it...the culture...is at the same time the totality of the products of the social man and an enormous force which affects all human beings, socially and individually" (Kroeber 1963:120).

The social structure located in a 'super-organic' sphere penetrates the minds of the different individuals through cultural patterns. The individual becomes then a vehicle of patterning, being reduced to the role of carrier or instrument of culture:

"The social or cultural...is in very essence non-individual. Civilisation, as such, begins only where the individual ends" (Kroeber 1963: 160).

Clearly here it is not the individual who constructs his/her own plans, but rather the plans which are a consequence of the social heritage. The individual is not considered to play any role in the development of those cultural patterns, he is represented merely as their carrier<sup>2</sup>.

The cultural idealism school takes a different view. This school considers culture as an ideational system and subsumes different concepts of culture, which consider that the cultural/ideological and the structural realms are distinct but interrelated. The different perspectives focus either on individual cognitive aspects or on collective hypothetical constructions, which people have and which are determined by, and in turn determine, culture. They share nevertheless the postulate of a distinct cultural realm manifested in cognitive structures, processes or products.

Levi-Strauss, the main representative of structuralism, proposed a theory of social structure that tries to combine in its analysis the organisation of both the social and the ideological systems. His approach is heavily influenced by the ethnographical descriptions of culture based on language from authors like Goodenough who conceived culture as equivalent to the:

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<sup>2</sup> A similar perspective, although giving more relevance –not more agency- to the individual, is held nowadays by authors like R. Willmot and what he describes as the 'morphogenetic approach to

“...group of rules we need to know in a concrete and determined society to be able to operate in a manner acceptable to its members” (Goodenough 1971:167).

However, although in Goodenough’s view culture is a system of knowledge, of learned standards for perceiving, interpreting, evaluating, and acting, he never goes beyond the cultural grammatical use within a concrete social system. He does not try to penetrate beyond those manifested linguistic forms. Thus, his cultural analysis remains in the superficial correlation between the terminology systems of a society and its social structure.

Levi-Strauss (1995), on the other hand, considers that there is a structural relation among the linguistic and kinship structures of different societies. The linguistic structure of any classificatory system is for him just the starting point from which to deduce later the underlying structure of the ideological system. His emphasis on discovering the social structures at the basis of the structures of the mind suggests a way of surpassing the division between the ‘organic’ and the ‘super-organic’ presented by Kroeber.

In the structuralist view, particular cultures are socio-historically specific transformations of an “unconscious, universal and immanent rule-system” (Jenks 1993: 63). Social action in the formation, reproduction and even adaptation of actual cultures is, for the purposes of structuralism analysis, a surface manifestation of a series of deeply internalised master patterns at the deep structural level of cognition. Culture then, is made up of shared symbolic systems, which are cumulative products of the human mind, a reflection of the unconscious processes of the mind, which underlie cultural manifestations.

Within the cultural idealist approach, the semiotic school follows a similar symbolic approach to culture. However, they consider that culture should not be looked for in people’s heads or in the ‘essential’ characteristics implied by being human, but rather in the meaning that social actors create and share through their interactions and which results in local and contingent histories. The significant symbolic products of the human

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organisational culture’. See Willmot (2000).

mind that constitute culture represent the raw materials needed to interpret the ordered systems of meanings, according to which social interaction takes place (Geertz 1973).

During the last decade, culture and cultural manifestations have become a focal point in social sciences in general. The stress is now on the importance of meaning as the symbolism that is associated with the specific objects and activities through which people express and realise their outlook and attitude to life (Alasuutari 1996). The implication is that reality is construed by social actors through and through; composed of interpretations of meanings and rules of interpretation on the basis of which people orient themselves in their everyday lives.

### **1.1.2. Observing organisations**

Now, how do we apply ‘culture’ within the context of an organisation? If we look at the organisational literature we can easily find differences in basic assumptions, not only about the concept of culture, but also about the notion of ‘organisation’ and about what it means to be organised. Indeed, the site where the observations of this study were conducted was an organisation in the field of car manufacturing. But what do we mean by an organisation? And where do we place its boundaries?

In order to understand what is meant and assumed when people speak of an ‘organisation’, Morgan (1986) orders the different perspectives in organisational studies into metaphors. He uses the metaphors as analytical tools to help the observer to make explicit certain aspects of the system being observed in this case an organisation. All of them highlight different aspects of the organisation and therefore none of them fully covers all aspects of organisational life. The relevance of the chosen metaphor depends therefore on what characteristic of the system the observer wants to highlight. In the organisational literature the most common metaphors are the machine and the biological organism. They have guided our conceptualisations of what an organisation is for so long that their rationale and assumptions deserve to be explored.

The first metaphor, organisations as machines, framed the way in which organisations were set up and managed under the scientific management theories. Thus, within Taylor's Scientific Management, production processes were to be divided into strictly demarcated tasks, each one to be investigated in detail in order to achieve the right production system within the organisation. The underlying assumption was that, if physical conditions were correct, the appropriate human behaviour and performance would follow automatically. The Western Electric Hawthorn Plant studies of the late twenties and early 1930s were to test these management principles (Warr 1996) but, as is well known, they discredited them through the 'discovery' of the social organisation of the workplace. The research concluded that psychological factors were more important than physical conditions in achieving changes in the workers' output (Roethlisberger and Dickson 1964). This led researchers to explore the previously neglected link between the workers' needs and motivations and their relation to different supervision styles and work outputs.

The social organisation of working groups became the focus of research and a direct observation study was introduced. Shop floor conditions were replicated in the 'Bank Wiring Observation' room in which groups of workers were treated as a small-scale society in which every aspect of life was interconnected in a social system. The objective was to understand the function of the informal organisation of the workers in relation to the formal organisation of work.

The results of this research were analysed using Radcliffe-Brown's functionalistic idea of a social system in which each particular function of the system is evaluated in terms of how well it serves the general well being of the whole. On the one hand, the actual interactions between organisational actors were analysed as forming part of a systemic whole. The variations and discrepancies in the workers' outputs were explained in terms of individual workers' positions within the informal social organisation. On the other hand, the functionalistic conception of each unit of the overall system as homeostatic, self-sustained and harmonious, informed the perception of all elements of the social organisation of work as having a specific function within a coherent organisational system. The organisation as such is portrayed here as a closed system, with a segmental

structure, dividing up the overall goals into smaller tasks to be achieved by different and hierarchical departments. Inside this closed organisation managers were to take the responsibility for the achievement of the goals whereas workers were expected to behave like parts of the machine with mechanical repetition and precision under the central control of the managers.

The second metaphor, organisation as an organism, derives from the Human Relations, Systems and Contingency Theories. Images from biology and ecology inform the language of management and the way the formal systems of organisations were set up. The discovery by the Hawthorne experiment, of the necessity to satisfy workers' needs for the organisation to perform efficiently, was extended to envisage the whole organisation as an organism with its own needs. The organisation became conceptualised as an open system depending on a good relationship with its wider environment to survive and satisfy those needs. The different subsystems within the organisation (technological, managerial, human resources, etc.) were thought of as having different relationships with the outside environment, yet also needing to be interrelated inside for the effective functioning of the whole organism. According to this view a successful organisation is always looking for a healthy state of equilibrium or homeostasis.

Thus, from the Hawthorne experiment's discovery of the informal systems onwards, most theories on organisational studies have described organisations as consisting of three different and differentiated systems: the informal, the formal and the environment. The formal system, associated with the Weberian criteria for rational organisations, has been described as the map of the organisational structure, job descriptions, the goals, rules, policies, and the hierarchy of decision making of the organisation (Argyle 1989, Handy 1991). The informal system is the way in which individuals and groups within the organisation interact with each other, which might have an influence on the formal system and therefore in the achievement or not of the organisational aims. Both systems are connected - through the organisational members' existence with the world outside the organisation - the environment - and are influenced by it. Culture, as the symbolic dimension of organisational life, is therefore seen to reside both in the informal system

and in the environment, but not in the rational and naturally given formal organisational structure.

However, the formal systems of organisations are not immune from culture. There is an inter-relatedness of the formal and cultural realms of the organisation, rather than just a formal organisation independent and composed of different subsystems, which relate to each other depending on the pressures from the environment (Jackson 1991).

The two metaphors examined above highlight mainly the functional character of the organisation. However, in conceptualising the organisation as a bounded whole, based on its functionality, they separate it not only from its environment but also from the activities, experiences and processes of sense making of the people who compose it. This is what Hosking and Morley (1991) define as an 'entitative' perception of the organisation. Thus, the perception of organisations as single identities – or entities - held together by different formal structures, which translate their concrete purposes and goals into action. It is tacitly assumed that the formal and the social components are or must be fully integrated, and coherent with the symbolic dimensions of the organisation. This integrated equilibrium is perceived as the condition necessary for the organisation's survival. In stressing the equilibrium needed to function well and to survive, these two metaphors conceal the symbolic side of organisational life, which is what this thesis aims to bring to the fore.

The idea of culture highlights the hidden aspects that the other metaphors neglect. It allows us to elaborate on the meaning and significance that the organisational actors attach to both the prescribed behaviour of the machine metaphor and the informal behaviour oriented towards survival of the organism metaphor.

In considering culture as a concept through which organisations can be understood, the observer's gaze shifts to focus on people's activities in everyday life without having to treat the organisation as a purely external, mechanical and functional force. The question then becomes not what organisations accomplish and how they may accomplish it more

efficiently, but rather how is organisation accomplished and what does it mean to be organised.

“When persons and contexts are seen to be joined through processes of mutual creation, it is these processes which become the focus of interest in discussions of relations between person and organisation...the process of organising will be seen to be complex processes of reciprocal influence, having emergent qualities which cannot be reduced to the independent contributions either of people or of contexts” (Hosking and Morley 1991: 63).

## 1.2. CULTURAL POSITIONS REGARDING ORGANISATIONS

Within organisational studies the introduction of the concept of culture has directed attention to phenomena which were not considered before, thereby expanding the field of study. With the help of the culture concept, myths, metaphors, rituals, stories, sagas, heroes, ceremonies, artefacts, etc. have been brought into our understanding of organisations<sup>3</sup>. At the same time, organisational culture has helped to reinterpret critically well-known phenomena, and to pose questions about their significance. As such, the formal structure is no longer simply a means of understanding the division of labour, but is also a symbol of the dominant myths about effective organisation (Meyer and Rowan 1987), whereas informal organisation is no longer a routinised behavioural pattern but also a cultural network where ‘priests’, ‘spies’, ‘storytellers’, etc. translate and transmit the organisation’s key values (Deal and Kennedy 1982). These studies illustrate the attempt to understand the organisation as a site where meaning is constructed and transformed, as a contrast to other perspectives, which portray organisations as functional and full of objective facts.

However, some of the fundamental assumptions of the two traditional organisational metaphors are also grounded in the debate about organisational cultures. This debate is focussed on how the concept of culture should be better applied to organisational settings. There are two views, labelled as the ‘has approach’ - using culture as an attribute of the

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<sup>3</sup> See for instance Trice and Berger (1993), Alvesson and Berg (1992), Gagliardi (1992).

organisation - and as the 'is approach' that looks at culture as a metaphor from a more systemic perspective (Smircich 1983).

The latter view describes culture as a metaphor. Indeed, some authors have brought culture into organisational studies as a metaphor to replace the organism and the machine metaphors. However, culture – as used in this study - does not become a metaphor in the strict sense of the word<sup>4</sup>. Actually, here culture is not considered to belong to another system from which to draw parallelisms to the organisation in order to understand organisations better, but rather belongs to the organisational world and it is *through* its study that we can understand organisations better. Thus, there is no attempt in this study to transfer characteristics from one system -culture- into another - the organisation – but rather the aim is to study the concept deeply in order to expand our knowledge of organisational processes. However, it is important to clarify that, although in this study I conceptualise culture as belonging to the organisational world, I do not conceive it as an attribute of the organisation. I explore this distinction below.

### **1.2.1. Culture as an attribute**

Treating culture as an attribute of the organisation would take us back to a functional perspective on organisations. Researchers following this approach<sup>5</sup>, which is reminiscent of earlier anthropological concepts of culture, portray organisations as systems where the cultural domain is assumed to be part of the structural system and therefore attuned to, and supportive of, it. They take for granted that the organisation 'has' a culture - another attribute of the organisation - or a cultural system alongside the other organisational subsystems - e.g. administrative, technological etc. - traditionally recognised. Social phenomena within the organisation are considered as factual, measurable, and delimited subsystems, which can behave in a functional or dysfunctional way in the achievement of the organisational survival (Jackson 1991). As such, the stress is on the creation,

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<sup>4</sup> The Greek etymology of the word 'metaphor' is to transfer the characteristics from one system into another with the objective of understanding the second system better.

<sup>5</sup> See for instance Deal and Kennedy (1982); Peters and Waterman (1982); Kilman et al. (1985).

measurement and manipulation of the cultural and symbolic aspects of the organisation in order to achieve or enhance the organisational performance. The objective for organisational studies would then be to bring to light the relationships between culture and organisational performance in order to reach beneficial outputs for the organisation.

A basic assumption underlying the consideration of culture as an attribute of the organisation is to treat organisational survival as the key to understanding organisations. Schein (1992), for instance, sees organised action as the product of consensus among organisational participants who act in a co-ordinated fashion as a result of sharing common sets of values or interpretations of their joint experience. These shared values or assumptions are defined as culture, which is also the means of fostering integration – a consensus-created glue in the organisation, of decisive influence in ensuring organisational survival.

“Culture is...a pattern of shared basic assumptions that the group has learned as it solved problems of external adaptation and internal integration, that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (Schein 1992:12).

Schein states that in order to survive, any organisation must resolve two fundamental problems: survival in and adaptation to the external environment and integration of its internal processes to ensure the capacity to continue to survive and adapt.

This, of course, has consequences for the way culture is treated and explored. We have already seen how, in functionalism, the existence of different elements in organisations is explained by their relevance to the organisation’s survival. If the system element is dysfunctional in relation to the survival of the organisation, the element either ceases to exist or the organisation stops operating. In these terms, if the culture of the organisation develops assumptions in relation to problems of internal integration which imply organisational fragmentation and severe conflicts, the cultural assumptions will either have to change or the organisation will disintegrate. Culture therefore has to be ‘managed’ so that the organisation can be ‘defended’ against certain negative or unprofitable cultures that can be an obstacle to achieving the economically profitable plans essential for the survival of the whole system. It is implied that an ineffective

organisation can be made effective and enhance its profit margin if an unhealthy culture can be supplanted with a healthy one (Lynn Meek 1992:193).

On the one hand, there is an explicit recognition of the anthropological argument which states that culture resides in conceptual categories and mental models -patterns of shared assumptions- and which therefore cannot be reached through a 'thin description' (Geertz 1973). This description of culture suggests, in the fashion of the idealist school, going beyond the surface features to reach the more systemic aspects of culture. However, the concept is later reconstructed as an object capable of standing free of its context:

"We cannot build a useful concept if we cannot agree on how to define it, measure it, study it, and apply it in the real world of organisations" (Schein 1992: 243).

And as the property of a bounded and unitary group, which persists over time, in the sense of being unchanging, and it is shared in the sense that there is consensus and no ambiguity.

"If there is no consensus or if there is conflict or if things are ambiguous, then, by definition, that group does not have a culture in regard to those things...the concept of sharing or consensus is core to the definition, not something about which we have an empirical choice" (Schein 1992: 248).

This conception of culture reflects a managerial top down perception of the organisation and of culture. The shared basic assumptions described in this perspective are to be taken into account only when they have proved to be valid and useful in achieving the corporate goals as defined by management. If we take culture as an attribute, then it becomes instrumental in relation to the organisational goals and managerial interests, in so far as the individual is assumed to be malleable, to be modelled by the "level of pressure that a culture exerts on the members in the organisation" (Kilmann et al. 1985: 4). As in functionalism, culture is seen as an adaptive and regulating mechanism connecting individuals to social structures. This view, which was plain in the scientific management and human relations approaches, is perpetuated when organisations are portrayed as having cultures which shape their members' behaviour. Moreover, in some of the writings within this approach, the members of the organisation are enticed into

identifying with the organisation so completely as to create an identity of aspiration and absolute loyalty considered necessary for the organisation's survival (Cohen 1994).

### **1.2.2. Culture as a system**

In contrast with the previous conceptual position, which considers organisations as organisms struggling for survival, considering culture as a system regards organisations as human symbolic systems. Thus, they are considered as culturally created<sup>6</sup>.

In both positions culture appears as a socially integrated pattern, however from this point of view cultural systems are more than is suggested by functionalism. Here, the focus is primarily on the interpretative processes and the creation of meaning in everyday life, in contrast with the previous conceptualisations of culture which were focused either on the issues of goal-specification and formalisation or the patterns of human interaction developed in order to provide organisational survival. Actions within the organisation are not explored as taking place due to mechanical cause-effect relationships nor out of a functional suitability, but rather according to the kind of meaning people ascribe to things and actions within the organisation.

If we assume that systems are in balance we end up emphasising culture's integrative and harmonising function. The advantage of conceptualising culture in a more systemic way is that we do not have to assume automatically any predetermined relations within the culture nor between the culture and the social system. As such, we can provide possibilities for the local creation of meaning within different organisational units and contexts within the organisation and, hence, for the existence of different, inconsistent patterns of meaning within organisational culture, contesting the idea of cultures being monolithic, bounded units with fixed attributes (Schultz 1995). Thus, instead of having to assume a thing called an organisation with a boundary against its environment, we can now emphasise the continuous process of organising through which the organisation can

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<sup>6</sup> See for instance Smircich (1983), Turner (1990), Gagliardi (1992), Pondy (1983), Alvesson and Berg (1992)

be thought of as different from the static entity, in homeostasis and equilibrium as the previous view suggested. In adopting this approach “[we can] leave behind the view that culture is something an organisation has, in favour of the view that a culture is something an organisation is” (Smircich 1983: 347).

The social world within the organisation is therefore no longer described as objective, functional and measurable but as constructed by the organisational actors through their interactions. Indeed, if we take culture as a system that belongs to the organisational world, the shared understandings which make possible collective actions within organisations can be made explicit and brought to the fore, allowing for the reflection and exploration necessary to understand, change and innovate them. It is then that questions of interpretation and description take precedence over questions of function and causal explanations, and the aim of cultural studies in organisations becomes to understand how it is possible to achieve common interpretations within the variety that characterises organisations so that co-ordinated action is possible.

### **1.3. WITHIN THE ORGANISATION: SHARING AND DIFFERING**

One of the characteristics of the various approaches to organisational culture is the emphasis on the collective nature of cultural patterns. Thus, culture is commonly described as something that is shared by all organisational members either as collective values characteristic of one organisation or as overlapping interpretative frameworks. This can easily lead one to overemphasise the importance of harmony and common goals as a basis for the existence of “the organisational normality of successful institutions” (Grieco 1988: 84). Indeed, there is a danger in placing too much stress on the monolithic nature of organisations and seeing consensus as belonging to their special character. But shared goals are not necessary for the continued existence of an organisation, just as they are not necessary for the survival of a society.

There have been strong critiques<sup>7</sup> of this focus on culture as a cohesive pattern for the organisation, since it emphasises too strongly consistency among cultural manifestations and organisational-wide consensus among cultural members. It has been labelled ‘the integration paradigm’ (Martin 1992) where organisational culture is perceived as the glue that holds an organisation together.

To conceptualise the organisation as a cultural unity emphasising the homogeneity of organisational life leaves no room for doubt, conflict or ambiguity. Cultural manifestations such as stories or rituals are depicted as consistent and therefore shared in an organisation-wide consensus between all members of the organisation. Thus, people at different levels of the hierarchy are said to agree about potentially conflicting and divisive issues. When this consensus is described it is explained and advocated in harmonious familial terms with the public and private domains merged in the discourse: organisations are seen as families and the families of employees are seen as part of the organisation.

We know that pressures toward consensus sometimes make it necessary to override the desires of individuals or groups within an organisation. However, what this view of culture tries to justify are attempts at achieving an organisational cultural unity as the antidote to the conflicts of interest that can ‘divide and paralyse an organisation’ (Wilkins and Ouchi 1983). Any difference from the dominant cultural pattern is treated either as a ‘negative deviance’ (Sathe 1985: 140) or as a reason for seeking a transcendent, more powerful unity. So culture is here again an attribute of the organisation, a tool for the control of the governed, where to achieve consensus and harmony among them becomes the aim since this will ensure the survival of the whole organisation.

This definition of culture recalls once more the structural-functionalistic view of culture by which members of a society were integrated by their common participation in, and sharing of, specific modes of behaviour. But as we know, organisations are not well

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<sup>7</sup> See for instance Martin and Meyerson (1988) and Martin (1992).

integrated mechanisms and, therefore, there is no reason to suppose that they are informed by a single, homogeneous or consensual culture.

Quite the opposite, within an organisation there are many opportunities to find inconsistencies, the absence of organisation-wide consensus as well as conflict and divisions among its members regarding specific issues (Martin and Meyerson 1988). An alternative has been to characterise the organisation as consisting of various subcultures that overlap and are nested within each other, with different relations among them from conflict to peaceful coexistence (Martin et al. 1983). This alternative acknowledges that differences exist among organisational members in terms of their cultural patterns. However, despite the recognition of conflict within organisational life, there is still a tendency to consider each identified subculture - e.g. the different departments within an organisation as a realm of clarity. Thus, differences are acknowledged only as oppositions between the different cultural groups. Within the demarcated boundaries of each subculture its members are presumed to share the same values and basic assumptions in subculture-wide consensus, clear and homogeneous. Any ambiguity, which may appear within the boundaries of a subculture, is channelled to the periphery so it does not interfere with the clarity, which is presumed to exist within the subcultural boundaries.

However, the symbolic and culturally constructed boundaries that demarcate each of the identified subcultures within an organisation cannot hold back the uncertainty, confusion and double meanings that the organisation can represent for its members (Martin and Meyerson 1988). Modern organisations are characterised by constant streams of information, changes in working conditions and turbulent environments that contribute to creating confusion and uncertainty among the organisational actors.

Certainly, the manifested organisational symbols which organisational members are supposed to share are not monolithic in nature since they certainly do not convey uniform meanings (Cohen 1994). As such, organisational members can process these symbols if not as wholly free agents then, at the very least, as interpreters. Shared understandings

can become then just issue-specific and limited to certain organisational situations. Within an organisation, individuals come to share some viewpoints, disagree about some, and ignore or demonstrate indifference about others. In fact, consensus, conflict and confusion coexist in organisations making it difficult to draw stable cultural and sub-cultural boundaries.

This understanding of culture will bring us closer to what the concept of culture refers to in modern anthropology: the manifold activities of the diverse people whom it integrates. Invoking culture in this way allows us both to think of a cultural collective as well as to focus on situated meaning, thus on what is meaningful to those actors engaged in this case in organisational processes of change, allowing therefore for variability. Thus, in considering culture we should aim for reading commonalities as well as diversity in organisational life.

#### **1.4. THE CULTURAL CONTEXT OF ORGANISING**

Despite the fragmentation that might characterise intra-organisational life, we can easily find cultural similarities across organisations. Certainly we should not forget that business organisations are themselves the cultural product of the modern age with their main origins in Western culture. As such, the work in organisations tends to be governed by the ethics of the Western Protestant world and its set of values about work (Anthony 1977). Topics like leadership, culture and organisational theories are international cultural products, which are spread by means of education and research as well as through business management practice and literature.

In fact, organisations have become so taken for granted during their historical evolution, that we constantly transfer patterns that belong to the organisation of labour into other spheres of social interaction. As Denhardt notes:

“...we originally designed and employed organisations to help us in attaining our goals... yet now organisation seems to have assumed an institutional character so strong that it comprises a model of thought and action which we are compelled to follow” (Denhardt 1981: 15-33).

As organisations have proliferated, the socialisation into bureaucratic patterns has been transferred into other social contexts. The result of this process is the widespread assumption of a sort of organisational ethic, one that supports the extension of a society, which is presumably organisational and offers itself as a way of life. As such, to study organisations and their change implies studying one of the major cultural phenomena of this century.

However, we are members of many organisations. We live within several overlapping and parallel cultural frames of reference where our job's specific reality, by itself, is only one part of our daily life. As individuals we live within the cultural stream of the era, within a different cultural framework as male or female, as well as within different national, regional or family contexts. Thus, besides being members of any specific business organisation, we are also, and mainly, located within a wider cultural context.

During the course of our lives, we are exposed to these different kinds of cultural frameworks being constantly susceptible to other cultural influences as well as those of the organisations we work in. Furthermore, since the adjustment to the specific cultural context of a business organisation happens only in adulthood, the effect that the organisation itself may have on our beliefs, values and norms is limited. From this point of view, organisational cultures can hardly reach the depth that community cultures do with their lifelong membership (Cohen 1994).

#### **1.4.1. The uniqueness paradox**

There is, however, an extensive research tradition based on the assumption of the existence of a local culture covering the entire organisation (Frost et al. 1991, Martin et al. 1985). This local culture is described as unique, coherent and independent from the wider environment. The argument is based on the perceptions of organisational members' accounts of being in a different and unique company (Peters and Waterman 1982). As a result, cultural studies in organisations have associated these claims of uniqueness with the idea of organisations as homogenous and independent from external cultural

influences. Considerable evidence suggests, however, that these claims of uniqueness have been somewhat misleading.

For instance, Martin et al. (1985) found that employees in a wide range of organisations illustrated their claims of uniqueness by telling variations of the same seven stories. Trice and Beyer (1984) also found that the same kind of rituals were performed in different types of organisations from universities to non-profit organisations. These studies suggest that members of different organisations claim a uniqueness referring to different types of cultural manifestations which are in fact not unique. That is what Martin et al. (1983) calls the 'uniqueness paradox'.

The idea of an organisational culture particular to an organisation can be contested from two different points of view. First it can be contested in the light of the cultural similarities that exist across organisational and geographical boundaries. These similarities are produced in the absence of direct interaction by

- i. common work situations and similar working experiences,
- ii. the exchange of ideas and
- iii. the subsequent development of shared interpretative frameworks through internal and external communications in and around the organisation.

As Waters (1995) claims, cultural exchanges liberate relationships from spatial and geographical referents, and cultural symbols, which can be produced anywhere and at any time, are transported easily across geographical and physical boundaries.

In organisational literature this process of cultural globalisation is associated with the phenomenon of modernisation and the development of capitalism. However, it has undergone a recent acceleration due to the emergence of the global communications industry and the growth of multinational enterprises in the last part of the twentieth century (Robertson 1992). In a world where geographical constraints are shrinking and the idea of a global society is becoming more and more prominent, we cannot limit ourselves to explore organisations only from a local level. As Giddens says:

“Globalisation [as] the intensification of world-wide social relations [...] links distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa...Local transformation is as much a part of globalisation as the lateral extension of social connections across time and space” (Giddens 1992: 64).

At the local level, the recognition of differences among organisational members and their particular accounts and interpretations regarding the organisation are necessary to better understand the cultural frameworks of a specific organisation. Certainly, we should not dismiss the vitality and creativity of local responses - or unique local combinations - to global happenings (Hannerz 1992). That is why the process of globalisation is dialectical, with local happenings maybe moving in an obverse direction from the distant relations shaping them. Yet, one of the consequences of globalisation is an increasing cultural coherence through intensified transnational contacts. As such, we need to be aware of the underlying understandings created by broader cultural ideas since they will also influence the ways in which people make sense of the problems they are facing and influence each other through direct interaction (Featherstone 1990).

From a systemic perspective, the view of organisations as unitary and unique cultures encourages the treatment of the cultural dimensions of the organisation as a closed system. Possible cultural flows between the organisation and the wider context are not taken into account and this leads to organisations being seen as mini-societies or cultural islands. The attention is diverted from the cultural embedding of the organisation and its open relationship with the cultural aspects of its environment.

The existing ‘cultural traffic’ (Alvesson 1994) between the organisation and the host cultures is clearly seen in the way each member of the organisation, as a citizen of a particular society and influenced by that societal culture, brings into the organisation his particular cultural background. As Hofstede (1984) has shown in his work, carried out in different countries, there is a constant interaction and influence between the national context where the organisation is nested and its cultural characteristics. Even if the organisation behaves like a total institution (Goffman 1961) - i.e. closed, with few newcomers and low recruitment any changes which are produced in that society will nevertheless affect the organisational dynamics.

#### **1.4.2. The organisation as a nexus**

Indeed, many external cultural influences permeate the organisation's boundary and are enacted within it because people do not leave their cultural perspective at the gates of organisations.

These extra-organisational influences can help to explain the uniqueness paradox. For instance, the acknowledgement of the influence of the feeder cultures permits a redefinition of organisational culture, so that an organisation is seen as the “nexus” (Martin 1992) where a variety of cultural influences come together within a boundary. The existence of inter- and extra-organisational connections does not mean that a given context has not also developed some truly unique elements. A few of those elements within the boundary will be truly unique to the organisation, supporting the claims of uniqueness made by its members. Other elements will reflect cultural influences, external to the organisation *per se*. What would be unique and culturally local is the way a particular combination of cultures mixes and interacts within a given organisation's boundary.

In summary, the culture of an organisation can be unique without being a homogeneous cultural whole independent of the culture-producing forces external to the organisation. The combination of different subcultures rooted outside the organisation might lead to unique patterns and dynamics with strong local particularities. The local organisational culture, and thus the shared assumptions about communication and action in use among members of a working community, and the way they organise their own environment, will then be characterised by a variant of a more general cultural pattern, rather than a culturally unique and independent one.

Once these contextual concerns are considered, cultures in organisations might be seen as multiple, overlapping and nested within each other, whereas the boundaries in the organisation come to be seen as permeable and in a sense, arbitrary. In organisations the

interacting social networks that create and diffuse cultural patterns are smaller and more defined than in wider cultures. However, if we consider culture as the creation and (re) production of cultural patterns of thought and action among interacting individuals and their diffusion through social networks, the boundaries of the organisation -defining and preserving those organisational networks- will help to speed up that diffusion.

And yet, there is still the dualism created when we consider the environment as separated from the organisation by a metaphor like a 'boundary'. Because, although we can draw a boundary between the 'outside' and the 'inside' of an organisation, we need to consider that the frontier between the organisation and the environment is not fixed but rather flexible and therefore amenable to being changed or erased (Czarniawska 1997). We can see it in the accounts of the organisational actors when they connect their personal experiences – inside and outside the organisation - with their organisational experiences, making the division between organisation and environment more difficult to maintain. For this reason maintaining a 'boundary' is hard work and one has to be willing to renegotiate it at every turn.

It was open systems theory that used the concepts of 'organisation', as separate units divided by 'boundaries' from their 'environments' and related to them by 'adaptation' (Jackson 1991). However, the environment is not a pre-existing set of problems to which an organisation must find solutions in order to be properly adapted. The environment of any given organisation consists fundamentally of other organisations together with which our organisation constructs or enacts that environment. Even if it could be claimed that organisations have a boundary separating them from their environment, the current set of circumstances would make it very difficult to maintain in the case of modern organisations: mergers, acquisitions, transnationals and networks make such an idea appear highly tenuous.

Within this context the notion of culture relates to the framework of meaning, of concepts and ideas within which different aspects of a person's life can be related to each other without imposing categorical boundaries between them (Alaasutari 1996). And it is

through culture that people organise the relationship between their organisational life and the life they live as members of other organisations.

### **1.5. CULTURE AS A PROCESS**

If we agree that there are different ways of interpreting and defining an organisation and that people attach different meanings to their actions and experiences within it, we need to provide explanations for the differences in creation of local meanings within different organisational units and hence for the possible existence of different, inconsistent patterns of meaning within the organisation. This clearly contests the idea of culture being of a monolithic nature with fixed attributes. However, if we acknowledge the conflict and ambiguity that pervades organisational life and their fragmenting effects in the reproduction of meaning, the task is then to explain how co-ordinated action based on shared assumptions becomes possible. In doing so we have to consider the stability of certain cultural forms and their common and relatively permanent nature.

What we are confronting here, and I shall address in the next chapter, is that continuum that exists among continuity and change in social experience. The traditional way of approaching this problem has been to look for constants amid the change, or the 'essential' behind the empirical, to look for structures and patterns discarding the accidental. A different way to comprehend the problem has been tried when denying the privilege of the 'essential' over the accidental and the historical.

The different cultural manifestations enacted within the organisation are not essential or fixed in their nature nor therefore should they be 'defended' or 'protected' against 'intrusion'. On the other hand, neither are the different actors in the organisation fully in command of elaborating them through their interventions. There are limitations that a historical trajectory imposes on us, undermining and biasing our ways of constructing meaning and order. However, by their very non-essential and historical nature, these limitations leave us room for acts of transgression and challenge to the constraints they impose.

An organisation provides the conditions for both history and permanence. It is a space that people enter when they are adults and leave behind at some point; in that sense it transcends them. However, this permanence comprises a capacity both for producing and maintaining a history preserved through artefacts and through the narratives of people's actions and for transforming it through those very same narratives. As we shall see in the following chapters, it is in during the process of organisational change that people find the space to talk about the concerns of the present based on what the present owes to the past and the hopes it has for the future.

## 2.0. On Cultural Processes: Continuity and Change

I have argued in the previous chapter for a conceptualisation of organisations as characterised by variants and combinations of cultural patterns that are multiple, overlapping and nested within each other. This complicates the drawing of a clear cultural boundary between the organisation and its environment. However, the members of the organisation need to manage the differences between their life inside and their life outside the organisation. Especially when the relationship between the environment and the organisation changes, affecting the way the boundaries between the two are drawn. This is the question that this chapter addresses -how do the organisational members explain and make sense of those changes?

I have already stated the need to explore cultural transitions in organisations by taking into account the tension existing between the continuity and change that characterises any social experience. The aim of this chapter is to explore these cultural processes. The first section looks at and assesses prior research in cultural change in organisational settings and concludes by proposing a different approach that is further elaborated in the second part of the chapter.

The second section of the chapter explores how collectively reproduced patterns of thought and action provide a background of stable definitions of reality or cultural frameworks' which constrain and channel individual and social cognition and behaviour in one predefined direction. However, the idea of the organisation as a culturally constraining environment, is complemented in the third section of the chapter with the view of a foreground where, through their reflexive awareness, individuals are capable of challenging, making choices, manipulating, even innovating the conditions in which they live. The aim is to use this discussion as a mirror in regard to the findings concerning the empirical object of this study to be dealt with in subsequent chapters.

## 2.1. CULTURAL CHANGE IN ORGANISATIONS

The first question that this chapter focuses on is what happens when the relationship between an organisation and its local environment changes? How do the organisational members understand that development and make it meaningful for themselves? Thus, how do the cultural frameworks used and reproduced by people in the organisation to orient themselves in everyday life evolve?

Studies about change regarding organisational culture have normally emphasised either a “pragmatic” or a “purist” approach (Alvesson 1995). The message from the “pragmatic” point of view is that cultural changes take place in organisations and can be controlled and directed by means of proper management and leadership. Research should support the desired cultural changes in organisations through the identification of the various mechanisms of change, since, as an adaptive mechanism, culture can bring about other looked-for changes in the organisation.

The “purist” perspective on the other hand, claims that organisational culture is not able to change so easily. Seen as a deep-seated structure that emerges as a crystallisation of the past of the organisation, it is considered to change at a very slow rate. The process of cultural change is seen as evolutionary, slow and rather difficult to interfere with.

### 2.1.1. Cultural change by intentional effort

There are some arguments concerning cultural change in organisations, which regard culture as a phenomenon that changes in predictable ways and is susceptible to change efforts. Such arguments<sup>8</sup> claim that, since culture is a social construction, it changes quite naturally like all social constructions, and it is equally natural to try to manage and direct such a change. It is proposed to implement cultural change using different organisational tools like specific recruitment and training criteria for newcomers joining the organisation and/or using organisational symbols and rituals in specific ways. These

arguments maintain that cultural change may be affected as a planned, conscious process, which offers the management various means of influencing the culture.

In general, this approach regards culture as an integrating mechanism, as a social or normative frame of reference, and expects it to unite the members of a group. Leaders are seen as having a great deal of influence on culture, and culture is viewed as a unitary paradigm (see previous chapter). As such, cultural change is usually described as taking place in a revolutionary way. Even if the change is presented as a gradual and slow process, leaders are expected to act as the main change agents influencing the direction of the change. I explore below the various reasons used to back up this view.

For instance, it is said that, since organisations 'create' their cultures, their history does not provide much support for a socially shared understanding. Besides, the learning that occurs in organisations happens in the adulthood of individuals who live simultaneously within the sphere of other institutions, and therefore are able to adopt other orientations and cultural frames of reference. For these reasons, it is claimed that the internal social understanding in an organisation cannot attain such depth and permanence as the anthropological concept of culture would anticipate (Cohen 1994). Based on this explanation, the argument is that organisational cultures are more susceptible to change and that they can be changed intentionally.

Authors that study the life cycles of organisations argue also that there are predictable turning points at which an organisation is forced to undergo a deep transformation. Thus, it is assumed that under certain circumstances -e.g. major crises in the environment or in the internal management of the organisation- it may be easier to effect a cultural change in the organisation (Lievegoed 1980). External opportunities promoting change may spring from a novel technological invention, the discovery of a new market outlet, or the availability of a new form of capital. A merger or the establishment of a new management group are also considered revolutionary events, which may stimulate change

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<sup>8</sup> See for instance Kreftling and Frost (1985).

(Gagliardi 1986). The pragmatic perspective argues that, in this context, a change in ownership provides an opportunity for effecting other changes such as cultural change, and offers a chance to direct that change.

Most arguments within this approach emphasise the role of organisational management in the creation and change of culture. The leader, as well as the structure and practices of the organisation, are seen as having a great impact on cultural change (Deal and Kennedy 1982). Leaders are portrayed as the main factor influencing cultural change. Consequently, some authors (Wilkins and Ouchi 1983, Peters and Watermann 1982) argue that culture can be changed by developing a new set of values and a new leadership philosophy, which the management disseminates to the rest of the organisation. Culture is supposed to change as the organisational members, both old and new, become socialised into this new set of beliefs introduced by the management.

There are indeed, two types of study concerning the influence of strong figures or groups in the culture of the organisation: the studies of the role of the founder during the formative years, and the studies of the role of different managers and leaders in subsequent phases of development of the organisation. None of them pay too much attention to the role of the rest of the employees who are portrayed as rather passive in both types of study.

The first type of study emphasises the historical dimension in cultural development and addresses culture as a phenomenon difficult to change (Schein 1988, Gagliardi 1986). So that, when an enterprise is set up, it is the founder especially who influences the culture being enacted in the community through his personality and his operating principles.

Although most people would agree that, during the early years of an organisation, the founder might have a broad influence on it, there is no guarantee that this will always be the case. Not all founders are powerful and charismatic personae with great capacity to affect others' ideas. Thus, the influence of founders on organisational culture cannot be assumed, and it is necessary to examine carefully what circumstances facilitate or

obstruct their influence on such cultural issues as the employees' shared understandings, meanings, values, etc. Martin et al. (1985), examining an electronics company in California's Silicon Valley, found some support for the founder-centred view, but it seems that the cultural diversity within the organisation was the stronger influence. The influence of the founder was extremely difficult to assess because it varied from one company to another, from one group of employees to another and, obviously, over time. The popular view of organisational cultures as unitary entities, created and strongly influenced by the founder, probably does not reflect the typical case.

Regarding the second type of study, Schein (1992), discussing how 'leaders embed and transmit culture', views both founders and other leaders as very influential. According to him, culture, the special world of meanings shared by a group, evolves as a dialectic process through interaction between leaders and their subordinates. He acknowledges that "the emerging culture will reflect not only the leader's assumptions but the complex internal accommodations created by subordinates to run the organisation 'in spite of' or 'around' the leader" (Schein 1992: 224), but he believes that the "initiative tends to be with the leader".

Although a founder may have far-reaching capacities to affect the workforce during the early years of an organisation, managers rarely enjoy that luxury later on. Generally they find themselves stuck with certain cultural patterns as well as with a certain group of people. Under very stable conditions they may be able to exert a strong influence over the cultural practices of the organisation but these conditions are very rare nowadays. The cultural boundaries between the organisation and its environment are rarely rigid and, even if they are, managers generally have to work very hard to maintain some stability. Again, processes like mergers, take-overs, market changes, diversification, growth, globalisation, etc. must be taken into account.

Therefore, management influence on cultural manifestations must not be overestimated. Although founders and leaders appear to influence certain practices, it cannot be ruled out

that the causality works in the other direction, that is, whether or not the ‘philosophy’ of the leader is a reflection of the culture of the organisation.

### **2.1.2. The lack of control over the cultural change process**

There is, however, another perspective in this discussion which claims that culture is not manipulated that easily. There are various arguments pointing out aspects of culture that make any cultural change a slow and difficult to control process. For instance, the importance and influence of the environment, the process of learning, the multilevel nature of culture and the resistance of the organisational members to processes of change.

One of the main arguments in favour of the lack of control over cultural change is that, since there is a strong interaction between the organisation and its environment, the environment exerts an uncontrollable influence over the organisation and therefore over the shape its culture takes. Organisational culture develops through a complex interaction between the members of the organisation and the surrounding cultural context, and therefore changing the culture is made difficult because of its co-dependence with the environment, which is uncontrollable by nature, but certainly beyond management control. Events like financial crises, the illness or death of key managers, and unforeseeable depression, that are unplanned for and impossible to control by management (Davis 1971). Indeed, environmental factors limit the autonomy of the organisation in managing any kind of change process (Wilkins and Ouchi 1983).

Cultural change has also been described as a learning process in which organisational members act according to cognitive schemes, giving meanings to the events occurring within the organisation (Baturnek 1988). The nature of these schemes is social, and they are created, transmitted and changed historically and collectively. Schemes begin to change when the shared understanding no longer produces adequate solutions to the problems encountered. A crisis follows and, if it is felt to be sufficiently serious, the framework of that understanding will be questioned. By way of the learning process, new information is acquired through experience, and a new framework begins to evolve,

initially even several frameworks. Finally, according to Bartunek, this leads to the stabilisation of a new understanding.

The fact that culture has multiple levels and depth, in terms of its historical and psycho-dynamic implications, also makes its control and management difficult. The assumption here is that the creation and change in cultural terms takes place within the deep structures of an organisation, and it can neither be created nor controlled. The difficulty of cultural management lies in the fact that culture is a phenomenon of multiple layers, which has roots in the history of the organisation (Pettigrew 1986). Because of this historical aspect, it is easier to adjust the manifestations of culture (such as the organisational structure) than it is to change the more profound assumptions and basic beliefs within the organisation, which also do not easily submit to explicit study.

It has also been indicated by some studies that resistance to cultural change is quite natural because culture as a frame of reference creates continuity and provides a psychological shield, which protects the stability of organisational life (Trice and Beyer 1993). Any situation of change therefore creates feelings of uncertainty, and resisting change should be seen as a quite normal phenomenon within these circumstances.

## **2.2. ASSESSMENT OF PRIOR RESEARCH IN CULTURAL CHANGE**

The 'pragmatic' studies described above offer an integrative view of cultural change. Given the benefits of the clarity, consistency and organisation-wide consensus of an integrative perspective of culture, it is not surprising that they conceptualise cultural change as a return to the realm of clarity. The assumption underlying these studies is that after a period of change the cultural system of the organisation is always to return to a stable situation. It is generally assumed that the leader has a crucial role since it is he who starts and finishes the change process. Without a leader the change would not occur or would be ill formed whereas, with his help, the change could be directed towards a good, healthy position for the benefit of the whole organisation.

The general assumption is that once the culture of the organisation is established it must be maintained, controlled (monitored) and renewed. Change is admitted, but always in a predetermined fashion. This is an approach that aims to maintain the status quo emphasising the establishment, maintenance, collapse, and re-establishment (or imposition) of cultural units.

When cultural change occurs, it is described in dramatic and painful terms: an established cultural unity has to cope with external factors, which oblige it to change and, so, it ‘collapses’. This process is seen as entailing an organisation-wide cultural transformation, whereby an old cultural unity is replaced by a new one. Conflict and ambiguity might appear, but these ‘gaps’ in the consistency are interpreted only as evidence of the deterioration of the previous status of culture, as an ‘unhealthy’ development before a new unity is established. The paradox here is the acknowledgement of the existence of conflict and differences while defining organisational culture based on the absence of these elements.

The ‘purist’ perspective, on the other hand, offers an analysis of cultural change that stands in contrast to the organisation-wide collapse of a worldview of the previous ‘pragmatic’ definitions. Most of these studies explore different cultural groups within the organisation, acknowledging the plurality of organisational life. When they do discuss change they usually focus on the new balance or (im) balance of power created by the change/shift on the configuration of subcultures.

However, if we take culture as the fabric of meanings, in terms of which we interpret our experiences and guide our actions (Geertz 1973), then we need to look at cultural change in a different way. Indeed, culture as a historically transmitted pattern of meanings in symbolic form, by means of which human beings communicate, perpetuate and develop their knowledge about, and attitudes toward, life, is reproduced and challenged in a way that might not have been covered by the studies explored before. In looking at organisational change and its implications for the interpretative frameworks that the organisational members share, we need to consider both the variety and innovation that

exists in the creation of local meanings within the organisation as well as the stability and permanence of certain cultural forms.

### **2.3. (RE) PRODUCING ORGANISATIONAL REALITY**

If the members of an organisation have been together for sufficiently long they might begin to share, through their interactions, a complex understanding of their world, which becomes taken for granted and is labelled by a language of its own. People will use this understanding in order to organise their relationships within and outside the organisation. Thus, this knowledge, composed of the accumulated shared symbols representative of, and significant within their working community -culture- acts as the 'context-dependant semiotic system' of the organisation (Alaasutari 1996). Yet, the 'cultural traffic' existing between the organisation and its context will make sure that these cultural frameworks are in constant progress, processing and revealing new extra-organisational meanings as they help to structure and contain the ones that are already in use. As such, the way in which we order our local environment is not just socially constructed, but also socially preserved, maintained and (re) produced.

In cultural theory there are three ways indicated by which culture is (re) produced (Alvesson 1995). One way is through socialisation and the transmission of ideas, values and norms from one generation to the next. The second way to recreate culture is through culturally significant and symbolically charged activities - ceremonies, rituals - that condense important assumptions and are conveyed to the members of that collective. A third way is through a finely meshed network of meanings and understandings which pervade social practices and which 'carry' the culture. All three mechanisms of (re) reproducing culture are important. However, this study is more concerned with the third way.

The concept of cultural (re) production as elaborated by Bourdieu (1977) is used here to articulate the dynamic process between the stasis of the social structures and the agency

and innovation of the social action. It highlights the necessity to explore both continuity and change in social experience.

On the one hand, the concept indicates how routine and systematicity are achieved within a culture. In this sense the concept implies replication and conveys images of limitations and constraints. In fact, the idea of cultural reproduction rests upon Bourdieu's concept of the 'habitus' (1995). The habitus, as he describes it, embodies cultural manifestations -ways of doing, telling and acting- that have been internalised as second nature and so taken for granted that they are forgotten as history – as transitional and therefore amenable to change. As a product of history, the habitus produces individual and collective practices - more history - in accordance with the schemes generated by the previous history of which it is a product. In this sense, the habitus represents the active presence of past experiences forming the frameworks for thought and action that guarantee the 'correctness' of social practices and their constancy over time. This system of dispositions, a 'present past', tends to perpetuate itself into the future by reactivation in similarly structural practices, presenting the possibility of the continuity and regularity in social experience.

The unquestioned status of the habitus is what gives present social practices - in thought and action - their relative autonomy with respect to the implications of external present circumstances. The past is:

“...enacting and acting, ...functioning as accumulated capital, produces history on the basis of history and so ensures the permanence in change that makes the individual agent a world within the world” (Bourdieu 1995: 40).

However, if we consider cultural reproduction from a more generative point of view, the term should be able to convey images of birth and regeneration offering possibilities of new formulations and new emerging orders. Thus, it is also through the concept of reproduction that we can conceive social experiences through change and transformation within the permanence that ensures the participation of the individual agent in its reconstruction. A re-constructed cultural framework will then enhance the ability of parties in stable relations to agree on the interpretation of acts, but this does not mean that

sharing interpretations leads towards an inexorable convergence to complete unity and sharing of culture. This type of framework is stable enough to ensure permanence but it is not rigid, since it is being constantly modified and transformed by:

"... successive re-structurations ..., with certain themes being brought to the fore while others are set to one side without being completely eliminated, so that continuity of communication between intellectual generations remains possible" (Bourdieu 1977: 192).

### **2.3.1. Permanence: historical memories**

It is generally agreed that culture can only be fully understood as the product of historical processes. The idea of the culture of an organisation developing and changing over time has been explicitly recognised by many theorists who have built a temporal element into their culture definitions (see section 1.3). In fact, most other perspectives on organisational theory are in a sense a-historical, preferring to explore organisations as they are now rather than as an end result of a complex change process. But if, as Sahlins (1985) says, society is 'the institutional form of historical events', then we will need to consider history in the analysis of any kind of social process.

However, history is considered here not as the official account of 'what really happened' of past events but rather as the collective accounts of the change processes with which individuals reconstruct, interpret and challenge their social order. These collective accounts as a mode of social consciousness are based on - and allow people to further develop - shared interpretative frameworks and explanations for the understanding of their social reality. The accounts that compose history are usually selective accounts of the actual sequence of events. However, they are not a random selection since "for all the human experience of time, the potential ways of registering it are culture-specific" (Hastrup 1992: 104). This is why recollections and ultimately history are valid materials for understanding the way people understand, explain and order the events related to the change in relations between the organisation and its environment, "not 'in spite of' but precisely 'because of' the significant cultural selection inherent in them" (Hastrup 1992: 10).

Indeed, for events and explanations to become part of ‘history’ and therefore part of an interpretative framework, they have to be experienced as meaningful by the social collective. And meaningfulness, as Ricoeur (1980: 160) reminds us, is neither fully “linked to the present agent nor totally contained in the present time but inextricably interwoven with social memory”. Thus, it is social groups that determine what is ‘memorable’ and also how it will be remembered. As signs and explanations become imbued with the memories of the group’s lived experiences they become re-valued and constantly deployed in day to day life. In fact, one’s ability to use and to interpret them becomes indicative of one’s membership and participation in that social group (Alonso 1988).

It was Halbwachs, in his classical work on collective memory, who stressed the social and constructive character of our recollections. He stated that a recollection of the past can only be in itself social since “it would be impossible for the individual to represent himself anew, using only his forces...unless he has recourse to the thought of his group” (Coser 1992:169). Thus, individuals call recollections to mind by relying on the discursive strategies that their social context provides. Our social recollections are located through the use of social landmarks that we always carry with us, for it “suffices to look around ourselves, to think about others, and to locate ourselves within the social framework in order to retrieve them” (Coser 1992: 175).

It follows that any community is able at every moment to reconstruct its past. However that past is usually ‘distorted’ in the process of reconstruction because even without the intention to distort its recollection always rests upon interpretative re-constructions. In any case, this reconstruction implies a certain degree of agreement since “society can live only if there is a sufficient unity of outlooks among the individuals and groups comprising it” (Coser 1992:182). One of the consequences is that a social group might ‘delete’ from memory all that distances groups from each other or brings about painful memories that are better forgotten (Pennebaker 1992, Paez et al. 1993). On the other hand, the creation and maintenance of collective recollections is a dynamic social and

psychological process that involves ongoing talking and thinking about the event by members of the society. This interactive process is critical to the organisation and assimilation of any event in the form of a collective narrative (Pennebaker 1992). Thus, the continuity of a community resides in the ability of its communications to be said, re-said, and re-enacted repeatedly.

Within organisational studies, Walsh and Rivera-Ungson's work (1991) also suggests the existence of an organisational memory consisting, of the shared interpretations of members that allow knowledge of the past to be reproduced even after the departure of key individuals. This knowledge is preserved in symbols, stories and administrative systems and in the roles that individuals perform, in the physical structure of an organisation, etc. Douglas (1987) also shows in her work how institutions systematically direct individual memory and channel our perceptions into forms compatible with the relations they authorise. Thus, the system by which people become organised sets up predefined patterns of conduct and thought, which channel human cognition and behaviour in one direction, against the other multiple directions, which theoretically could be possible. Consequently, within the organisation these patterns become cultural constraints for its members, regulating their interpretations and interactions by the very act of providing a framework to organise them.

### **2.3.2. Cultural constraints and organisational control**

Once the explanations that guide our thought and action have been crystallised in the form of cultural frames of reference, they can become experienced as existing over and above the individuals who happen to embody them at the moment (Berger and Luckmann 1991). They can be experienced as having a reality of their own, a reality that can confront the individual as an external, coercive and controlling force.

In organisational studies control is usually related to the idea of power. However, conventional perspectives on organisational control are based upon a very traditional theory of power that equates power to hierarchy. It is implied that power resides only in

the hands of a legitimised leader or small group who applies it in a top-down fashion (Handy 1991). The assumption is that, once the leader's status has been legitimised, his power becomes a possession, which allows him to exert control and to impose normative behaviour on, his subordinates. The image is that of power emanating from the centre to the periphery with a causal influence similarly centrifugal. We need, however, to shift from the principle of power to the practice of power (Latour 1986) or, in other words, from the conception of power as a possession to power as a relationship (Foucault 1980), to better explore the issue of organisational control. In this way, rather than perceiving the rays of power spreading out from the centre to the periphery in a determinate and unmediated fashion, we shall find that they are both highly contingent and the subject of constant interpretation and negotiation.

Power is considered here as both a product and a process by which members of the organisation engage in organising activities and in setting priorities. As such, it is constituted and reproduced in the organisation through processes of communication, interaction and symbolism. It manifests itself both as a hierarchy, as differences among people's possibilities of accessing specific discourses, and as the establishment and maintenance of organisational specific interpretative frameworks, symbols and practices. Thus, which myths are considered relevant, and which cultural themes, stories, norms and rituals are told, maintained and reinforced, is likely to relate directly to the groups in power, to their interests, and to their influence on organisational attention setting practices. Hierarchical power, on the other hand, is most manifest in the generic 'formal' aspects of the organisation (Iedema and Wodack 1999:11).

Organisations are certainly known to establish controlling mechanisms to deal with those who depart from cultural expectations. Such that the individual or group who does not "buy-into" the established patterns of thought, discourse or behaviour is confronted with the likelihood of sanctions by those in power in the organisation. However, that control, as Foucault (1995) understood about the generic nature of surveillance, must be sustained over time and in such a way that it becomes eventually, to all intents and purposes, invisible. For it is only by repetition that signs and practices cease to be perceived or

remarked; that they are so habituated, so deeply inscribed in everyday routine, that they may no longer be seen as forms of control or even seen at all. It is then that they come to be (un) spoken as custom, (dis) regarded as convention and only disinterred on ceremonial occasions. Power is therefore achieved, not only on the strength of organisational rituals, but also through the micro-processes of daily organising and interaction. As Hall (1988) reminds us:

“[a] circle of dominant ideas does accumulate the symbolic power to map or classify the world for others, its classifications do acquire not only the constraining power of dominance over other modes of thought but also the inertial authority of habit and instinct. It becomes the horizon of the taken-for-granted: what the world is and how it works, for all practical purposes” (Hall and Donald 1988: 44).

### **2.3.3. Security through permanence**

However, the constraints that a shared cultural framework imposes on the members of an organisation should not be portrayed as only negative. On the contrary, the permanence that the cultural frameworks provide allows also for feelings of security and familiarity. A shared interpretative framework provides us with necessary stable definitions of reality, with the brackets that help us to keep chaos at bay in our everyday life so we can proceed with our daily routines (Giddens 1992). In our struggle to interpret and understand we use our past experiences to render events into a form sufficiently familiar that we can make sense of them. Our previous experiences function then as a model of reality without which we should have no basis from which to orient ourselves to the new phenomenon requiring interpretation.

As individuals we struggle constantly against uncertainty, the inchoate, and employ cultural tropes to secure ourselves. As we cross into unfamiliar domains of experience, we tend to reach out to seek and grasp a lifeline from one that is familiar. The movement from the insecurity and danger of the unknown to the comforting familiarity and certainty of the known is necessary for people to behave competently and to perform (Cohen 1994: 141). It is when we find ourselves unable to render the unknown into some familiar form that we become frightened but we are usually able to defuse the crisis by deploying our

models of reality, our recollections of the past. These recollections are a necessary activity whereby people become reflexively aware of their own history and social practices and of how these differ from those that have developed in other communities or working contexts.

However, it is important to remember that neither historical memory nor traditions are simply received as pre-given verities. They are always open to human agency, being always subject to some degree of questioning or revision. But it is especially when people get involved with other stories and cultural beings that they reach a level of 'historical consciousness' (Hill 1988:7) that presupposes the notion of the other. Thus, the definition of a cultural self always involves a distinction of the values, characteristics and ways of life of others. This does not usually arise in situations of relative isolation, prosperity and stability. A period of instability and crisis, a threat to the old established ways, seems to be required, especially if this happens in the presence of, or in relation to, other cultural formations. It is when something assumed to be fixed, coherent and stable is displaced by the experience of doubt and uncertainty that challenges to the established cultural order occur.

## **2.4. TRANSITIONS**

### **2.4.1. Challenges to the historical order**

Indeed, when thinking about cultural reproduction we need to take into account processes of constant creation of meaning and innovation, since we live in a world of 'unfixed' signifiers in which meaning cannot inhere in enduring schemes of signs and relations. Even if conventional ties are established between signs and their referents culturally and historically, human social behaviour is not transparent, objective or uncontested.

Although for most of us many signs, and often the ones that count most, look as thought they are eternally fixed, these signs, as well as the social relations and material practices they relate to, are constantly open to transformation. History everywhere is actively made, unfixed, resisted and reconstructed through the tensions between order and

disorder, consensus and contest. Not all cultural themes are drawn upon at all times in such processes: some may come to be directly targeted in the change process, or remain the same, whereas others may become unfixed and remain, at least for a while, ‘free-floating’ creating possibilities for conflict, challenge and innovation. They produce constant interpretations and re-interpretations that are performed jointly, in interactions, conversations and recollections with third parties.

Usually these processes of discursive reflection tend to promote a convergence of understanding and shared knowledge among those who engage in them (Cohen 1994). This enables the community or group to develop its sense of distinctive self and to maintain it. Culture is the framework from which historically situated discourses are cast but also, and by extension, resisted. It is indeed culture as the ‘historically situated field of signifiers’ that provides the symbolic space in which the dialectics of domination and resistance, as well as the making and breaking of consensus, are articulated (Comaroff and Comaroff 1991).

History becomes then the site of an ‘ongoing battle’ in which the stories produced and contested are not neutral or value-free assessments but constructions whose object is to weigh up and evaluate the current state of affairs (Alonso 1988). The interpretations that made up these assessments are not fixed but rather constantly shifting as the contours of the social terrain on which they are negotiated are redefined.

#### **2.4.2. The individual’s ability to develop**

It is when an organisation goes through a process of major change that its members are forced to reflect and monitor their actions as part of the process of doing what they do. This reflective awareness helps them to maintain habits and routines and therefore to keep away threatening anxieties (Giddens 1992). Yet, it carries with it the tension of a constant cultural (re) production where, besides the anxiety, there might be space for innovation and creativity.

In anthropology the culture theory closely approximated to this tensional view is that of Geertz (1973, 1983), expressed in his definition of culture as the ‘web of significance’ which people spin and in which they are then suspended. A cultural framework imposes interpretative constraints on its bearers providing them with the conceptual and cognitive means of interpretation and with the models to make that interpretation possible. On the one hand, even if as individuals we can interpret the different ‘texts’ that constitute culture somewhat differently from each other, we are limited by both the finite number of texts and by the concepts with which our culture equips us to engage competently in the practice of interpretation.

On the other hand, despite the constraints that an organisation might impose physically and symbolically, individuals are still able to reflect upon, reconstruct and develop their social behaviour and endeavour to increase their social competence. And competent social behaviour cannot be explained by just treating individuals simply as creatures of culture or society. Culture makes “available the metaphoric terms, makes some more or less compelling or appropriate than others, but leaves their manipulation to thinking individuals” (Cohen 1994:139). As such, we are both constituted by society and made competent by culture, but we still remain active, proactive and creative individuals who are able to shape our worlds through our acts of perception and interpretation.

People do not always live in terms of those typically conflicting demands between the voices of authority emanating from the past and those voices emanating from the desires, expectations, and competitive idiosyncratic aspirations of the individual. Thus, people are never simply tradition-formed, neither are they simply autonomous. And yet, the more tradition loses its hold, and the more daily life is reconstituted in terms of the dialectical interplay of the local and the global, the more individuals are forced to negotiate lifestyle choices among a diversity of options and standardising influences (Heelas 1996). This agency or the ability to choose, to improve and to develop oneself, is not merely social structure in the active voice, it is practice invested with subjectivity, meaning and, to a greater or lesser extent, power. It is in short, ‘motivated’ (Comaroff and Comaroff 1991).

## 2.5. SUMMARY

Thus, inside each organisation people's emotional and intellectual life is limited physically and symbolically by the constraints that the organisation imposes on them, their aims, activities and problems. However, as members of the organisation and carriers and shapers of its culture, employees have the possibility to innovate and change these constraints. The way people explain, make sense of and manage the relationship between the organisational constraints and these possibilities for innovation depends on the type of cultural frameworks they share, and to what extent they (re) produce and/or challenge them.

The next two sections of the thesis explore, from a cultural perspective, the organisational change process within Blazehard and its impact on the socially (re) produced cultural aspects of the organisation. They include the description of the research methods as well as the description of the history of the company within its socio-political context as the basis for understanding its development and latest changes. Chapter 5 and 6 will examine those changes through the analysis of the stories told by Blazehard employees about the two consecutive take-overs experienced by the company. Their stories, as cultural manifestations, are explored as the vehicle through which cultural frameworks can be (re) produced and challenges to the cultural order can be expressed. Thus, the exploration of these stories will make explicit the way in which the members of the organisation account for both the history and permanence that the organisation provides.

The end result is an 'added story' that results from my analysis and seeks to 'make more complex' the reader's understanding of the stories employees have been telling to each other and to me during the research process. The aim of this account is to make clear how those stories are (re) produced through the employees' interactions. The analysis will show both commonalities and differences intertwined in 'the employees' reports. However, my aim is not so much to look at the stories for something common or different to all respondents, but rather to find what makes them tell the stories they tell.

## **3.0. On Methodology: Discovery and Interpretation**

Science can be distinguished from everyday understanding by its self-awareness of methodology; that is, of the rationale underlying both the selection of methods of data gathering and their interpretation. This self-awareness implies clarifying and making explicit the process of doing research by describing what was done, and why it was done, at all phases of the inquiry. In doing so, it acknowledges the ways in which the research activity inevitably shapes and constitutes the object of inquiry.

This chapter is dedicated to this reflexive exercise. The first section of the chapter deals with the different ways in which the quality of the research process can be assessed. The second turns to explain and assess the methodological framework and the techniques used to collect and reconstruct the narratives that constitute the main source of data in this investigation. The chapter finishes with an explanation of the computer package utilised for the analysis and interpretation of these narratives.

### **3.1. THE CONTEXT OF DISCOVERY**

Alvesson (1995) suggests a distinction in organisational research between research concerned with the development of hypotheses and theories and research aiming at the testing and verification of previously established hypotheses. He calls the former the context of 'discovery' and the latter the context of 'verification'. Traditionally, research in organisations has focussed more on the latter, especially in terms of justifications or criticisms, neglecting the process of discovery or generation of hypotheses and theories. This thesis, on the other hand, is more concerned with generating new ideas regarding cultural processes in organisations.

The generation of new ideas is also the concern of many of the qualitative research studies carried out in organisations. In fact, the hope in the previous decade has been that organisational culture research based on an interpretative approach and qualitative methodologies would provide innovative alternatives to the structural functionalistic assumptions, managerial bias and quantitative methods that have dominated organisational research (Van Maanen 1998).

In this thesis the term “qualitative research” is used to describe the interpretative techniques “which seek to describe, decode, translate and otherwise come to terms with the meaning, [rather than] the frequency, of certain more or less naturally occurring phenomena” in the organisational world (Van Maanen 1982: 520). Essentially, it implies an emphasis on processes and meanings rather than on an examination or measurement in terms of quantity, amount, intensity or frequency.

In choosing a qualitative approach to investigating people’s stories of the changes surrounding Blazehard, I aim to emphasise not only the socially constructed nature of organisational reality, but also the relationship between myself as the researcher and what is being explored, as well as the situational constraints which have shaped the research process. For instance, two of the techniques of data gathering used in this study - semi-structured interviews and group discussions - implied my engagement in interacting with people in their own language and on their terms. As such, the people involved in this study were more ‘participants’ in it rather than ‘subjects’ of it. This change in terminology is important since I want to acknowledge both the autonomy of the respondents in terms of their contributions to the research and also my impact as researcher in the study since my role during the research process was not just that of a bystander<sup>9</sup>.

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<sup>9</sup> For instance, I was told that, as a result of one of the group discussions conducted in the company in which participants argued about the role and importance of women in Blazehard, the management of the Sales division made sure that at least one woman was included in the next kick off meeting the division held a month after the discussion took place. The group discussion offered the space and possibility for the

However, it was not only my physical presence that had an impact on the research process. As researchers we do not operate outside of a cultural context, but also belong to various thought worlds that we cannot escape in order to immerse ourselves, naked of prejudice, into another (Czarniawska 1991). Research is an activity in which the observer is always guided by cultural images that determine which data are salient and which are not. At the end of the day we are observers of a world in which we also participate, even if we use different kinds of materials –i.e. of a quantifiable or a qualitative nature- as our data. And this is similar in every research process since the use of measures or mathematical procedures does not eliminate the inter-subjective element that underlies any research process.

Therefore, the data presented here are principally determined by interpretation and theory and they are as much a re-construction as they are a reflection of Blazehard's reality (see section 5.1.3). Indeed, this study interprets and describes for the reader -rather than explaining functionally and causally- the cultural world of Blazehard.

### **3.1.1. The quality of the research process**

Now, to what extent are these data valid or reliable? And to what extent can the interpretations from their analysis be generalised? These terms; -reliability, validity and generalisability- are the terms generally used in the social sciences to discuss the verification of the knowledge achieved through research<sup>10</sup>. Reliable data are associated with the idea of measuring. That is, when researchers concentrate on measuring, their main concern is to get the measuring instruments used –e.g. items in a questionnaire or a survey- to produce the same results when applied to the same subjects by different researchers. That way the data become credible since it is assumed that, if the researcher

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secretary participating in it to make her complaint clear to the rest of the participants and some action was taken as a result of it.

<sup>10</sup> They are also part of our daily language, where issues of reliable observations, of generalisation from one case to another and of valid arguments, are part of everyday social interaction. Lincoln and Guba (1985) for instance have reclaimed ordinary language terms to discuss the value of their findings, using concepts such

influences the way in which the subjects respond to the measuring instruments, the research results would be 'contaminated' and therefore less reliable.

An interpretative approach, on the other hand, seeking to describe and understand how people make sense of their world, does not focus on this kind of distance from the research participants. However, this does not mean that, in interpreting data, the issue of possible researcher bias should be ignored. This usually leads to the question of the validity of the research process.

An argument is usually considered valid when it is sound, well grounded, justifiable and convincing. In social research the concept pertains especially to the degree that a method investigates what it is intended to investigate. Thus, if we are measuring, then a valid instrument should be the one that actually measures what it claims to measure. Similarly, in interpretative research, a study is said to be valid if it explores the topic that it claims to have examined. In essence, the concept of validity is the same in both types of research. Where they differ is in the notion of validity as centred on the methods, i.e. the validity of the items in a questionnaire as opposed to the validity of interpretations in a qualitative study.

There is a considerable debate about what constitutes good interpretation in qualitative research<sup>11</sup>. On the one hand, it is said that an investigation is valid if there is a high degree of correspondence between the knowledge gained and expressed in the research report and the 'objective' reality. The position that this thesis adopts however considers knowledge as a social construction that is constituted through the dialogue, conflicting interpretations and action possibilities negotiated among the members of a community. As such, there is no assumption of an objective organisational reality to be accurately portrayed in this report. I am aware, however, that there must be a way of assessing the knowledge obtained doing interpretative research if we are to improve on the general quality and rigor of our interpretations.

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as trustworthiness, credibility, dependability, and confirmability.

<sup>11</sup> For a detailed account of the different positions, see for instance Hammersley and Atkinson (1983).

Qualitative researchers propose the notion of 'triangulation' of methods as one way to achieve this rigor. This notion comes from navigation and military strategy which use multiple reference points in order to locate an object's exact position. In the social sciences it indicates the attempt to use different viewpoints to gain a greater understanding of the phenomena in question rather than accuracy in an object's position (Flick 1992). In this study the combination of various techniques of gathering observations is a strategy that aims to add rigor, breadth and depth to the investigation.

The combination of different methods can also both facilitate the creation of the space and potentially legitimate the speech of the diverse chorus of voices, interests and perspectives that potentially exists within the organisation. Using an interpretative approach and different methods of data gathering to explore the cultural world of an organisation implies also looking into the multiple narratives that give voice to, and allow the construction of multiple organisational worlds. As Ehn and Lofgren put it:

"There is a risk that in searching for culture patterns we blind ourselves to contradictions, conflicts and everything else that does not fit...Against such concepts as wholeness and consistency, we should set the analysis of contradictions, inconsistencies, splitting and dissonance" (Ehn and Lofgren 1982, quoted in Alvesson 1995).

### **3.2. THE FRAMEWORK AND THE TECHNIQUES**

Cassell and Symon (1994) distinguish between techniques and frameworks when talking about research methods in organisations. Although lying in a continuum, they regard the techniques as the special ways of gathering data, whereas the frameworks are described as the general strategy of approaching the study of the organisation, which can encompass a number of different techniques (case studies, intervention research etc.). I follow this distinction below and present the framework (case study research) and the techniques (interviews, focus groups and documents) used to gather the data in this study.

### 3.2.1 The framework: Case studies

A case study has been defined as an in-depth, detailed examination through empirical material of one or more organisations or groups within an organisation, collected over a period of time, with the objective of providing an analysis of the processes involved in the phenomena under study as well as of their context<sup>12</sup>. As a framework, they do indeed allow the researcher to “investigate a contemporary phenomenon within its real-life context; *when the boundaries between phenomenon and context are not clearly evident*; and in which multiple sources of evidence are used” (Yin 1989: 13, emphasis added).

Case studies are also useful in providing an understanding of areas of organisational life which are not well documented and are not amenable to investigation through fleeting contact with organisations (Schein 1988, Martin 1992). They are also relevant in looking at organisations as historical sites since the usually prolonged involvement of the researcher means more opportunities to trace interconnections of events over time. Furthermore, they provide one of the chief arenas in which various research methods can be combined (Yin 1984).

However, in spite of their relevance case studies have been criticised for lacking generalisability, validity and replicability (Hartley 1994). The main criticism is that case study evidence is idiosyncratic, since it derives from one or two potentially ‘untypical’ organisations and seems to fit less well within the scientific search for universal laws (Campbell 1975).

The problem of generalisation has been perceived often as the chief drawback of case study research, raising questions about the external validity of the findings. However, there is a growing recognition that some of these accusations rest upon an erroneous application of statistical notions, which treat the case as a sample of one (Mitchell 1983).

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<sup>12</sup> See for instance Hartley (1994).

The degree of representativity of the case depends rather on the level of abstraction at which the case is considered and on the choice of the ‘relevant’ characteristics to be compared and generalised across cases of the same type. That is, the level of typicality of the case is a function of the extent to which the analyst can establish the operation of some underlying general theoretical principle within the case (Mitchell 1983). As such, case studies should be evaluated in terms of the adequacy of the theoretical inferences they generate.

To criticise case studies for not being replicable is surprising, since it implies that one should expect complex processes to occur in the same fashion many times. In this study, the particular events that constitute the case take place in an organisation through the interactions of its members having consequences for their collective life. History, as it happened in Blazehard, does not repeat itself and therefore replication of this case would be quite impossible.

An interesting advantage of case studies is that they can teach readers to envisage possibilities, to expand and enrich the repertoire of social constructions available indicating other potentialities for new ideas and actions. That is, they can become ‘generative’ stories which, rather than just “telling it like it is,” would also “tell it as it can become” (Czarniawska 1997).

### ***3.2.1.1. The Organisation under study***

The particular organisation on which my analysis focuses is a firm (Blazehard) currently operating in Spain with around 4,500 employees located in various branches, with its administrative and sales centre in Bilbao, the Basque Country. The firm manufactures rubber tires for cars, vans and for industrial use, and its largest European manufacturing plant is also located there.

In 1988 a change in ownership took place in Blazehard. After an entrepreneurial phase (joint-venture with 80% Basque capital) which had lasted over 50 years, the firm’s

ownership was transferred to a multinational company (USA owned) which until then had owned the 20% minority share-holding plus the technical know-how. By that time Blazehard-Spain had become an unprofitable firm and the change programme that was launched by the new owner intervened in the previous self-management of the firm, aiming at improved financial performance and better control of the organisation. When the new American owners considered the company “recovered” and profitable enough, it was sold to a Japanese multinational as a part of a package. The new owner’s head office was in Tokyo, with its European central administration situated in Brussels. It took over the former Spanish company in 1992 and soon afterwards started an organisational change programme, which was still evolving at the time of my fieldwork.

In both take-overs, the organisational change programme implied a reshaping of the management practices as well as of the monitoring and reporting systems. There were also changes in personnel. In the first take-over new personnel trained in the new work practices were hired, whereas in the Japanese take-over the existing employees were trained in new work practices. In both cases the objective was to modify some operating practices of the firm according to the philosophy of the new owners. However, they avoided on both occasions making any fundamental changes in the organisational structure.

However, in 1993, the Japanese owners started a new organisational change program. The administration of the Sales and the Manufacturing sections of the company were divided into two separate legal entities, operating as different companies within the same firm. An “internal market” was set up, with the Manufacturing division selling the product to the Sales division and Sales selling to the final (external) clients.

The aim of the study described here is to tell a story that clarifies the way Blazehard employees - specifically those from the Sales and Manufacturing administrative divisions in the Basque Country - understand their organisation and make sense of their local environment after the changes experienced by their company.

In my search, I sought to answer a basic question: are those changes reflected in the way they understand, organise and explain their reality? Blazehard was selected as the organisation to be studied on the basis of the criteria in which I was interested: given the background of the company, I considered that I might expect to find characteristic cultural patterns, shared by both divisions, since:

- The organisation was about 50 years old before the first take-over. This period was sufficiently long to have enabled the development of an intense, common experiential world as a basis for a collective history and an organisation-specific culture.
- For the whole period, the organisation had been under the control of the same group of people. The management system and the organisational structure had remained largely the same throughout the life of the organisation.
- Personnel turnover had been very low (most employees had been working for 20 years or more in the firm, none less than five). In addition to the top managers, principal managers and key staff had stayed on with hardly any changes at all during the last 10 years. This increased the likelihood of a characteristic culture developing.

On the other hand, a change in ownership had recently taken place twice in the organisation and the current major organisational change programme had been initiated with the primary objective of changing some of the practices of the firm. It was implemented in a way that had the potential to impact on the cultural framework/s of the members of the firm:

- A change of managing directors and owners had taken place as a consequence of the change in the management system. At the same time, some of the firm's former founders and members had left the firm.
- The structure of the organisation was changing in terms of its hierarchy, division of responsibilities between departments and factories, interrelationships between departments and control structures.
- The operational policies were changing. The firm was attempting to reorient strategically, and there were changes in both the recruitment and retirement policies.

- A training program (based on the Kaizen method, c.f. Massaki 1989) had been carried out, aimed at changing the working practices in the organisation. This programme was carried out in both the Sales and Manufacturing divisions.

Particularly these two factors: i) its long history and common development and ii) the consecutive organisational changes, made the company very interesting as the object of study. Obviously, I was also interested in studying an organisation which was open and where access could be negotiated without too many problems and where it was possible to make observations and collect empirical data through different techniques.

### 3.2.2. The techniques

#### 3.2.2.1. *The Inter-views*

The research interview has been described as an “inter-view” (Farr 1984). That is, an interaction between two people that constitutes more a social situation than a simple tool for collecting data. In that situation both interviewer and respondent act in relation to, and reciprocally influence each other.

The interview follows a fundamental assumption of ethnomethodology according to which people are able to use their cultural means to make sense of their world. And it is through the process of interviewing that the researcher tries to elicit those means of sense making<sup>13</sup>. The interview makes possible this exploration of individuals’ sense making, through the pre-structured guidelines set by the interviewer, while still allowing the respondent to set the agenda of the interview overall. As such, the interviews conducted in this study deal with the change process experienced by Blazehard, as set by the interview guide, but all of them are shaped by the respondent’s own personal narrative.

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<sup>13</sup> The notion of ‘making sense’ within the interview context is taken literally here, as the interviews I conducted in Blazehard sought to allow people to try -through the stories they told and the discourses they

However, conducting an interview means to immerse oneself in the content of the interaction. The aim of the interview situation is to achieve an understanding of the phenomena under study and its context through the people that tell the stories. However, in my case a great deal of ‘knowledge’ about the surrounding context and the society in which the respondents live was already shared with them. Indeed, I do share with the respondents the same language, similar upbringing, knowledge about the geographical and socio-political context in which the company is situated and even in some cases common acquaintances. This allowed our interaction to take place at all and to produce insightful exchanges making the data richer and more meaningful for research purposes. Indeed, some basic common ground was necessary in order to achieve the successful communication and mutual understanding that would create a situation where disclosure could be facilitated. This ‘shared knowledge’, however, needed to be regulated; in the sense that too much shared understanding would have left unexplored latent assumptions taken for granted by the interviewees.

Indeed, a common critique of research interviews is that their findings might not be valid because the subjects’ reports may be too incomplete or even worse, false. It is true that people placed in an interview context are not just “truth-tellers” or “informants” but “use their language to do things, to order and request, persuade and accuse” (Potter and Weatherell 1998). Furthermore, the interviews conducted in this study were relatively loosely structured and open more to what the interviewee felt was relevant and important to talk about rather than to what was true or false. This however had the benefit that a richer account of the interviewee’s experiences, ideas and impressions may have been achieved.

On the other hand, I was also aware that through the interview situation the respondents told of their experiences in the form of a narrative sequence in which they integrated their individual story with their sense of the course of an objective history, that of the company. Therefore, their stories are full of terms of reference that conduce and reinforce

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employed- to create sense out of the organisational change process.

a sense of linear trajectory, a “sequential narrative shape” (Connerton 1989). In the name of a particular narrative commitment, they attempted sometimes to integrate isolated or external phenomena - like events of the Basque history - into a single unified process that included them as well as Blazehard. The concern of this thesis, however, is not to elucidate whether the resulting text is “false” or “true”, but to explore the way in which these individual narratives became part of an interconnecting set of stories embedded in the story of the company from which individual employees derive their own accounts.

An advantage of the interview method is that it is less constrained by the researcher’s preconceptions than other methods of data gathering, and there is space for negotiation of meanings so that some level of mutual understanding between interviewer and respondent might be achieved. As such, the interviews of this study were focused on certain themes and therefore neither strictly structured with standardised questions, nor entirely “non-directive”. The interview guide (see Appendix 1) regulated the interviews, but not in a standardised format that would ask “the same questions, with the same meaning, in the same words”. Each interview was exploratory<sup>14</sup> in the sense of each one being different. Indeed, the agendas of two interviews are never identical, as people’s experiences demand that different degrees of attention be paid to different ‘topics’ in the interview guide, while other issues were broached and made clear by the interviewee without any direct prompting or questioning.

As for the sample of participants in this study (see Appendix 2 for the description of participants), it was neither designed and executed in advance of data collection nor expected to be either representative or random since, when attempting to retrieve the representational configuration of the phenomenon under study, all subjects were not considered equal. Indeed differences amongst subjects were hypothesised to vary according to the task<sup>15</sup>, their age<sup>16</sup> and level in the hierarchy<sup>17</sup>.

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<sup>14</sup> Exploratory not as a preliminary stage of a bigger study but as a method for eliciting free accounts, opinions and stories from respondents.

<sup>15</sup> The division of respondents by task was prompted by the decision of the Japanese to split the administration of the Spanish company into two divisions Sales and Manufacturing - according to their different tasks. Whereas Manufacturing was in charge of fabricating the products, Sales had to bring the

The combination of these variables (age, occupation, level in the hierarchy) provided the criteria to conduct my sampling of respondents. Respondents were approached on the simple criteria of being Blazehard employees. I should add that everyone who was contacted or asked to participate agreed to do so. In the end twenty-three interviews were conducted in total, and the process of interviewing was as follows.

### ***3.2.2.2 Interviewing***

During the spring of 1994 I was introduced to the General Director of the Sales Division (JL) in Blazehard through a common friend. In a preliminary meeting we agreed on the type of research I would be doing in the firm and also about the level of freedom I would have in the company and in my contacts with its employees. A contract was signed in which I committed myself to respect the anonymity of all the data I would gather during my research.

I started my interviews with the members of the company later that summer. I travelled every day for a period of ten days to the company's headquarters situated on the outskirts of Bilbao. The interviews were conducted in the main administrative building of the company, situated within a secure complex composed of various buildings including two administrative buildings, the manufacturing plant and various warehouses. The process of accessing the administrative building was as follows: to enter I had to give my name, the name of the person I was visiting and the reason for the visit to the security people at the entrance of the complex. My name would be registered and a visitor's badge would be

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product 'out' to the final customers. I expected that people from Manufacturing would not have problems in describing their task and what was expected from them - since it remained much the same - whereas Sales would have more problem positioning themselves within the new 'organised' company.

<sup>16</sup> Age was also a factor since in Blazehard almost all employees are above 40 years old. This division however represents not only the biological age - rough distinction was over and under 40 years old - but also the level of experience in the organisation. For instance, most of the youngest employees hadn't experienced the Spanish times since they were brought into the company by the Americans and therefore would be said to have a more 'limited experience' of the life of the company.

<sup>17</sup> Indeed, the structure of organisations creates differences between the managers and the employees even if it is only in their access to relevant information or control over organisational processes. I made a rough division between manager as the person who had some people under his responsibility whereas the

issued for me to wear during my stay on the premises. After that I had to wait there for someone (usually JL's secretary) to pick me up and walk with me towards the second floor of the main administrative building and proceed to 'my office'.

I was supposed to use the visitor's badge all the time when walking around the company so I could be identified as such. However, I soon discovered that I did not really need it. In a place where everyone has known each other for a long time it was obvious I was a new face, especially in a company where there are few women and even fewer young people. Even without the badge it was obvious that I was a visitor and an outsider.

The first few interviews were suggested by JL according to the research needs I had outlined in our preliminary meeting. His help created an awkward situation for me. I felt I needed to gain the trust of the employees if I wanted their version of Blazehard's change process and the way it had affected them, and therefore it was not in my best interests to be perceived as too closely associated with the top management of the company. I wanted to appear as independent as possible. This first visit provided me with some five interviews in the Sales division, contacts with some managers and enough knowledge about the company to be able to move around by myself, but I remained 'removed' from the rest of the employees.

At my second visit to the company (January 1995) it was clear to me that I needed to approach them in a different way. So I approached the next group of interviewees based on the recommendations made by their colleagues. This 'snowball' effect was very successful. It allowed me not only to get interviewees but also to get to know better the informal networks operating within the company. During that second visit people became more relaxed regarding my presence in the company.

The fact that I was provided with an office outside the working space - therefore with a private space - to conduct the interviews also contributed to making people more relaxed

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employee - secretary or analyst - did not.

and they also became more collaborative. The main administrative building has seven floors each one of them with a working space (open plan) which occupies most of the floor. However, there is on each floor a separated reception hall with one or two offices used for meetings. I was assigned one of those offices on the second floor, which I used during my four visits to the company.

My second and third visits to the company lasted a week each. Due to the situation of the company - on the outskirts of the city and the difficulties in getting there, I used to spend the whole day on the company's premises. Some days I would manage to interview up to four people, whereas on other days, due to the pressures of their work I could only get one employee to spare some time to talk to me. I used those days to go through the different documents to which I was allowed access or to wander around the building chatting to whoever was taking a break at the coffee machine for instance. I used these periods as well as the periods in between interviews to take field notes or make annotations about the interviews, the buildings and my general observations. These notes have not been analysed formally but they contributed to my understanding of the company and provided a background for the research.

I used my third visit (summer 1995) to contact people from the Manufacturing division. I feared similar problems as in my introduction in Sales. It was however easier when JL introduced me to the General Director of Manufacturing (FA) who was an old acquaintance of mine. This and my previous experience in the company contributed to making me feel less of an outsider. I finalised my interviews in this visit.

The length of the interviews conducted at Blazehard varied due to the availability of the respondents and so, whereas some had time during lunch breaks or due to a cancellation of previous commitments, most of them had to go back to work after the interview was finished. Even so, the standard duration was 50 minutes to an hour <sup>18</sup>.

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<sup>18</sup> Two of the 23 interviews are longer than the rest – just short of 2 hours - due to the sudden availability of those two interviewees to spend more time talking to me. The relaxed environment also allowed for a more informal and lengthy conversation.

The majority of the individual interviews were conducted according to the following sequence: during the preliminary phase, I introduced myself, the general topic of the interview (“your personal views and feelings about the change process affecting Blazehard”), and the context of my research (a dissertation to obtain the Ph.D. degree). I informed the subjects about the nature and requirements of the interview and its approximate length (between 60 and 90 minutes), and asked permission to record our meeting. Reassurances were also given to the participants concerning their competence in the matter since most of them apologised for not having “technical knowledge” about the events surrounding the change process and concerning confidentiality.

The second phase began with the subjects introducing themselves, which generally involved providing their “job description” but mainly comprised their narration of the sequence of events which led to, and followed from, the two take-overs Blazehard had gone through. The third phase was devoted to a further exploration of the themes already covered, but the scope was broadened by asking questions about related issues, such as “work”, “future”, “concerns”, etc. Although the interviews were “officially” terminated when the tape-recorder was switched off, casual conversations almost inevitably took place. This informative small talk, summarised in note form after each interview, is used for the interpretation of the content of the “formal” interview.

The analysis and interpretation of these interviews were carried out in two stages, as a consequence of the very richness of the texts derived. These are fully described for in chapters five and six, so for now I move on to introduce the next technique used in this research.

### ***3.2.2.3. Group discussions***

Focus groups are basically group interviews, in which the main aspect to be considered is the *interaction* within the group based on topics proposed by the researcher. This is a

particularly useful research method when the researcher seeks to discover participants' meanings and ways of understanding, since they are simulations of routine processes - conversations, gossip, public discussions etc.- by which meaning is socially constructed through everyday talk (Livingstone and Lunt 1991).

Meeting as a group is in most cases the main way the community uses to keep track of what is going on. It is through conversations in the course of everyday interaction that people become familiar with new themes and ideas circulating in the organisation and learn how to incorporate them into their conversations. Although the group discussion cannot reproduce fully the natural settings of everyday organisational interaction (simply my presence changed the quality of the setting), they can bring to the fore many of the mechanisms that are also present in everyday interactions.

Until quite recently, much of the knowledge about focus groups came from market researchers. However, the reasons why marketers use focus groups are not the same as the reasons why academic researchers use focus groups and in this case I feel that what I did falls more into the category of small group discussions<sup>19</sup> rather than focus groups.

It is clear that group discussions pose some key advantages in certain research contexts<sup>20</sup>. For instance, one of the principal advantages is the interaction they guarantee between respondents (Bauer 1992). The participants provoke each other into responding, and they are obliged to take account of other people's views in framing their own responses. By focusing on the processes of interaction amongst group members, one can begin to explore the ways in which people put together information gleaned from various sources, and incorporate and transform it in the process of making sense of new ideas or events.

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<sup>19</sup> "Group discussions" and "group interviews" are used interchangeably here. I prefer to avoid the term "focus groups" since, in contrast to group discussions, focus groups function as an *ad hoc* collection of individuals where the participants typically meet for an hour or two and, in a constrained setting, they have to establish a discourse between themselves and the moderator. The moderator provides the themes and leads the discussions. All in all, the reasons for the use of focus groups seem to be pragmatic - they are less costly and time-consuming to run than individual interviews . The characteristics of the groups that met in Blazehard for this research are very different.

<sup>20</sup> For details of the advantages and disadvantages of the focus group method see for example Morgan (1993).

Thus, to explore how people utilise collective resources to help structure accounts, develop arguments, attribute causes, negotiate value conflicts and justify actions.

Gathering data through group discussions can also contribute to revising or solidifying the researcher's image of the reality of a social setting (Czarniawska-Joerges 1992). Indeed, through a group discussion the results of previous investigations can be ascertained. It can serve as the context in which there is a re-evaluation of a previous position that is in need of "amplification, qualification, amendment or correction" (Morgan and Krueger 1993). In other words, the discussion could be a source of validation of data previously gathered via one-to-one interviewing (e.g. by interviewing respondents who have previously been interviewed separately). Allowing opinions to bounce between the participants and to be modified within the group also allows us to elaborate the statements made and to reveal variations in perspective and attitude among the participants (Miles and Huberman 1984).

Group interviews can therefore be helpful in two respects. These accounts include more voices since in a collective interview situation more subjects participate; and thus a broader spectrum of opinions can be reported. On the other hand, the interviewer's influence on the interviewee, whilst not eliminated, would be diffused by the very fact of being in a group rather than in a one-to-one situation.

For this research group interviews were carried out with three different groups in the company. The criterion in establishing the groups was that of organisational diversity. Such diversity was achieved through the allocation of group members according to their department and their level in the hierarchy as well as in terms of their age and gender (see Appendix 3 for a description of the participants)<sup>21</sup>.

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<sup>21</sup> Three groups were conducted with people belonging to the Sales and Manufacturing divisions, as well as another 'mixed' group, with people belonging to both departments. In each group there was a manager, a woman, a young person as well as an 'older analyst'.

Each discussion lasted about 1 hour and a half and the questions came from a preliminary analysis of the interviews (see Appendix 4). In this case the group discussions were intended to clarify and validate the preliminary conclusions extracted from the interview material. In a sense, it was an exploratory experience for me both to triangulate and validate with another method of data gathering my previous intuitive conclusions<sup>22</sup> and also to encourage further participation of the employees in the research process.

The main objective of using this method was to grasp the way the participants negotiated the meanings they attached to each of the themes and topics discussed. As such, competing versions, paths to reach consensus, expressions of disagreement and the definition of different problems that eventually were able to emerge in the group's talk were analysed, considering both the narrative delivered by the participants and the particular themes that emerged.

The participants were recruited based on my previous established connections with the employees as well as through their own informal networks. My role throughout the whole process was more of an interviewer than a moderator since what I asked the group were questions and clarifications of specific issues that had caught my attention throughout the previous process of personal interviews. All the participants in the group discussions knew each other beforehand. Although the recommendation in conducting focus groups is that they be composed of strangers this condition is exceedingly difficult to meet when conducting group discussions in an organisation. The need to work in such settings means that we often do encounter prior acquaintances between the participants - in this case even between the participants and the researcher! This prior knowledge proved nevertheless to be an advantage since it was easier to create an atmosphere that allowed the reproduction of the 'normal' conversations and even confrontations that participants might have had in the corridor or in the canteen. In general people felt free to agree,

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<sup>22</sup> For instance the separation between the two divisions of the company that I had considered of crucial importance was revealed here as not that hard felt. Issues such as the difference between men and women were touched upon but again they didn't come up as salient as I had thought they would. On the other hand they concentrated and qualified issues such as the differences between the Americans and the Japanese, the future of the company, etc.

disagree or –as happened in most cases- to qualify the conclusions I had extracted from the first analysis of the interviews.

Morgan (1993) rightly points out that “participants must feel able to talk to each other, and wide gaps in social background or life-style can defeat this”. Furthermore, he advises us to “concentrate on those population segments that are going to provide the most meaningful information”. Accordingly, the selection and constitution of groups was achieved, on the same basis as I had selected the interview participants (see section 3.2.2.1).

Although the participants in my group discussions do not meet regularly nor have an established pattern of behaviour within the company, neither are they a once-only group, an *ad hoc* gathering of individuals. To a certain extent they do share patterns of relationships since they do work within the same organisation. As such, interaction between them was easier since they had a previous history and shared concerns, conversational strategies, humour, etc. In that sense, they were part of ‘natural’ groups.

#### ***3.2.2.4. Documents***

The third and last method of data gathering I used was the collection and examination of organisational documents (see Appendix 5). As an integral part of the qualitative research conducted in organisations they can provide information on issues that cannot be readily addressed through other methods (Bryman 1988).

The analysis of documentary, administrative and archival sources has often been regarded as a method to be employed by historians and linguists, rather than by sociologists or psychologists. However, many organisational researchers have used official and administrative documents in research<sup>23</sup>.

Organisational documentation comes in many forms: annual reports, public relations material, press releases, corporate letters, etc. These varied documents can be a rich source of insights into different interpretations of organisational life, since they are one of the principal by-products of the interactions and communications between individuals and groups in organisations. They can help researchers to understand better the historical processes and developments in organisations, as well as the informants' 'rewriting' of history in their verbal accounts. It is also important to note that most company documentation is not public but, rather, it is kept within company boundaries and is therefore difficult to access.

One of the advantages of this type of data gathering is that the information is already collected and usually going through it is an unobtrusive and largely non-reactive process (Forster 1994). The knowledge gathered can, in turn, improve the quality of our research. Last, and perhaps most importantly, company documents provide another means of triangulating the data already gathered (Yin 1989).

Company documents define understandings of particular problems, prescribe appropriate behaviours and different ways of getting things done in organisations so they can provide an indication of the type of framework that governs organisational life. On the other hand they can also be fragmentary and subjective and therefore in need of being regarded as context-specific and contextualised with other data (Bauer 1992).

However, it is impossible to do full justice to the range and quantity of documents in any organisation, unless this takes the form of a detailed case study. The best we can hope to achieve is to provide selective accounts of segments or slices of organisational life. It is possible then to use selective textual extracts for illustrative purposes, as is often the practice with interview data. However, company documents do not exist in a vacuum. Whilst they may stand as sources of data in their own right, they can only ever be fully

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<sup>23</sup> See for instance Forster (1994).

understood within broader organisational contexts and processes and with reference to other forms of data (Waddington 1994).

The choice of documents was determined by the research questions that I was trying to answer. I needed to access company documentation which would cast light on the history of the company and on the latest changes it had gone through from the official position annual reports - as well as from personal positions - self-reports -. For this it was important to get the backing and the support of senior management. Since most of the documents are public - annual reports - or pertained to the history of the 'old Spanish' company, this was relatively easy to achieve.

On the other hand, the personal documents self-reports and conference presentations were offered to me by the authors the Sales General Director and Human Resources Director - or recipients - in the case of letters during the interview process. In some cases, they present personal views of the change process and its objectives according to their authors, and they proved very useful as complements to the interviews carried out beforehand with their authors. The documents have been used mainly in the drafting of the history of the company and its latest changes described in chapter 4.

### **3.3. INTERPRETATION: USING ATLAS/ti TO ANALYSE THE TEXTS**

The interviews and group discussions carried out at Blazehard were intended to capture the process of cultural transition by focusing on how the organisation is described by its members. Through the interviews and the group discussions the respondents give us accounts of their ideologies, practices and feelings via discourses on everyday experiences. The interviews - both group and individual - sought to get behind these descriptions of the company to explore the processes at work in the (re) production and challenge of some of the cultural themes that define these descriptions.

As such, the initial analysis of the interviews sought out common cultural themes across discourses to define the different cultural frameworks which employees share over

various periods of time. In this first stage of analysis what was achieved was through 'cutting up' the texts (quotations) and 'pasting' them into an organised order (codes) across the interviews. The software package ATLAS/ti was used for this purpose.

ATLAS/ti is a software tool to support research of text materials. It is described as a program for 'Computer Aided Text Interpretation and Theory Building' (Muhr 1997). The basic emphasis of the program is on qualitative research, i.e. "helping to uncover the complex phenomena hidden in [the] data in an exploratory way" (Muhr 1997: 1). The program is broadly based on the principles stabilised by Glaser and Strauss (1967) in their 'Grounded Theory'. ATLAS was chosen for the advantages it offers in providing a work platform for the interpretation of different texts. It facilitates the various activities involved in text interpretation (selecting, indexing/coding, memoing, etc.). Its main advantage is the facilitation of the process of coding and thus the process by which the researcher breaks up the text into code-based categories.

In terms of coding, the requirements that arise in an exploratory research design like this are usually not the testing of ready-made hypotheses but the development of categories and hypotheses grounded in the data and their further refinement (Kelle et al. 1995). In a hypothesis testing approach, codes would serve to condense the relevant information contained in the data, so that this information could be accurately represented by a matrix of numerical data. The codes developed during my analysis became more 'signposts to', rather than 'models of', the information contained in the data. Hence, codes used in this thesis represent not precisely defined facts but more generally outlined topics. In this thesis the coding scheme was constructed in the ongoing process of data analysis.

Therefore, ATLAS/ti allows the researcher to make sense of the data through the classification, coding and retrieval of texts. For example, all the data material was indexed by the interview number ('primary text' number) and the quotation number (i.e. "15:89" refers to the 89<sup>th</sup> quotation of the 15<sup>th</sup> interview or text). This allows the reader to have access to information not only about the coded text (quotation) but also about the context from which the quotation comes (the interview). These tools for cutting, pasting

and reordering were systematically applied to all interviews and group discussions during the analysis.

The following chapters concern the empirical results of the study. Chapter 4 relates the concrete socio-political circumstances of Spain and Basque country to the development of Blazehard. The account is organised around the events the employees of Blazehard signalled as relevant in both the development of the firm and the latest processes of change experienced by it. However they have been complemented with the support of the different documents accessed during the research process. Chapter 5 presents the story of Blazehard as it is interpreted and reconstructed by its members through their descriptions of the different periods the company has gone through. Chapter 6 on the other hand demonstrates how the limits that the main narrative about Blazehard sets are not homogenous and static but rather permeable and based on co-existing discursive strategies. This chapter clarifies the story told in chapter 5 and contributes to its coherence. The analysis is done on three levels: the level of the organisation, of the individuals inside Blazehard and of the relation of both to outside developments (e.g. in Europe, the international tyre market etc.). The specific process of analysis and interpretation of the different data gathered during the research process are fully described in each of the chapters.

## 4.0. Blazehard: The Background

### 4.1. HISTORICAL ACCOUNTS

Van Maanen (1988) distinguishes three different styles of writing ethnographic research accounts. The first one is the realist tale, which presents the findings as an authoritative account, assuming that anybody with the researcher's perspective would have focused and concluded in a similar fashion. The second style is the confessional tale, which tells of the problems and vicissitudes of being a researcher in the field. Finally, he refers to the impressionist tale, which tells about the incidents in the field where the fieldworker was involved, and/or about those which the different actors involved in the process regard of special significance.

My account of the history and late developments in the firm Blazehard cannot be written as a realist tale. I cannot assume that anyone studying the same company at the same period in time would have focused on the same research questions or concluded in a similar fashion. As for the confessional tale, I have already described in the previous chapter my implication in the research process. Therefore, what remains is an account written from the third perspective, as an impressionist tale. My intention is not to give yet another account of the fieldwork but rather to render a general picture of the history of Blazehard as the basis for understanding its specific nature and the circumstances in which it was set up and developed. These circumstances, which inform the socio-historical background of Blazehard, have undoubtedly affected the social world of its members and influenced some of the cultural patterns they enact and reproduce.

In my exploration of these patterns and their transformation over time, the historical context and the socio-political structures the members of the company have inherited or (re-) produced plays an important role, since I assume that the organisation is not

disconnected from its wider cultural environment. The following sections aim to relate those concrete socio-political circumstances (of Spain and more specifically the Basque Country) to the development of Blazehard. This account is organised around the events the employees of Blazehard regard as relevant in both the development of the firm and the latest processes of change experienced by the organisation.

The events described in this chapter have been ‘signalled’ by the organisational actors as relevant in the development of the firm and in their working experiences. However they have been complemented with different ‘official’ documents (i.e. the Company’s Annual Reports) as well as with the stories told in informal accounts (i.e. letters and self-reports) that document in different ways the activities of Blazehard and its employees during the five decades of its life. On the other hand, I have relied on the books of scholars concerned with the Basque and Spanish socio-economic development during the last century to delineate the contours of Blazehard’s socio-political environment during its development.

#### **4.2. THE CONTEXT**

Blazehard/Spain is a firm operating in Spain with different branches. The firm manufactures mainly rubber tyres for cars, vans and for industrial use. The company’s headquarters are currently in Tokyo (Japan), with European headquarters in Brussels. Blazehard is currently a multinational but the European base for the administration of all the manufacturing plants and the main sales division has been for more than sixty years in the north of Spain, in the Basque Country.

Geographically, the Basque Country is in the northern part of Spain, occupying an area of 7261 square kilometres, with a population of 2,159.700 inhabitants. It is constituted politically as an autonomous community. Basques are well known for having always tried to preserve their distinct character, founded upon a pride in their own language and a tradition of development separate from the rest of Spain throughout most of their history. Indeed, a very distinctive feature of the Basque Country is that the majority of its

people have lived in the same area since prehistoric times. On the other hand, the strategic location of the country in the Pyrenees Mountains makes it a crossroads of different cultures coming from the North and the South. Both qualities have created a constant contradiction in the character of the modern Basque people: a fierce determination to preserve land and language and a strong loyalty to the country are combined with the need for opening borders to cultural trends and -in the case which concerns us now- to new investors.

This contradiction has deep historical roots and its consequences in modern times have to be understood in the context of the process whereby Spain acquired political autonomy. At the heart of the process was a drive for hegemony on the part of the traditionally authoritarian kingdom of Castille. Through dynastic marriages and military conquests it sought to impose control over the rest of Spain. However, in the process, local institutions usually survived as remainders of pre-existing political loyalties (Coverdale 1984). The Basque Country for instance, then composed of four separate provinces, retained special legal and financial arrangements: the Fueros.

In the eighteenth, and above all, nineteenth centuries, systematic efforts were made to rationalise these inherited arrangements. During the nineteenth century the Basque Country was the scene of important events which were to prove decisive for its present configuration. Its lands were the battleground in the struggle between representatives of a traditional outlook on the world, the Old Regime, and a strong modern society (Real Cuesta 1985). Especially important was the Carlist War, 1830s, which led to the dismantling of the Fueros and the boom of the Basque middle classes. As a consequence, the Basque country was divided into four legally uniform and centrally controlled provinces.

The Fueros of the four Basque provinces were however retained in a vestigial form. They remained as reference points for those opposed to centralisation and so contributed to the rise of a regionally based nationalism (Harrison 1977, Coverdale 1984). Economic liberalisation and financial investments made it possible for the Industrial Revolution to

take place in the Basque country. However two further Carlist wars, between 1847 and 1875, resulted in the definitive abolition of the Basque Fueros in 1876 (Coverdale 1984).

The centralising tendencies which followed provoked suspicion in many areas, but there were special additional reasons why hostility to state power should, in the case of the Basques, be expressed through local nationalistic movements. The language especially was seen as a badge of nationhood (Payne 1975), becoming a tool as well as a cause of the rise of nationalism. However, the fact that it is archaic and quite inaccessible rendered the local culture more vulnerable. Because of this, Basque nationalists tended to place much greater stress on a 'shared ethnical background'. Payne (1975) claims that such an emphasis may have represented, together with the experience of industrialisation, the defensive reactions of a society with particular reasons for feeling threatened.

Indeed, the consequences of the process of industrialisation were strongly felt in the Basque region. The Basque country was one of the two regions in Spain (the other was Catalonia) which were in the vanguard of this process and even now account for a disproportionate share of the country's industrial wealth (Caja Laboral Popular 1983). Basque industrialisation was promoted by an upper class of financial elite with nation/state wide interests and ready access to central government. The high rate of development at the end of the last century and the demand for manpower attracted immigrants who formed an incipient Workers' Movement (Harrison 1977). The local working class was largely composed of those unassimilated immigrants who were organised under the auspices of the socialists rather than by local political organisations<sup>24</sup>. The initial development of nationalism could be viewed as a reaction against the potentially disruptive consequences of industrialisation within the local society<sup>25</sup>. Nationalism came to be a major political force in the provinces which first and

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<sup>24</sup> In the beginning of the 20<sup>th</sup> century two political options conceived in the previous century rose up strongly in the Basque Country: nationalism and socialism, respective champions of the autonomy and the demands of the working classes. With the fall of the dictator Primo de Rivera and the proclamation of the Second Spanish Republic in Eibar (Basque country) in 1931, the nationalist demands materialised in the Statute of autonomy bill of 1934 (Ibarzabal 1978).

<sup>25</sup> Towards the end of the 19<sup>th</sup> century the foundations of the Basque Industrial Model were established. The Basque country as the leading centre of industry in Spain attracted immigrants from other regions of the

most keenly suffered the effects of industrialisation. The traditional Partido Nacionalista Vasco (Basque Nationalist Party, still in Government today) was led by local middle class elements and recruited its mass base from amongst the regional peasants. For those groups nationalism constituted a reaffirmation of those traditional rural based and/or local Catholic values that industrialisation seemed to threaten<sup>26</sup>.

Tensions were exacerbated by the effects of centralisation in a region which was characterised by unusually high levels of political awareness and civic consciousness. The efficiency of traditional local government bodies seemed to contrast with the neglect or inefficiency of official state institutions. There was also resentment at the under-representation of Basques in the state bureaucracy, judiciary and armed forces. As Medhurst (1987) suggests, this was probably due to the career opportunities in business and commerce that Basques had and were denied to less developed regions in Spain, but it contributed nevertheless to the resentment against the central government and to a general sense of remoteness from the centre of political power.

Sometimes Basque spokesmen compensated for this by adopting a rather patronising attitude to other parts of the country. The resentment this provoked among those from such regions was accompanied by an envy and resolve that the economic privilege the Basque Country enjoyed should not lead to privileged political treatment. The net result was the resolve of the Spanish elite to resist any relaxation of politically centralised control (Ibarzabal 1978). They feared that relaxation would be a step toward separation of the part of the country which had the principal wealth creators. Their attitudes underlay a Spanish (Castilian) nationalism which saw regional aspirations as being potentially destructive of traditional Spanish values and therefore of the idea of a cohesive nation/state. It is within this context that the firm Blazehard was created.

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country. The region underwent a population increase of nearly 84% between 1857 and 1957 (Granja Sainz 1995).

<sup>26</sup> The deep changes to the Basque way of life and traditional culture generated by this process of industrial revolution lead Sabino Arana (the founder of the Basque Nationalist Movement) to formulate, from 1893, the first elements of the *Basque Nationalist Consciousness* (Granja Sainz 1995).

### 4.3. THE SET UP AND EARLY YEARS

The company was established on the 17<sup>th</sup> September 1932, as a joint venture of an American rubber company and its Spanish distributor. The American Company had 20% of the shares plus a 5% share of the sales. The agreement was that the Americans would contribute not only with their products and their name, but also with the technical know-how. The company plant was built on land belonging to the municipality of Basauri, close to the main city of Bilbao. This established a close collaboration between the company and the municipality that is still important today.

Between the establishment of the company as a legal entity (1932) and the start of the Spanish Civil War (1936), the company suffered in its development and especially in its sales capability due to the crisis of the market in the 1930s. This international crisis led the company to cuts and restrictions in its production and to the impossibility of making good use of its already developed production capacity. However, at the same time, the company obtained a contract big enough to allow it to get through the bad situation and to make one of its first expansions. The contract with the army in 1934, where Blazehard was to provide all the rubber tyres for the Spanish army in Morocco, became a key point in company history (Blazehard Annual Report 1960).

It is in this context that the first military revolt took place. In July 1936 the Republican Government confiscated the company's plant. The former board of directors refused to continue production for the Republican army on the basis of a malfunctioning in the production plant. Furthermore, the American consultants had abandoned Bilbao some months before and the board refused to continue the production without them. This attitude proved very important for the future, and especially for the privileged position the company was to hold during the long years of the dictatorship which followed (Bakaikoa 1978).

When one year later (1937) the National (Franco's) Army occupied the plant, which was still in perfect condition, production started in only 5 days. The attitude of the board

changed radically and production was completely sold to the National Army. Although this situation might appear exceptional, the relationship between the firm and the representatives of the 'New State' was not very different from the rest of the companies in Spain during those years (Lorenzo Espinosa 1989). Besides the good relationship, there was a constant supply of various products to the New Government and the productive effort of the workers increased; there are numerous proofs of economic and political support from the company to the new government in that period and in later years <sup>27</sup>. On the other hand, the company and its important links with American business were considered an excellent endorsement for the Franco Government in US entrepreneurial circles<sup>28</sup>.

During the post-war years the company maintained a good relationship with Franco's Government, contributing with 'patriotic subscriptions' to its financial support. As a reward, the company was favoured with army contracts. Thus, after the Spanish Civil War, the company had good chances of expansion. However the Second World War stopped them.

During the immediate post-Civil War period, internal efforts were directed towards the reconstruction of Spain, especially of buildings and means of transportation. At the same time, a policy of rationing was instituted to provide the minimum necessities for subsistence. After the Civil War, however, Spain adopted an inward-looking development model, known as 'autarchy', through the closing of its frontiers to the entry of goods, services and foreign capital (Lorenzo Espinosa 1989). This economic policy was conditioned by the Spanish non-participation in WWII as well as political affinity with Italy and Germany, the defeated nations. Thus, Spain's non-intervention in WWII distanced it from the general plans for European recovery and left it in a situation of complete isolation. However, the design of economic policy at the time was based on the

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<sup>27</sup> Some people still tell the story of a donation of a million pesetas to the new government and the extra 15 days paid vacation for the workers, at the end of the Civil War as an act of celebration.

<sup>28</sup> The telegram sent to the company by the Chase Bank of New York, congratulating them for 'the glorious end of the war' still exists in the archives of the company. It indicates the nature of the relation between Blazehard and the New State, which was perceived in those circles.

conviction that the Spanish economy had the resources to produce enough, without depending on other countries, to satisfy all society's needs whilst achieving economic development (Nadal et al. 1987).

This economic 'autarchy' was accompanied by a harsh political centralisation. The victory of Franco's forces inevitably entailed the destruction of autonomous political institutions. It was then that the Basque Provinces lost the last vestiges of their traditional Fueros. Regionally based political parties similar to other opposition groups were outlawed. The resulting vacuum was filled by the one 'monopopulistic movement' headed by General Franco which controlled all officially recognised political life<sup>29</sup>.

In Basque society, divisions were accentuated. The upper class maintained close links with the central government and its financial elite was a major beneficiary of the new order, as was the case in Blazehard. By contrast, the local middle classes were again underrepresented on the lower rungs of official ladders (Gurruchaga 1985). Reflecting the situation in the state, the elite in Blazehard favoured and benefited from the central state, downplaying the importance of their Basque identity, while the middle managers and workers were more positively oriented towards Basque nationalist movements (Lorenzo Espinosa 1989).

The alienation from the central government of Madrid has to be seen against the background of an official policy of cultural repression designed to promote the assimilation of regional minorities especially in the Basque Country<sup>30</sup>. An example and a consequence of this policy was the ban placed on the use of the Basque language

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<sup>29</sup> The patronage this body disposed was frequently used to promote officials from other regions. Their influence on, or contempt towards, regional interests gave added impetus to old animosities. At worst local inhabitants could acquire the sense of living in occupied territory (Gurruchaga 1985).

<sup>30</sup> The alignment of the Nationalist Basque movement with the Republican forces brought tragic consequences for the Basques during and after the defeat in the Civil War. During the war the best known example is the Nazi experiment of the first intensive air raid on a town, in Guernica (Bizkaia). After the defeat the consequences were: exile, prison and the beginning of a strong Anti-Franco resistance, which paved the way for the creation of the independent terrorist, group E.T.A. in the 1960s (Gurruchaga 1985).

anywhere outside home<sup>31</sup> following the ‘national victory’. The educational system also became a particular target of official policy<sup>32</sup> as well as the local literary, academic and cultural activities<sup>33</sup>. Needless to say, the mass media were also ‘castillianised’.

In addition to the social tensions created by these policies in the Basque country, the closure of the borders meant, for Blazehard, a lack of raw materials, which were mainly imported. This was one of the causes of the low quality levels of its products, an issue which would become a ‘nightmare’ for the firm during the subsequent years. The American partners complained but Blazehard-Spain, using their right to decide in these matters, did not consider the American control of quality standards to be ‘appropriate for their situation’ (Blazehard 1960).

The volume of sales, however, was not affected and by 1950 Blazehard held more than 40% of the tyre manufacturing market in Spain. The profitability of the company increased, a situation, which can only be explained due to the semi-monopolistic activity and the high level of protection of the company by the state in a context where the demand was very high.

#### **4.4. THE GROWTH PERIOD: ‘ON OUR OWN’**

Indeed, the economic protectionism was accompanied in Spain by strong State intervention in everything relating to industry (Lorenzo Espinosa 1989). However, the Spanish economy did not have sufficient raw materials or technology, and its size prevented it from developing businesses large enough to be competitive and to generate sufficient capital to import all the necessary items for its growth (Martinez Serrano 1982).

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<sup>31</sup> The Basque Language could not be used for conducting public business, meetings, worship or education. Street and shop signs in Basque were similarly outlawed. Initially there were efforts to stamp out even the casual use of the language. Officials heard using their local tongues might be dismissed and even idle private conversations could invite police attention (Gurruchaga 1985).

<sup>32</sup> Teachers unable to demonstrate political reliability were dismissed or were subjected to compulsory transfers to other regions of Spain. In recruiting replacements (generally from other regions) ignorance of the local language was generally considered an advantage (Medhurst 1978).

This called for a radical change of strategy in Spanish economic policy, to open up the frontiers to the entry of goods and foreign capital (Martinez Serrano 1982).

This commercial opening up, together with the low competitiveness of the Spanish economy and the great need for capital goods and raw materials, produced a notable chronic deficit in the trade balance<sup>34</sup>. However, the new model produced high growth in production and national income. This is when Blazehard-Spain started to increase its size and production. The firm expanded for the second time in the 1950s. This was the beginning of 'the good old days' for the company. It is in the 1950s and the beginning of the 1960s that most of the employees currently working in Blazehard were hired. That means that there has been an especially low turnover in the workforce since then.

The company became 'established and secure' under the protectionism of the state and began expanding. Policies, working procedures, strategies and processes of decision making started to become 'the way' within the framework of a secured market, a young workforce and the possibilities of expansion that the new economic policies of the state were offering.

This was a dynamic period for the company, with a diversification of its products followed by an increase in its manufacturing plants. Until then the company had had one manufacturing plant in Basauri (Bilbao) which manufactured tyres for vans. During this period Blazehard opened a second manufacturing plant in the Basque country manufacturing tyres for agricultural vehicles and another one outside the Basque region, in Burgos manufacturing tyres for cars. The fourth manufacturing plant the company owns today was opened outside the Basque country in Cantabria in the late 1970s<sup>35</sup>. To this we have to add the development of an extensive and complex commercial network around the whole country, centralised in Bilbao. All the sales, manufacturing and

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<sup>33</sup> Local folk music was banned and some folkloric manifestations were outlawed (Medhurst 1978).

<sup>34</sup> This deficit was financed by: i) the entry of capital into Spain through the tourism boom during the 1960s, ii) the remittances sent home by the Spanish workers who had emigrated to the more developed European countries, and iii) foreign investment (Martinez Serrano 1982).

decision-making processes were channelled through Bilbao. This meant channelling all the production of the four different plants plus searching for new markets to export its products.

Nevertheless, Blazehard's growth during this period was very unstable, mirroring that of the Spanish economy in general. Although the State encouraged expansion, the stages of expansion were immediately followed by periods of recession. When production increased quickly the system could not absorb the surplus, generating a deficit in the economic balance which given the regime's fixed system of prices produced a progressive loss of capital reserves; thereby necessitating the adoption of restrictive economic measures (Martinez Serrano 1982). Since these economic measures were suppressed and never really implemented, the cycle began all over again: a clear example of a 'stop-and-go policy' (Rojo 1987).

Indeed, the new focus of economic policy by no means represented a total opening, or a total liberalisation, of the economy but rather the proliferation of quantitative restrictions on imports to protect national industry against foreign competition. Neither was the economy made more flexible domestically<sup>36</sup>. In short, a paternalistic and protective concept of the state was maintained (Nadal et al. 1987). This fact, together with the abundant workforce<sup>37</sup>, meant that in spite of strong economic growth full employment was not achieved, resulting in emigration during the 1960s (Rojo 1987).

As for the socio-political situation in the Basque country, by the end of the 1950s the dictatorship felt more domestically secure and wished to create a more favourable impression abroad. Less reliance was placed on repression and there were some concessions to local sentiment. Folkloric festivals were occasionally allowed and the everyday (unofficial) use of the local language was again tolerated as evidence of official

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<sup>35</sup> All of them are situated in the north of Spain within a ratio of 200 kilometers from the headquarters in Bilbao.

<sup>36</sup> Subsidies to business, the privileged circuits of financing for determined sectors, the lack of competition in the financial system, etc. were frequent (Nadal et al. 1987).

goodwill. However these concessions were perceived as little more than goodwill gestures to regional opinion<sup>38</sup>. The degree of vulnerability of the Basque culture increased (Medhurst 1978). Such a situation, pointing to an ancient culture in retreat, might explain the militant expressions of Basque nationalism that emerged during Franco's dictatorship. There was an apparent desire to hit back.

The Basque country, as one of the most developed regions of Spain at that time, attracted high numbers of people, raising again the whole issue of immigration and of unassimilated immigrants (Linz 1986). In Blazehard, these developments were noticed by the increase in size of its workforce: at the end of the 1970s its personnel had increased to more than 6,000 employees. The possibilities for growth and development seemed unlimited. However, by the end of the 1970s crisis was in the air.

#### 4.5. THE CRISIS

Franco's death in November 1975 created a new situation for Spain and for its regional minorities. In the absence of its creator, the regime lost most of its vestigial credibility. Therefore the monarchy, bequeathed by Franco, had to create some new basis for its authority. The outcome was a reformist movement, which sought to broaden the basis of the monarchy so that the new regime could function on the basis of popular consent. A series of institutional reforms were engineered which involved dismantling the dictatorship from within and moving towards liberal-democracy (Clark 1979, Medhurst 1978). During this transitional phase a strong pressure mainly on strengthened demands for regional autonomy continued to be exerted on the new elected government particularly from the Basque country<sup>39</sup> (Clark 1979). Within the Basque country itself,

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<sup>37</sup> Even larger due to job loss in agriculture as a result of partial industrialization, and the incorporation of women into the work place (Rojo 1987).

<sup>38</sup> That process however, proved quite successful at providing new life for the Basque language. From the 1950s onwards the number of 'ikastolas' or Basque primary public schools increased significantly mainly in the rural areas and supported heavily by the local Catholic Church (Linz 1986).

<sup>39</sup> In the new political situation following Franco's death, opposition from the Basque political parties moved into the vanguard of the broader Spanish movement for structural change (Clark 1990).

the protests of intellectuals, churchmen and political leaders asking for support were underwritten by massive strike movements.

The strikes were mainly instruments for articulating political dissent and demands for democratisation and regional autonomy although they also had an economic basis. In Spain neither the economic policy makers nor the business community responded with the flexibility required by the new economic conditions following the rise of the price of oil and raw materials which came about in 1973 and 1974 (Bakaikoa 1978). This was mainly due to the fact that the economic crisis coincided with the end of the old political regime and the transition towards a very different one. As the adjustment to the new parameters would have a high cost with respect to unemployment, the political weakness of the new elected government meant a lack of opposition towards the strong labour claims that flourished after a long period of imposed silence (Bakaikoa 1978).

In Blazehard, the 'reality' of a low quality product, the problems generated by over-protectionism of a state which could not afford subsidies much longer, and the increase of pressure exerted by the newly resurfaced trade unions, led the company to the first big strike of its history. Employees still remember the 'big and painful' general strike of 1975 where:

"...politics were mixed up with economic problems and nobody knew exactly what we were demonstrating for or against after a while. But it was very violent. Some people joined the pickets and others did not. It was a mess, very well organized by the trade unions but we did not have clear [the situation]. It was the transition and things were really messy then. The final result was a split among us, the workers. Some people still today do not talk to each other because of that strike. And I am talking about twenty years ago, mind you. It was painful to see friends splitting over those disagreements when before we had been united. But well, that is the history of this country isn't it?" (Leon O.:12).

This quote shows the intertwined relationship between Blazehard and its context -one a mirror of the other. Social changes could not be kept in check at the company door and hence they had a profound impact on the social world of the members of the company.

The result in this case was a strong opposition to the severe economic measures that the workers did not accept, like the wage moderation proposed to confront the fall in

workers' productivity. This disagreement was augmented by the rise in price of essential production factors like petroleum. But the dramatic rise in the price of oil did not translate into a price increase in oil-related products, nor did industry adapt to the new market conditions. Consequently, Blazehard continued to be maintained by state subsidies. To this we have to add the generalised fall in business profits which had an immediate effect on investors and mortgaged the possibilities for economic growth and job creation in the short term (Uranga and Herrero 1983).

The combination of the factors mentioned above led to a situation that could not be prolonged much longer. At the general level, the Spanish authorities were finally obliged to recognise the inevitable need to adopt harsh economic adjustment measures. The first severe measures of macroeconomic adjustment were adopted in 1977 (Nadal et al 1987). They implied not only a step forward in the Spanish economic recovery but also represented the first democratic agreement of all Spanish major political forces. However, Spanish industry failed to adapt itself to the new parameters and the problem remained even after the second oil crisis of 1979. At this time, a further increase of inflation and unemployment was produced, thus generating a situation of economic uncertainty, which discouraged investment and perpetuated stagnation. In short, the imbalances increased and no consensus was achieved to correct them (Uranga and Herrero 1983).

In the Basque Country, all these problems accumulated creating an unprecedented socio-political 'restlessness' increased by the problem of massive immigration into the area. Initially the immigration was from local rural hinterlands into cities like Bilbao, but it was soon superseded by immigrants coming from other Spanish regions<sup>40</sup>. By the

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<sup>40</sup> Although this was the result of market forces, there have been political readings of such a flow and the Basque nationalism perceived non-economic factors at work (Aulestia 1993). The growth of immigration became more clearly than ever a 'threat' and contributed to the furious rise of nationalism as a reaction against the flux of immigrants.

beginning of the 1980s half of the working class in the Basque country was from other regions of Spain: they were perceived as 'outsiders'<sup>41</sup> (Medhurst 1978).

#### 4.6. THE FIRST TAKE-OVER: THE AMERICAN INTERLUDE

From then onwards, the government of the Basque region has continued to present the Spanish central administration with special problems, placing it in a separate category from the rest of the Spanish regions. At this point, the central issue became the question of the governability of the Basque Country. The initial and continuing difficulty has been the persisting doubt within the region concerning the legitimacy of existing political frameworks <sup>42</sup>. Whereas traditional political parties like the Basque Nationalist Party showed willingness to accept parliamentary government and, at least provisionally, to work within the newly created regional institutions, some local political alliances <sup>43</sup> completely rejected the new autonomic statute as an unacceptable compromise. The existence of this disagreement puts continuous pressure on more moderate nationalists and makes it difficult for the latter to maintain their status among their followers and co-operate constructively with the central government (Aulestia 1993). These difficulties still exist.

Medhurst (1978) suggests that the distinctive nature of Basque nationalism stems from perceived threats to the Basque culture. The policies of Franco's regime and continued immigration during the years of dictatorship clearly added to the sense of threat. Indeed,

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<sup>41</sup> Some sectors of Basque society (i.e. clergy) strove to integrate the flux of immigrants in the local culture. However, any development was overshadowed by the previous indiscriminate police repression caused by E.T.A. activities. In these years the sense of alienation from the rest of Spain deepened on the part of substantial bodies of Basque opinion putting the regional question higher on the agenda of all sections of Basque society (Aulestia 1993).

<sup>42</sup> The regional statute of autonomy that central and local representatives agreed to in 1979 left significant sections of the Basque community unsatisfied (Aulestia 1993).

<sup>43</sup> Herri Batasuna (United People) emerged during the period following the 1979 general election and brought together a number of previously separated left wing nationalist groups disposed to adopt an essentially intransigent attitude (Clark 1990).

in some areas the language was, as a result, placed further on the defensive, paralleling the violence evident within the political domain<sup>44</sup>.

As for violence, E.T.A.-militar has remained active in the Basque Country, and beyond, on the assumption that the Basque people still need liberation from an essentially unchanged Spanish state. Its members continue to talk in terms of securing complete independence for a people still deemed to live under an oppressive regime. Their official aim has been to create enough chaos to provoke the Spanish army into assuming power and striking back against the Basque people so that they would rally behind E.T.A. in a war of 'national liberation'. Although such scenarios are now highly implausible, E.T.A.'s activities continue nevertheless, keeping Basque society in a permanent state of tension and clearly complicating the business of a democratic political and social management.

The Spanish State, on the other hand, has been moderately successful in its fight against terrorism. However, that success does not signify a withering of the widespread sense of grievance that first gave rise to armed struggle. That sense of grievance has indeed been aggravated lately by fresh economic difficulties. Figures indicate that during the 1980s the Basque region, on top of everything else, experienced a significant measure of relative economic decline<sup>45</sup>. In most of the major sectors of the Spanish economy this decade witnessed a decline of the market share of Basque companies. During a period when its population was still increasing, the region was clearly beginning to lose something of that economic efficiency which had once placed it firmly in Spain's economic vanguard (Uranga and Herrero 1983).

In Blazehard, the situation mirrored that of the Basque economy. The owners of the company (four of the main Basque and Spanish banks) could not cope with the critical

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<sup>44</sup> The Basque language has become lately a condition of public employment. There have even been instances of local authorities seeking to use the Basque language to the total exclusion of Spanish.

<sup>45</sup> For instance, at the beginning of the 1970s Bizkaia and Guipuzcoa, based on average income per head, were two of the richest provinces of Spain. By 1985 they were, respectively, the 7th and the 6<sup>th</sup> (Linz 1986).

situation the company had been in for almost a decade. In 1986 the banks sold Blazehard to the US company that until then had held 25% of the shares. In 1984 they had already bought 49% with an option to buy the majority of the shares later on. They couldn't buy more because of the existing business laws of the country that demanded a series of prerequisites and the need to have a special participation. However in 1988 they gained control of the company.

Things started to change. The Americans were received in the company with hopes of improvement for the company and its workforce. They did indeed introduce new technology like computers into the company. They also introduced a new style of management and accountability. People in the firm went through a few years of confusion and tension since the differences between the traditional company and the new style started to be noticed. Thus, Blazehard went from being a company that had been fundamentally Spanish and 'absolutely autonomous', under strong state protectionism and borders closed against foreign competition, to an international company in a country whose borders had opened, placed in an international market and with "their European markets disappearing" (Blazehard Annual Report 1960)

However, for two years the expected core changes, like the firing of redundant personnel, never materialised but the employees were left in a state of constant tension. So they "continued with our own business our markets and our own strategy of exports etc. The company remained basically the same although we had to report to Akron in the States" (Pepe P.: 89).

However, slowly but surely, the company started to depend more on the international situation and on the decisions taken abroad for its survival, and not on the specific circumstances of the Spanish economy of the moment. The different norms of the company, in use for more than twenty years, were changed when the Americans brought their own norms. The decision-making processes also changed and a rigid American accountability system was implemented. There was no more freedom to negotiate or do direct business with other companies, suppliers or distributors, everything had to be reported.

It was at this point that the first division between the areas of Sales and Manufacturing was established, when the administration of sales was separated from the administration of the manufacturing plants (Blazehard Annual Report 1993). However, the Americans put much more emphasis on the Sales process in order to both gain new markets and retain the old ones. The concern guiding the changes was to develop the sales process rather than to tackle what were considered the main problems: the productivity and the product quality. Furthermore, the administration of Sales, considered by the Americans as of more importance than manufacturing was divided, and part of it was moved to the Spanish capital, Madrid. This division still exists although the reasons for the first move were never understood.

"Because you have to take into account that Bilbao has been the headquarters. There are people in Madrid. Some people of the Sales area went to Madrid. The sales area went to Madrid not because there was any need but because when the Americans arrived here the center was here and you see? The American guy sent here must have had a horrible or non-existent geographical culture, I am sure. Then I am sure it was something like where? To Bilbao? What is that? Madrid, at least sounds familiar. Then, the main people went to Madrid. And in Sales they demanded some people to move down there. It was a very paradoxical thing because the company was American and we were here but they spent all time in Madrid and not here." (Juan S.: 89)

It was during this time that young graduates were hired opening the company for the first time in years. Eleven new recruits, with economics degrees entered the company. This was one of the few changes in personnel. The aim was to introduce new personnel, familiar with new technologies, to train them in the new work practices.

At the same time they tried to clear the financial situation of the company. The accountability procedures increased considerably. Some of the company's land and assets were sold, according to the employees, too cheaply. It was never clear what the new owner's final intention for the company was. The general impression remains that "they only wanted to clean up and make up the bride" before offering her up for sale again. And so they did in 1992.

#### 4.7. THE SECOND TAKE-OVER: THE LANDING OF THE JAPANESE

In 1992 the company ‘suffered’ the second take-over in a period of six years. It became part of Blazehard Corporation, a leading group in the sector of Japanese origin. What the new owners found was a company with more than 5,000 employees most of whom were over 45 years old. At that point there were also more than 2,000 retired people for whom the company complemented the public payments of social security<sup>46</sup>. The installations were in urgent need of repair and updating technologically. This financial situation had forced the company to search for credits during the previous years, just to be able to cope with their ‘non-productive personnel’ (pensioners) thereby increasing their financial debt. The commercial network was also over-sized. To this they had to add, “a management system not based on dialogue and participation, which did not allow understanding and the capability of joint efforts in favour of future projects” (JL Personal Report 1994).

According to the new HR director “there was a need to conceptualise and to implement an integral plan to take the company away from the sad end that was waiting for it. The degree of trust of the employees towards the management was very low. Some of the previous plans hadn’t been completed or they had been withdrawn altogether. It was difficult to try and convince the employees of the urgency of trying a new very harsh plan on top of everything. We thought that the management had to modify their behaviour and start a policy of communication and participation” (Blazehard Annual Report 1993).

They decided to act mainly on two aspects after an analysis on “the differences between the knowledge and skills of our employees and the necessary adjustments for them to be able to do their job in an efficient manner” (Blazehard Corporation 1995):

- To change the management organs, with a policy oriented towards a more “collaborative management”; the new management “had to represent a hope and to transmit a credibility to all the members of the firm” (Human Resources, special

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<sup>46</sup> There is a fund in the company which guarantees a minimum of 92% of the last salary to be paid as a pension. This fund also includes agreements for widows and orphans.

report 1994). The consequence was a change of managing directors as some of the company's former members left.

- Creation of a 'getting closer' policy between the management and the employees. According to the 1996 Annual Report, "The employee has to feel free to express his/her ideas and suggestions" (Blazehard Corporation 1996). The result was an attempt to change the structure of the organisation in terms of its hierarchy, division of responsibilities between sections and departments, defining new relationships for departments as well as new control structures etc.

These two lines also prompted a reorganisation of the production processes and therefore an adaptation of the employee profiles to those required by the company. The result is that the company has presently 3,900 employees out of more than 6,000 (Blazehard Corporation 1998). Thus, the operational policies were also targeted for change. The firm was attempting to reorient itself strategically, and that meant also changes in terms of recruiting new personnel and in terms of early retirement policies.

There were heavy investments both in new technology and in the renovation of the production plants. This meant modifications in the knowledge and skills of the people working in them. This was of special relevance for the arrival of new investments. There was an effort to adapt "the labour force to the new technologies, very old workers have to learn a more complex working process" (Human Resources, special report 1994). The result was a newly designed integral policy regarding training for the whole company.

According to the Annual Reports, the implementation of "the industrial plan for the future" has meant an increase of 250% in the training received by the different sections of the company and more than 3,300 employees received it in one way or another (Blazehard Corporation 1995 and 1996). This training program (based on the Kaizen method, c.f. Massaki 1989) aimed at changing the working practices in the organisation while increasing the quality of production. This program was carried out in both the Sales and Manufacturing divisions. However, in the Manufacturing division, new technology

was implemented as part of the change process, and the personnel were trained in its use, whereas Sales personnel were more trained in revised working practices and relations (for instance the newly introduced open-plan working space) while retaining most of their existing technology (Blazehard Corporation 1996). In neither division were personnel given feedback on the adequacy of their performance in the new practices once the training was completed.

In both take-overs, the ensuing organisational change program involved a reshaping of the corporate organisation. In each case the aim was to change the established operating practices of the firm in line with the thinking of the new owners, without making any fundamental changes in the organisation's structure or operating environment.

However in 1994, the Japanese owners started a new organisational change program. The administration of the Sales section and the Manufacturing section of the company were split into two separate legal entities, operating as different companies within the same firm. Each one now had different managers and different activities. An "internal market" was set up, with the Manufacturing division selling the product to the Sales division and Sales selling to the final clients. The general director of manufacturing explains it in the following terms:

"The Sales part is completely separated from the rest of the company. We are still one company for all the financial and legal effects. But organisationally we are two: one is called Blazehard-Spain Sales and the other is Blazehard-Spain Manufacturing. Each one has its one Japanese advisor. And we function in a very independent manner. Obviously the separation is very recent but Sales is an independent company which buys our products. We don't need bills among us, but we do our separate accounts internally and in these accounts both companies have to obtain benefits."

Before 1992, the firm had undergone a development process that had included: a foundation phase and subsequent stabilisation; a period of growth during which the company expanded and a leading market position was achieved and the phase of final recession.

It is in this last phase that the firm was sold twice, never to recover its former 'independence' again. When employees draw the analytic line of 'before' and 'after' in

order to compare the previous situation with the new one/s, this is their boundary point. As will be clearer in the next chapter they consider the period of 'independence' of the company as the 'before' whereas the first take-over is considered as an 'interlude' and the second take-over becomes the 'after', referring to the present condition of the firm.

However, the starting point of most of my conversations with the employees was the last change introduced by the new Japanese owners of the company. Thus, the take-over and the split between the Manufacturing and Sales divisions outlined above. It was, at the time I was conducting my research, the main topic of conversation among employees and therefore among employees and myself. It was described to me as the main change experienced 'up to now' by the members of the company. It is indeed perceived as the change that has brought about enough tension and confusion to provoke people to enter into a period of reflection about the different changes in the organisation.

## **5.0. Narrating Organisational Change: The Employees' Story**

### **5.1. RECONSTRUCTING STORIES**

The stories presented here were gathered through interviews and group discussions with employees of Blazehard. These stories, as cultural manifestations, are one of the main forms of discourse through which organisational members share and transmit their experiences. In this chapter, I show the connection between organisations and narratives and between narratives and the history of Blazehard as related by its employees. As such, the chapter has two sections. In the first section I discuss some features of the relationship between narratives and organisational studies and I explain how narratives have been approached in this study. In the second, I present the analysis of the interview material from which these narratives have been extracted.

#### **5.1.1. Narratives in and of organisations**

The idea of social and individual life expressed in the form of a narrative can be found in many texts throughout history. As Barthes proclaims:

“Narrative is...present in myth, legend, fable, tale, novella, epic, history, tragedy, drama, comedy, mime, painting...stained glass windows, cinema, comics, news item, conversation. Moreover, under this most infinite diversity of forms, narrative is present in every age, in every place, in every society; it begins with the very history of mankind and there nowhere is nor has been a people without narrative.” (Barthes 1993:251-2)

Indeed, narratives are everywhere and they “could appear problematic only in a culture in which [they were] absent...” (White 1980:1). Narratives arise in the space between our experience of the world and our efforts to put that experience into language and, as such, are crucial for both the processes of sensemaking and the transmission of that experience.

A story, as an exchange between two or more people, references, recounts, interprets or challenges a past or an anticipated experience. As such, story telling cannot be an individual endeavour; it is truly a social psychological act where many of the complex influences that take part in shaping it come from the social group. As Jovchelovitch (1995) shows in her study of stories of public life in Brazil, the form and the content of narratives are directly linked to the multiple and subtle relations between the story-teller, the group he comes from, and the concerns of the community. On the other hand, narratives themselves become a major moulding influence on the way the community is portrayed and lived by its members. Stories are therefore both producers and carriers of a cultural symbolism that helps us to interpret and define our social reality.

The study of narrative enters organisational studies in various forms (Czarniawska 1998): organisational research that is written like a story; organisational research that collects organisational stories<sup>47</sup>; and the research that conceptualises organisational life as story making<sup>48</sup>. This interest in literary orientations such as narratives in organisational theory follows mainly from organisational culture studies which posit language (discourses, stories and metaphors) as a repository and producer of culture<sup>49</sup>, and from a social constructionist approach<sup>50</sup> that views language also as manifesting such construction.

Most of these studies stress the process of storytelling as the never-ending construction of meaning in organisations. Although much of our organisational life is spent reading stories that already exist and interpreting them within a set of pre-existing rules, we are nevertheless constantly engaged in a process of sensemaking using stories in the effort to find:

“...something that embodies past experience and expectations, something which resonates with other people, something that can be construed retrospectively but also can be used prospectively, something that captures both feeling and thought... In short...a good story.” (Weick 1995:60-61)

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<sup>47</sup> See Boje (1991)

<sup>48</sup> See Gagliardi (1986), Frost et al. (1991), Weick (1995).

<sup>49</sup> See Martin (1982) and Calas and Smircich (1991)

Stories, when constantly recounted, can contribute to the reinforcement of basic ideas and shared story lines. However, as they are generative processes that “yield and shape meanings and are fundamental to the very existence of the organisation” (Smircich 1983:353) and “carriers of life rather than reports of it” (Czarniawska 1997:21) their role goes beyond being passive instruments for reinforcing institutionalised story lines. In fact, as Boje (1994:434) says, storytelling is the preferred sense-making currency in organisations where different stakeholders are embedded in the dynamic processes of incremental and collective refinement of stories that include new events as well as ongoing reinterpretations of culturally shared story lines.

There are three characteristics of narratives that constitute major instruments for the organising of social experience and are relevant to this study: their referential aspect, the space they offer for forging the links between the ordinary and extraordinary, allowing for sensemaking processes and their temporal character<sup>51</sup>.

Stories are told along two co-ordinates, the chronological and the non-chronological (Ricoeur 1980). The former refers to the narratives as a sequence of episodes, that is, a beginning, a middle and an end. Our experience, however, flows beyond beginnings, middles and ends, and the cuts which demarcate the sequence are always narrative devices that we use for different purposes. Indeed, a story is usually told after the events on which the story is based took place. It is then that people look back - recall their experiences and their history - and try to improvise a plot line<sup>52</sup> that explains and orders them. This ordering may serve as a meaningful guide for their present actions and future expectations. In this sense the stories are produced in the encounter between a particular way of understanding reality and the event that generates them. Since stories are

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<sup>50</sup> See Berger and Lukhman (1991)

<sup>51</sup> The study of narratives is a whole field of investigation and discussion and I am very aware of the limitations of my own effort here. The features of narratives that I discuss in this chapter are not the only ones and they might not even be considered the main aspects in their study. They are, however, directly related to the problem that is investigated in this thesis, namely the change of symbolic forms in organisations and the ability of the social actors not only to use, but also to generate and transform, these symbols in their reproduction of organisational reality.

retrospective accounts, where the contours of the past are given form from the point of view of the present, most of this encounter happens after the fact. This is what gives the stories their order, which is hardly evident for the participants at the time of the original events (Alonso 1988).

It is the non-chronological dimension of narratives that deals with the plot of the story; and thus, with the structure of relationships by which the events contained in the narrative are endowed with meaning by being identified as parts of an integral whole. This is because the events that compose a story are not only registered within the original chronological occurrence but they are also narrated, “that is to say revealed as possessing a structure, an order of meaning, which they do not possess as mere sequence” (White 1980:5). Narration is not only the recounting of events but rather the instrument by which the conflicting claims of the imaginary and the real are mediated, arbitrated, or resolved in a discourse. And it is this attempted coherence of the sequence of events, rather than the truth or falsity of the story elements, that determines the plot and thus the power of the narrative (Czarniawska 1998).

People’s explanations and interpretations of organisational events are usually grounded in attempts to establish a connection between the exceptional and the ordinary (Brunner 1990). In everyday stories the ordinary, the ‘usual’ and the expected acquires legitimacy and authority, whereas everything that may appear as out of routine can be given a familiar configuration. It is through the construction of stories that people talk about traditions and therefore maintain and transmit permanence. And yet they are also the medium in which the new, the unexpected and uncertain can be incorporated within the register of the possible.

In this sense narratives are a form of human comprehension that produces meaning by the imposition of a certain formal coherence on a virtual chaos of events. Reality does not come to us in the form of a narrative and yet the stories we tell aim for a coherence,

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<sup>52</sup> This plot line is taken here in Ricoeur’s terms as the ‘intelligible whole that governs a succession of events in any story... A story is made out of events to the extent that plots make events into a story’

integrity, fullness and closure that present an image of life that is and can only be imaginary. Yet, as Ricoeur (1980) says, “history is the human attempt to endow life with meaning” and it is meaning – not life – that tends to come in story form. It is precisely because “time is sequence – unceasing, without gaps, but also without order, emphasis or punctuation – [that] narrative becomes our primary defence against time’s callous elision of meaning, and time and narrative are locked in intimate and ceaseless conflict” (Partner 1997: 39).

Indeed, narratives live in time, use time in myriad ways and only make sense in relation to it. A good narrative is valid mainly for a given time and place since, being locally negotiated, it is the result, not the precondition, of organisational communication. In linking personal experiences to organisational experiences stories allow us to study organisational reality as constructed by its actors. The result is an individual narrative based on experience that in turn must be placed within a narrative collectively achieved.

### **5.1.2. The use of metaphors**

Czarniawska distinguishes two different ways of analysing organisational reality in the literature. The first one, the paradigmatic, follows a paradigm-like approach through the construction of more or less formal models that substitute “a group of particulars by a more abstract concept, which is intended to cover them all” (Czarniawska 1997b: 9). In the second, syntagmatic approach, there is no construction of models but rather the exploration of reality through the use of metonymy<sup>53</sup>. In the first case facts are substituted by what could be called metaphors whereas, in the second, stories are used that talk about their underlying logic through different associations. The difference between the two methods is that through stories we put different events together (and, and, and) whereas with a metaphor, what we do is substitute A with B in order to understand A better. We can certainly try to combine both for looking at organisational experiences.

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(Ricoeur 1980:167).

<sup>53</sup> Figure of speech in which a thing is replaced by another associated with it.

Metaphors are powerful means of communicating ideas, and are in common use in many studies of organisations and organisational theory<sup>54</sup>. Indeed, the metaphors used by organisational actors are much more than a figure of speech. They actually have operational consequences since they are instrumental in bridging the expressive and the practical orders in the organisations. What is more interesting and relevant to this study, however, is their relationship with stories through their “‘encodation’ and ‘emplotment’ of the narrative” (Manning 1979: 227), thus, the way they function as the ‘markers’ that help organise a story.

On the other hand, the metaphors used here are in need of a story to put them in context. As Eco (1984, 1990) says, a sign<sup>55</sup> is essentially incomplete without an interpretant, a context, a signifying system within which the sign can be understood. Any interpretant of a sign can become yet another sign and create a ‘chain of signification’; from which it might be difficult to escape or to extract meaningful insights. Indeed, it has been argued (Alvesson 1993) that any given metaphor is always incomplete, biased and potentially misleading since it has the power to direct action and thought in a predetermined direction to the exclusion of all others.

However, since the metaphors that encode a collectively constructed story are also socially created and maintained<sup>56</sup>, they act as a source of rules, practices, and codes that limit the “infinite semiotic regression of the chain of signifiers that direct the reader through particular chains of association” (Adams 1986:15)<sup>57</sup>. To some degree, this form of shared knowledge reduces the potentially volatile nature of meaning since they sediment in institutionalised stories that stabilise the links between expression and

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<sup>54</sup> See for instance Morgan (1986) and Oswick and Grant (1996).

<sup>55</sup> Something that stands for something else in the mind of someone, i.e. a metaphor.

<sup>56</sup> Eco (1977:61): “when language is used in order to mention something, one must nonetheless maintain that an expression does not in principle, designate any object, but on the contrary conveys a cultural content... the codes, insofar as they are accepted by a society, set up a cultural world which...existence is linked to a cultural order, which is the way in which a society thinks...”

<sup>57</sup> Adams, for instance, sees both metaphors and narrative as part of a ‘conspiracy of the text’ that allows the teller/interpreter to think and talk about his experiences and feelings only in a coded and socially accepted way (Adams 1986:33-34). He mentions, however, two types of constraints upon the teller/interpreter: one is the text within which the code to be interpreted is situated - the cultural context - but the other is the desire of the reader, stemming from his interests, expectations and experiences.

content, “anchoring the potentially migratory, floating and arbitrary expression” (Bourdieu 1977).

Therefore, it makes sense to combine the analysis of both stories and metaphors in the exploration of organisational reality, since metaphors can support and ‘condense’ the stories being told, whereas the stories disarm the metaphors of much of their ambiguity by putting them into context. And, as Czarniawska says, ‘as a rule they seem to come together’ (Czarniawska 1997b: 19).

### **5.1.3. The reconstruction of Blazehard’s narrative**

The narrative presented here is a reconstruction based on the stories people told me in the individual interviews. From there, I reconstructed a narrative that presents to the reader the employees’ shared version of Blazehard’s changes.

Through the interviews analysed here I intended to explore both the commonalities in the employees’ accounts as well as their differences, indicating a tension in the way the meaning attached to certain events was being challenged or negotiated by Blazehard’s employees. The focus of attention in the interviews was precisely how people described the company and its process of change, and how they justified those descriptions retrospectively and projectively in a way that allowed for commonalities as well as for individual experiences to emerge. In fact, the interviews sought to get behind the employees’ ‘representation’ of the company, to explore the processes at work in the reproduction and/or challenge of the particular cultural themes that they used to define or bound that ‘representation’. As such, the first analysis of the interviews sought common themes across interviews. For that what I required was a principle by which to map individual differences into similarity.

After the interview material was transcribed, a coding framework based on the interview guide was devised in order to explore the commonalities in people’s accounts. A preliminary examination of the interviews began to expose three different periods of time

meaningful for the employees: the Spanish, American and Japanese periods (see section 4.7.). The material was therefore divided into these three periods of time and organised and coded into ‘basic codes’ according to three main topic areas: Job description, description of the organisation and description of the organisational context in each of the time periods mentioned (see Appendix 6).

This first stage of analysis consisted of ‘cutting up’ the texts (quotations) and ‘pasting’ them into an organised order (basic codes) across the interviews. The software package ATLAS/ti was used for this purpose (see section 3.4.). The next step involved looking at the quotations abstracted from their context and establishing the significant common themes in the different interviews for each period. A theme was marked as relevant or not depending on the frequency of its appearance. Once the themes were abstracted, they became the more contextual and theoretically meaningful codes, ‘thematic codes’. At this point, I was looking for commonalities across organisational actors rather than differences or sub-cultural groups; therefore the themes were selected giving preference to the most common ones. The organising principle was their frequency since I was looking for common shared assumptions rather than individual narratives<sup>58</sup>. The initial analysis of each period brought out different topics based on the employees’ descriptions. For instance, when describing the Spanish period, employees would describe the company as having great market control, a protective environment, bigger contacts with the community etc. These themes were registered with the aim of establishing the stories common to all interviewees. This process was repeated for each of the three temporal periods.

Once all the texts were organised using these thematic codes, they were further classified under various ‘categories’, partly inspired by the preliminary analysis that brought out the fundamental issues in each time period. Each of the categories contained the thematic codes and quotations relevant to that particular issue in the three periods of time explored (see Appendices 8, 9, 11, 13 and 14). The result was an organisation of the texts common

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<sup>58</sup> Therefore I used their frequency of appearance in the texts not for quantifying purposes but rather as a criterion for selection (see Appendices 7, 10 and 12).

to all interviews referring to a particular period of time that could be further split into categories common to most interviews.

The next level required organising the categories into a narrative structure that provided a comprehensive summary of all the interviews. These became the stories of each period that compose the main reconstructed narrative. Each story contains a number of categories grouped around a main descriptive metaphor. The narrative is organised along three co-ordinates:

- horizontally according to the three different time periods mentioned by the employees;
- vertically in terms of the elements of each story;
- and internally in terms of the descriptive metaphors (see Table 1 below).

The periods of time are ‘exposed’, i.e. arrived at empirically, from the employees’ accounts. The second set of co-ordinates, the elements of each story, is based on the work of O’Connor (1995). She suggests that in order to organise the elements of a story one needs to take into account a set of distinctions adapted from the analysis of drama called the pentad. The pentad includes elements such as act, agent, agency, purpose, and scene (O’Connor 1995:775). As we have seen, the narrative form is fundamentally a selection process in which the teller highlights certain events that are included in the story whereas others are left aside. The pentad is introduced here to organise and better explore the themes selected by Blazehard’s employees and included in their own accounts of the changes the company has gone through. It is important to remember that the reality of the events recalled here does not consist in the fact that they occurred but that, first of all, they were remembered by Blazehard employees and, second, that they were “capable of finding a place in a chronologically ordered sequence” (White 1980:19). The material already coded and categorised was organised therefore according to the following questions:

- **When/ why** did the change effort occur? In what circumstances did the change effort begin? These questions refer to the *purpose and scene*.
- **Who** started/developed the change effort? That is, who initiated, led and developed it? It refers to the identified *agent*.

- **How /what** was the change effort? That is, what acts defined and constituted the change? What ‘instruments’ were used to initiate and develop the change effort? How did the change effort develop? It refers to *agency and act*.

As for the third set of co-ordinates, the metaphor for each period is the central element that organises the story. The metaphors presented here are partly exposed, arrived at empirically - the employees use that metaphor to describe the period - and partly arrived at conceptually -each metaphor condenses the categories that in turn help to examine the metaphor. Indeed, the metaphors organise the categories – i.e. hierarchical company, protective, offering a referential context- that become in turn qualifiers of that metaphor – i.e. the Guild -. Metaphors and categories – or story lines – cannot replace one another in the reconstruction of Blazehard’s narrative since each has different tasks to accomplish. In fact, we shall see how the metaphors that define each period change in such a way that they allow employees to endow new meanings in their descriptions of the company through the changes they have inflicted on the qualifiers – categories - of each metaphor.

Time Periods	The Spanish	The Americans	The Japanese
<i>Main Metaphor</i>	<b>THE GUILD</b>	<b>THE INTERLUDE</b>	<b>THE CORPORATION</b>
<i>When/ why Scene and purpose.</i>	<b><i>How it was in the beginning</i></b> A stable environment In a self-managed organisation Providing a referential framework.	<b><i>...the Americans bought us</i></b> Tendency towards stagnation. We became aware of the crisis.	<b><i>...we were sold to the Japanese</i></b> American failure.
<i>Who Agent.</i>	<b><i>The guild people</i></b> In a hierarchical environment. ...that offered protection.	<b><i>The new owners</i></b> We expected them to save us.	<b><i>Agents of change</i></b> Among us: an exclusionary environment. Feelings of disembodiment. Them and us.
<i>What/How Act and agency.</i>	<b><i>The reasons for change.</i></b> Tendency towards stagnation.	<b><i>The American system</i></b> Changes: New technology and employees.  New administration: Norms and accountability  American failure.	<b><i>The way of the Multinational:</i></b> Working through networks. Individualisation of work. Instrumentalisation of relationships. Becoming a subsidiary. Homogeneity across borders. Diffusion of information.

Table 1: Organisation of time periods, metaphors and themes for the main narrative.

## 5.2. BLAZEHARD'S STORY

### 5.2.1. The Manufacturing guild

When people refer to the company in the Spanish times they tend to describe it in a way that is reminiscent of a guild<sup>59</sup>. As such, Blazehard is represented as a tyre manufacturers' guild dominated by a chief – Don Jose - and composed of different groups – departments -, each of them with a task to accomplish under the rule of a boss. The members of each group were introduced to the guild rules through the experience of older members and mixed only with the members of similar status from other groups. Some of the groups rarely mixed, like the employees - working in the offices and the workers - working in the manufacturing plant. They had had, however, some opportunities to meet at common celebrations that the guild held for all its members at significant times -like Christmas.

#### *THE SCENE*

##### *A stable environment*

According to the shared story lines, the guild was [almost] a monopoly that controlled the tyre market in Spain. As such, it was able to provide a stable environment both internally through very high job security for its members and externally through its almost complete control of the Spanish market. The guild was also self-managed, since the main managers of the company were able to take decisions affecting its daily functioning and its future, and were therefore able to go beyond the company's established conditions to create new jobs and open new markets for its products.

“This was a company which was fundamentally Spanish...and it was absolutely autonomous in a country with a very strong market protection, with a very strong customs system and with perfect control of the markets...” (Felipe A.: 5)

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<sup>59</sup> Although Blazehard's employees do not use the metaphor 'guild' to refer to this period, their description of its characteristics is consistent with this medieval form of organisation. Guilds appeared in the 3<sup>rd</sup> and 4<sup>th</sup> centuries but it was at the end of the 10<sup>th</sup> century when slavery disappeared from Europe and serfdom took its place that they were really constituted. It was in this period that the kings, in need of money to finance the crusades, sold to many towns the right to regulate their own trade and commerce.

“We earned enough money with the products we had. We had a very high margin of profits. What I mean is that in those times people had to wait to buy a tyre because there weren’t any but ours.” (Ignacio A: 5)

Stability is indeed described in terms of control of the market. The company was able to distribute its own products without major competition internally or from abroad. Its share of the Spanish market was very big and that allowed for the development of a very stable production process with a product that was almost automatically sold. Customers had to wait for its products and the company could therefore control the price. This is explained due to the monopolistic activity and the high level of protection of the company by the state in a context where the demand was very high (see section 4.4). That provided them with a very high margin of profits, which reinforced the idea of a very safe and stable environment.

This external stability allowed the company to provide very high job security for the employees. The stability was therefore also ‘internal’ since once someone got a job in the company it was quite certain that he would stay there for an indefinite period of time. It was a job for life.

“Before when you had a job, you had a job for the rest of your life, like a civil servant... It was impossible to think that anything like getting fired would happen. A civil servant... you would enter the company and you wouldn’t leave, and of course you would expect to retire here.” (Ines I.: 29-32)

“Before you had a job that was badly paid but secure. In some sense it gave you security. You would think I have gone through the trial period but now I am safe. This is it.” (Aitor O.: 14)

There was no need to think about searching for jobs elsewhere, other possibilities or companies weren’t considered. As a guild, Blazehard was able to control and dictate the rules of tyre production and distribution in the Spanish market and therefore to provide for its members’ needs. For that, guilds needed to be independent and self-governed organisations.

### *In a self-managed organisation*

Blazehard is described as an autonomous company where managers and main directors were able to make their own decisions affecting directly the daily running of the

organisation. They are described also as having a better ‘global vision’ of the company than in recent times. In fact, Bilbao was the decision-making centre for all Spain and therefore the feeling of control over the organisational processes and their own working conditions is justified.

“Before we were almost on our own... since we were a Spanish company logically the decisions were taken here on the sixth floor. And we had a direct intervention in the process... From being a company where all the decisions were taken here, now all the decisions are very far away...” (Manuel E.: 3-6)

“We have gone from the time when whatever was decided good or bad for the company was decided here, to the time when that is decided elsewhere... Everything was known and under control from here, from one place. It provided you with more vision, with more stability...” (Ines I.: 31-74)

According to the shared accounts of this period, it is the possibility of taking decisions without having to consult anyone outside the company that allowed for expansion and growth. Thus, the company’s autonomy was increased through the creation of new jobs, the incorporation of associated companies and the opening of new markets for Blazehard’s products. In this sense the guild was not only providing its employees with a secure job and a stable environment but also with the possibility of new developments in their working life. The company was not only ‘self-managed’ but also in ‘control of its destiny’. This was the expansionist epoch in Blazehard (see section 4.4.).

“In those times there was a policy of incentives for the employees; to develop your career in the company because we were a dynamic company, expansionist. A lot of companies were incorporated and more people started working here than any other time afterwards... There was a feeling of dynamism, of progression, of control...” (Pepe P.: 12-72)

“In those times the important thing was to sell, we would worry about the payments later but at that point we were expanding, creating branches everywhere, selling, selling. To collect the money didn’t seem to be a problem then.” (Ignacio A.: 4-32)

There are no memories of risk and danger in these accounts, quite the opposite, the stories talk about growth, dynamism and control. In that sense, the guild is portrayed as a place where its members could develop, expand and be creative within a secure environment. In fact, that is what the guilds are reported to have done: unite their members as one big family of mutual aid that provided group responsibility for welfare services including lodging, loans and burials (Boje 1994).

### *Providing a referential framework*

In our case, Blazehard also provides a referential framework for its members. This framework of symbolic referents, developed and (re) produced through the continuous interchanges among its employees, seems to have allowed them to bridge successfully their feelings of belonging to both the guild and the community within which it was geographically rooted. Indeed, the stories tell of a strong link between the company and life outside in the local community.

“I have been working in the company for more than 25 years and this has been the only job I ever had in my whole life. I started working here and I was born in this very same village where this company was born ten years before I was. So you can say that I have remained quite stationary. My life is very linked to that of the company” (Juan S.: 19)

“Blazehard has been the best provider for this community, it has provided lots of jobs for the people and also the best client because it is the company which pays more taxes to the municipality. There is a lot of respect for the company in the area. There are a lot of people from the community working here. I think we can be talking about 1000 people with their respective families. The company is 62 years old. When it was set up the trams came through the company’s land and one of their stops was here. We had a football team, which played at weekends against a team from the village...” (Pablo A.: 5)

The company is presented as part of the community in which it was first established with strong local roots and a very active involvement in local life. The employees’ lives, both inside and outside the company, are also described as closely associated to this community. The result is that Blazehard is not described as a separate entity, as another organisation in the village but as the ‘main contributor’ shaping the lives of those inside and outside it. The symbolic boundaries between the company and its surroundings are blurred in these accounts, with the company providing an environment that never challenged the practices of its employees outside it.

The feeling of belonging was also strengthened by the different collective celebrations carried out within the company.

“We had this tradition at Christmas. The director Don Jose used to receive the employees in his office on the sixth floor to wish them Merry Christmas and to shake hands with them... So you had this long queue of people waiting, the day before Christmas, to shake the hand of the director.” (Carlos C.: 16-17)

“As I told you there was a football field, a Basque-ball court. We had excursions for a day to Zumaya...Village things if you like... We also had Christmas meetings and parties and we used to go up to the sixth floor where the directors were and we would shake the hand of the director.” (Carlos E.: 12-13)

The celebrations presented an opportunity to acknowledge each employee as a member of the guild. They also helped to strengthen the cultural patterns that were being developed and (re) produced within the company. For instance, the ceremony of shaking hands with the General Director at Christmas not only meant that everybody was personally acknowledged at the end of each year as a member of the company, but it also contributed to reinforcing the portrayal of the General Director as the guild’s ‘master’. The ceremonies also contributed to strengthening the employees’ feelings of ‘ownership’. Blazehard was ‘their company’:

“I don’t know to explain it to you...when I saw a Blazehard’s flag the feeling was of happiness of... I felt proud of belonging here, of the company... We felt it was our company then.” (Ignacio A.: 11-13)

“I believe that before you felt part of the company, a very important part...it was our company.” (Carlos C.: 15)

“Blazehard around 1984 was 25% American and 75% belonged to six national banks. And ... everyone working in the company had some shares in it.” (Juan S.: 6)

As part of becoming members of the guild and as a very practical demonstration of their faith in its future, employees bought Blazehard shares. However, although the guild provided protection and security for its members, it also demanded from them the acceptance of certain rules and discipline.

## ***THE GUILD PEOPLE***

### ***A hierarchical environment***

Learning in the guilds occurred during years of apprenticeship to graduate craftsmen under the watchful eye of the guild masters who derived their authority from the town nobility and clergy (Boje 1994). In a guild, people were usually under the rule of a master or masters who controlled the activities according to a determinate, though not always

explicit, set of norms<sup>60</sup>. Part of the representation of the company as a guild comes from the description of the employees of being in a highly regulated environment. This environment is created through the authority and the supervisory style of the company's masters; the clear ranking system not only among employees but also between employees and bosses and the set - and difficult to break - career path they had to follow. As a guild, there were indeed rules to be followed and a ranking system to be respected if one wanted to belong.

“It was the control of your boss looking at what you were doing over your shoulder.”  
(Pablo A.: 17)

“In the manufacturing plant we were going around with a watch controlling the people; now it is called industrial engineering and we were all the time after a worker... it was like going with a whip after someone, controlling everything he was doing.” (Carlos C.: 2-3)

“Before... if you were demanding there was no salary increase for you.” (Ignacio A.: 27)

The master in the department had total power and had to be obeyed. There was pressure to conform to the rules since even a salary increase was arbitrarily treated. It depended on the goodwill of the master. As such, the individual was not responsible for developing his work but rather for following orders on how to do it. Contributing to the creation of a hierarchical environment was also the rigid ranking system of the company. It was very clear who were the bosses and who were the employees and the tasks each one had to perform. These arrangements were not only rigid but also very visible, conveying clear signs of power and status in the hierarchical system.

“I had a very ‘underhanded’ introduction to the company, as was necessary in those times because the company had a very defensive environment. I mean against any changes in the hierarchy and in the power relationships.... They told me I couldn’t talk in meetings for almost two years. The bosses would do the talking” (Josu L.: 13-14)

“Before the decisions were made on the 6th floor where all the directors were... They were people that were around so you could see them. And they were treating the employees in a very paternalistic manner... There were a lot of middle managers with incredible economic privileges and power.” (Manuel E.: 21-25)

The directors, represented as the ‘elders’ of the guild, were actually located on a separate floor, apart from everyone else. This was the top floor of the administrative building. In

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<sup>60</sup> According to Wilkins and Ouchi (1983) relationships among members of this type of organisation are

fact, going to see the general director meant ascending to the top level of that building. The symbolism is very powerful. Thus, even small daily routines contributed to the creation of a framework where the symbols of authority and hierarchy could be easily allocated.

“Those were the times when we were Juan, Pedro or Jose. In those times, the first one was Don Jose, the second was Mr. Zaballa and the third one Hilarion. Thus, as you were going down in the hierarchical line you would drop down the treatment of Don or Mr.. But it was really necessary for the people who were governing the company to be treated like that.” (Leon O.: 16)

“Before the directors were like the clan in a family. Like he could be like the grandfather of the family, something untouchable...” (Aitor O.: 19-21)

The relationship between employees and bosses is reported as having had very clear demands and expectations: the ‘good master’ would provide guidance and care whereas the ‘good employee’ would follow his master’s advice. He would not question the master but rather would let him make the decisions and do the talking. He would start his learning process from the lower levels of the hierarchical ladder under the guidance of a master and wait patiently to be able to ‘take on’ more responsibility. If the ‘good employee’ was able to follow the rules he would be rewarded with help, guidance and a salary increase.

The hierarchical system is reported as being so strong that, even if it wasn’t clearly written down, the employee’s career progress was strongly set up and followed a route that was difficult to break up. There was no official training program and therefore employees needed to rely on their colleges or ‘to observe what went on around them’ in order to learn. This had the result of both developing strong links and associations with others to support each other and of exerting a pressure to adjust to and (re) produce existing working patterns if one was to become a successful employee and to progress in the company.

“You had your family or your friends to tell you what to do and how to do things. After some time you were able to find your place.” (Juan S.: 60)

“I started in the lower levels. At that time the company hired us when we were 22 or 23, very young. And the company placed us on the lower levels. Obviously you did not enter

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based on trust and the knowledge provided by intense socialisation.

here to give orders but to learn your way around first." (Pepe P.: 3)

" Then, if you were a bit clever you could start to get more areas, they would give you more responsibility, more trust. Despite everything those people didn't have any other choice because the company was improving, expanding and gaining in complexity so they had to give you more responsibility." (Ismael Z.: 7)

This type of relationship between bosses and employees was only possible within a system where each person had a very clear position in the ranking system and a pre-set career path. The ranking system provided acknowledgement, a sense of value for each person and the comfort of knowing their place within the guild. However, it also made easier the process of classifying, categorising and 'locking up' people in pre-determined positions. It became very difficult for the employees to 'outgrow' these positions since, in order to make some progress in their career, they had to either wait patiently for a promotion or be able to find and exploit the cracks within the constrained hierarchical arrangements.

#### *...That offered protection*

In the guild, knowledge was acquired through meetings, the guild's apprentice training and guild work so that craftsmen could become master-entrepreneurs, who became owners, and could then eventually teach their own apprentices (Boje 1994). At Blazehard this pattern was repeated in the early days since most of its employees were very young when they started to work for the company and therefore had minimal working experience. However, the newcomers arrived into a 'family-like' structure that guided them, not only in terms of the different working procedures, but also in what they could expect from the company and within the company.

"...people have been working 40 years or more for the company, they started as kids, 15 or 16 years olds. And their preparation or skills were minimal.... Here I have known workers that had difficulty writing their names. They had to be guided in everything they were doing." (Felipe A.: 9-10)

"The oldest people working here are people who started when they were 16-17 years old. There are people here who had their first long pants when they started working for Blazehard. *They have been 'groomed' and raised here.*" (Txetxu S.: 2)

"This was a company that in its time was very much like a family and in tune with the community. Here you have generations that have worked and still continue to work here,

their parents worked here and they still do. There are people who have been working here since they were kids because their parents worked here." (Manuel E.: 45)

The people even followed the same boss around departments. The idea of a guild providing guidance was reinforced with the practice of keeping the same group of people trained in the same department together. In this way, the ways of working and modes of relating to each other developed in one department and among one group of people were (re) produced in other departments when employees moved around following their bosses. Protection from radical change was secured even when a change of department and therefore a possible change in ways of working and relating was introduced.

"Most of my life, of my professional life, I have been working here in Blazehard as a secretary. I have been with the same boss for almost 20 years.... Mine is not the only case. There were many cases like mine. Indeed the usual thing to do was for the secretary to follow the boss to different departments, or even complete groups of people that had been trained with the same boss would follow him around." (Ines I.: 1-6)

The company is also described as secure and protective because people felt that they were 'known', that their personal trajectory in the company was taken into account. Through that personal trajectory the employees were able to find a personal place within the history of the guild. People report feelings of belonging and membership, of loyalty, of being part of the company and growing with/in it. This implies trust in the response of the guild to its members. As Wilkins and Ouchi (1983) postulate, the members of an organisation have to believe that they will be dealt with equitably in the long run in order to declare themselves loyal to a group.

"Before, the person who was working here had a personal history... Before with the Spanish capital there was our own culture and an evaluation and consideration of the different persons, of persons according to their own trajectory. A person meant something...In a national company or a family-like company like before, the people, the components are more identified. Above all the 'hierarchy', they especially have a very relevant history. But everyone had a known place." (Ines I.: 12-13-28)

"It was like a big family, paternalistic. Salaries were distributed thinking about each person. Thus, that to so-and-so at the beginning of the year... the boss would tell him... 'Listen, I know that your aunt died last year and left you some money.' They knew that kind of detail about our lives. It was good sometimes but you knew that they knew you and about you." (Juan S: 28)

Through this knowledge of each employee's personal history the guild made sure that each person was acknowledged as belonging to it and had a place in its structure, on the

other hand, as we have seen, it also made people easy to identify, visible and accountable for. However, this structure also facilitated the development of close personal contacts that helped to create strong links among the members of the guild and to increase the value that each member had for others.

"I remember that before when one or two of my colleagues had to be travelling around and when they weren't in the office I would miss them. Where is so-and-so? He is in Zaragoza and comes in two days and we were missing him in the office." (Jesus S.: 19)

"There has always been a kind of communion of ideas among us, of objectives, of ways of looking at things because we worked together." (Paz A.: 35)

"The people felt secure here, they felt completely wrapped up and warm and protected against bad times." (Manuel E.: 51)

This need to associate and develop 'trusting and supportive' relationships with colleagues was likely to have contributed to the suppression of conflict among employees as well as among employees and bosses. The implication of this is that groups also became demarcated making it very difficult to cross barriers among them. It is no wonder then that this 'protection story' is devoid of references to conflict, since to ensure the support and the possibility of belonging that the guild offered, its members needed to be willing to co-operate.

### ***REASONS FOR THE CHANGE***

#### ***Stagnation***

The protection that the guild offered carried with it the danger of 'closure', of stagnation and lack of development. According to the shared story lines, the guild stopped being 'rationally organised': the budget was not being followed, they had parallel imports within the company and the objectives were not very clear.

"There were even parallel imports. I mean imports that different commercial organisations or departments within the company were doing, at the same time and without consulting each other..." (Pablo A.: 7)

"We would do evaluations every six months, twice per year. And of course, there were diversions from the budget, but really impressive. The final budget wouldn't come even close to the initial budget... and the question would be: the budget? What is that? But are we supposed to follow it? Really?" (Ignacio A.: 14-16)

“Yes, there were a lot of people here who would try to shirk their responsibilities...it was a complete and absolute anarchy. No clear objectives. We had this huge human mass in the manufacturing plant and everybody was living very well.” (Carlos C.: 21)

One of the issues identified as a problem is precisely the stress that the company was putting on the manufacturing processes, and the lack of quality control in almost every product. The guild masters not only had the power of taking on ‘their own’ important strategic decisions which affected the guild’s destiny and the employees’ future, they also made very clear the identity of the company. They stressed the fact that to belong to the guild meant to be a manufacturer, a producer rather than a seller and therefore what mattered most was to never stop or alter the production process. The production became an ‘endogenous process’, with the company looking only at itself without consideration of the market or the demands of the clients. These constraints to internal innovation added to the lack of competition led to high bureaucratisation and low quality products. However, the hierarchical system was so strong that only the managers and the engineers were allowed ‘to know and to be right’.

“You didn’t know about it or maybe the technicians knew about it and they were covering it up, all the failures. They were like demigods and they were covering everything up. According to them it was impossible to have failures... and we in Sales saw all these things and so I say that we put the technicians on a pedestal and the rest had to swallow everything, the mistakes. We had to cope with the clients and to listen to things like some product was really good and that the failure was a failure of the client.. and we knew that it wasn’t.” (Juan S.: 32)

“But it was also the message that was transmitted. It was more important to make X number of tons per day rather than good products. Even if the production was absolute rubbish and even if there was cheating in the production process.” (Felipe A.: 14)

“It has always been a company oriented and managed by engineers. Oriented towards production. Because Mr. Telleria the father, and Mr. Telleria the son and Mr. Telleria the uncle were all here, all of them engineers. They sort of made this company, started to work here and soon their authority was unquestionable. They used to do a lot of things that the market didn’t demand.” (Juan S.: 17)

As another obstacle to change or innovation, the employees recall becoming part of the ‘red tape’ in which they became ‘civil servants’ that did not have to worry about losing their jobs even if they did not perform well.

“ We always liked to be directed, to think here are the directors of the company and we are protected because the direction of the company is autonomous and they are not going to get rid of us, they won’t put us on the street. We would have a job for life. But that is

not only positive because, if you think you have a job for life, it feels like you can stay without doing anything or going beyond what was requested in the contract and it will be fine." (Carlos C.: 20)

There was really little incentive to change that situation since they had relatively safe jobs and there was no need or demand to take on more responsibilities than those described in their contracts. The assumption was that each person would deal only with his or her own task without having to worry about what came next. That responsibility was left to others. As a result, the reports paint a situation in which employees are provided with stability and security but also with a limited capability for innovation or for personal growth within the company. This limited environment created feelings of being stuck, stagnating, and of starting to lose control over the quality of the product or the very organisation of the company.

### **5.2.2. The American interlude**

It was in this phase, at the beginning of the 1980s, that the firm was taken over by the Americans never to regain its former 'independence' (see previous chapter). However, when the employees of Blazehard describe the American times they treat it as an 'interlude' between the long process of Spanish entrepreneurship and the more recent changes brought about by the new Japanese owners. In their accounts, this period is not constrained in terms of time to that of the American ownership. In their description of the interlude, the time constraints are blurred and what emerges is a period that goes from before the actual American ownership of the company until the Japanese take-over.

The 'coming of the Americans' is described in the shared accounts as a positive way out of the crisis situation the company was going through at that period in time. It seems to have represented hope and trust in a bright future with the protection and the security offered by a bigger and more international 'guild', that of Blazehard U.S. However, those expectations were not fulfilled and the trust put in the Americans was betrayed when they 'abandoned' Blazehard, selling it off to the Japanese.

## THE SCENE

### *The crisis awareness*

“I think that the company was sold because they realised that we were alone here and isolated... That we weren’t going to be able to fight against the harsh competition that was coming...and obviously to have an adequate investment you have to have the possibility of developing that investment. Well, you have to have what we didn’t have at that moment.” (Leon O.: 2)

“It [the American take-over] was good for us in a sense because Blazehard was not, even remotely, ready for Europe. It was very small and very unprepared for the European market and big for Spain. It was a very bad ‘something-in-between’.” (Carlos E.: 4)

Just before the American take-over the situation at Blazehard became ‘impossible’: they found themselves in the position within the tyre industry in which their products were of low quality, the competition became more intense and the guild had lost the complete control it had had over the Spanish market. Although the situation had been deteriorating slowly, the fact that Spain had opened its borders to the European market and therefore to new products and competitors, made the hidden problems appear in all intensity. People started to become aware of the extent to which the company needed to adapt to the new times.

“Our product was not of the same quality as the rest of the products in the market. We found a market that looked mainly at the price and the quality of the products because even if our service was good that was forgotten. So the manufacturing processes had to be improved as well as the quality of the product and the service to the clients. The costs had to be adjusted to the market. We realised that people in the manufacturing plant had to produce better and cheaper products and people in Sales had to go out to the market and try hard to sell more.” (Leon O.: 4)

When the market changed and the competition became stronger the problems to be faced were too big to be dealt with on their own. Within the previous framework, the managers were supposed to resolve the situation since the guild was there to deliver protection and security. In times of crisis, the employees turned to them trying to find the protection they were used to, but that protection was not delivered and they felt abandoned. In fact, the owners at that time, the Spanish/Basque Banks did not or could not invest in the company to ‘rescue it’.

“When they [Americans] bought us we were using our last resources, using our last bullets as it were. Because the product was so bad that, we couldn’t do anything else with

it. I mean, we had a product that in order to convince people to buy it, we had to lower the price." (Felipe A.: 44)

"Then the shareholders were mainly four banks, and they must have seen no future in this since they did not invest anything. From then onwards things weren't going that well, there were talks about selling the company. There were some possible 'brides' and in the end the American 'bride' won and got the company." (Ignacio A.: 1)

## **THE NEW OWNERS**

### *Expectations*

The American take-over seems to embody mainly the hope to recover security, protection and a quality product. Therefore, the employees felt happy they had 'been bought' and had the prospect of being 'rescued' from disaster. The expectations reported are related to the 'protection' that the Americans seemed to offer: to be able to get the company out of the crisis situation and therefore to preserve their jobs. The Americans are portrayed as 'saviours'.

"If we had continued as in the beginning we would have disappeared but the Americans arrived...at the personal level we were always waiting. 'Now the Americans have arrived and all this is going to change, they are going to improve all this'... Since we were in such a bad position when they arrived it looked as if they were going to save our lives." (Ines I.: 2-6)

"With the Americans the reaction of the people when they bought the company was one of happiness. You know like 'It is great they have taken us'." (Carlos E.: 6)

The employees expressed very clearly the need for a change in that period even if it meant a major upheaval. However, they also expressed the wish to remain as close as possible to the idea of the old company, together with the concern of having to go through a change process.

"At the beginning we were a bit scared. After we saw what they were doing we went back to the normal routine...Regarding our personal situation with the Americans they made some changes, not as many as we thought they would but even then those changes were bearable." (Leon O.: 22)

"But the Americans arrived and nothing happened...you always expect that when the new owners arrive they will improve your position but that doesn't happen, we thought that the Americans were going to arrive and make things right." (Carlos C.: 4)

The employees generally wished to have the Americans as 'involved' with the

community and the company as the guild masters had been before. The underlying expectation was that the Americans would save them from the crisis, fixing the different problems they were facing without disrupting their ways of working so they could preserve their own space within the guild. Thus, the expectations were mixed: there was the obvious need of a change, but also the need to remain unchanged in their practices and ways of working.

## ***THE AMERICAN SYSTEM***

### ***Changes***

In fact, the Americans brought a number of changes to the company. Two are especially noted in the reports of this period: the introduction into the company of new employees after almost a decade without newcomers, and new technology. Indeed, one of the main changes introduced by the Americans was the ‘mechanisation’.

“When the Americans arrived we got new computers and technology for the offices. It was a big change. We needed to work more hours. The shock in the offices was with the Americans because the work became different, more controlled.” (Ignacio A.: 24)

“After the Americans arrived they mechanised everything. They bought computers and they started to exert control over the system we had for clients, all the daily invoices and the weekly invoices. It was then that we started to structure everything because it was necessary for their reports and to be accountable.” (Camila F.: 1)

The introduction of new technology especially affected the administrative part of the company. In a company where people thought of themselves mainly as ‘manufacturers’; the administrative procedures were not considered that important. However, the Americans made them the centre of attention with the introduction of changes aimed at the improvement and better control of administrative procedures. For the employees that meant working longer hours if they were to become familiar with the new technological ‘devices’. It was nevertheless considered a good change, a move forward. It could have positive results for their future, so the employees were willing to invest time and effort in order to achieve those good results. However, it also meant an increment in the pressure they already endured.

The introduction into the company of a new type of employee also brought with it a new source of concern. The newly hired people were different, with different skills and they had two characteristics that most of the 'old' employees lacked: they were young and academically prepared.

"It was then also that the young people were hired. All these people have been here from the time of the Americans. When they [Americans] came to restructure everything they felt that for this they needed many economists and many computers and they found only old people. They arrived asking for people more skilled and more ready to understand their system." (Camila F.: 4)

"You have people here who are 40 or 50 years old and you have us. We are all people with degrees who arrived with the Americans. Because when they bought the company they realised that it was like an old prehistoric dinosaur walking very slowly. And they chose people with degrees who were more able to adjust and understand their system and relate to it in a similar manner." (Eneko A.: 4)

The introduction of new employees is presented in some reports as a dismissal of the 'old way' of working and its understanding of the work. The stories talk about the new owners wanting different people who would 'understand' their way of thinking. Thus, what was transmitted to the 'old employees' is that they would not be able to do so. For the older employees the message was clear: not only the company as a whole needed to change procedures but also they might need to change or get 'updated' as quickly as possible if they were to fit and be considered a part of the new system.

### *The new administration*

"But the reports, the balance sheets, the analysts, the accountants, everyone was under pressure and controlled because we had to present our accounts to Akron... The people who were working with them [Americans] were anguished about the questions they were asking because they wanted them the day before yesterday and we didn't understand what on earth they were asking for. We were going nuts because they were asking for data that we didn't have and sometimes we had to invent things because we had that anxiety about things that we didn't have." (Leon O.: 31-35)

The working system that the Americans introduced started to unravel. The employees have highlighted two things: with the Americans there were more norms and more accountability. The 'American System' was based on explicit control mechanisms; nothing could be left to an unspoken mutual understanding, or to a tradition developed through years of working together. The Americans came from a working system based on

companies with short-term employment, rapid evaluation and promotion of their employees, and a lot of stress on individual responsibility (Wilson 1990). All these characteristics were very different from what Blazehard employees were used to.

“Boy the Americans had norms! They tried to implement some norms that were more rigid and inflexible than the ones we had before. Our organisation went from being a very motivated company until the Americans came when we became really demoralised because we were awfully controlled, with lots of norms, with auditors.” (Pepe P.: 7)

“Those things like you cannot have food in the office, you cannot have some ‘tapas’ or a celebration of a birthday in the canteen etc. On New Year’s Eve we used to come here for half the day and afterwards have a meal together. With the Americans all these things had to be hidden since they weren’t ‘recommended’.” (Paz A.: 5)

The accounts report stress episodes among the employees at this point in time. People felt demoralised and lacked the motivation to go on with the new changes. Suddenly, the arrival of the new owners did not seem to be that good or welcome. The new lines of accountability did not improve the feeling.

“The change from the paternalistic system was with the Americans. Everything was through reports. They also changed departments and jobs and they created a new line of accountability. And everything started to be done through the computer screen. Everything needed to be reported” (Javier G.: 5).

“You had to feed back to them with everything they wanted or needed. They needed everything and more. That was a time of reports, everything was reports, reports, and more reports. Everything we did we had to make a report about it, calculate the budget and the budget as a contrast with the actual budget or the previous budget, and make a report about that also.” (Camila F.: 3-5)

Through the newly established accountability lines the employees found themselves reporting to people who were in another country, with different rules and most of the time without being able to know exactly what was needed. Furthermore, the new employees and the new technological developments within the company raised their awareness of their own ‘inadequacy’. The changes the Americans introduced disturbed the employees; not only the working conditions were different, but the changes also affected their ability to recognise themselves within the new working arrangements. Habits and rituals/celebrations were disrupted, they could not continue doing the things they were used to, because they had to follow norms that felt alien and imposed.

## ***NEW REASONS FOR CHANGE***

### ***The failure***

The expectations of a positive change, one that would allow them to keep their jobs and improve their working conditions were fulfilled. However, it seemed that these changes were not enough. 'Disillusionment' is the word used in the reports to describe this part of the American period. People at Blazehard report on the lack of appreciation of their work and of what was important for them by the new owners. Part of their identity was the fact that they were locally rooted within the community and the Americans moved part of the sales group to Madrid.

"The American guy sent here must have had a horrible or non-existent geographical culture, I am sure. Then I am sure it was something like: where? To Bilbao? What is that? No, if I am going there I will stay in Madrid, at least sounds familiar'.... And in Sales they required some people to move down there. It was a very paradoxical thing because the company was American and the headquarters were here but they spent all their time in Madrid. They never appreciated us." (Antonio A.: 15-16)

Moreover, the Americans never tried to accomplish what people perceived as the main job to be done. They never tackled the main problems, such as quality improvement of the product, and never invested in what employees considered extremely important: the manufacturing process and the manufacturing plant.

"I think that the American advisor we had here was a man very focused on marketing and sales. He stressed a lot the importance of the sales process and did not pay attention to the manufacturing process, nor to the improvement of productivity and the quality of the product. The Americans, in that area, did not bring absolutely anything. They were good at controlling the 'dough'. However in the manufacturing plants... I'd say they did not even put a foot in them." (Felipe A.: 5)

"We started to go backwards because they are people who know how to make money but when they came here they made money selling the company in a very bad way." (Pablo A.: 6)

When the Americans did not renovate the manufacturing plant and did not make investments in order to improve the quality of the product the expectations that had been so high started to tumble. It seemed as if the new bosses had not understood what Blazehard was about.

"And certain things that they decided to do were done and you realised that we had less and less benefits. They were doing things wrongly... I don't pretend that I realised that

then, because I also was very busy attending to their requests, learning new techniques on the computer and so on. But of course the whole thing was getting deflated, we could see that they were making mistakes, big mistakes, mistakes in investments or in selling real estate or spending money unwisely." (Leon O.: 27-42)

"Because they weren't very good in looking for solutions. Anyone could see that in the important aspects the company wasn't doing that well. Because they were those people who are around just for a while and do not worry about settling down or building up the foundations for a better future." (Ines I.: 2)

The employees describe the American interlude as a 'failure' because the Americans did not help them out as they expected. The main perception was that they were not wanted, nor appreciated. Those who presented themselves as saviours failed to meet their expectations and what is even worse they later 'abandoned' them. The employees trusted the Americans to make improvements and to provide a future for them. However, what the Americans did was, first, they failed to recognise what Blazehard employees needed and, second, they abandoned them when they sold the company to new owners. This paved the way for the distrust Blazehard employees felt for the new Japanese owners and the resistance to believe in a more positive future with them. The result is the perception of broken trust, of a lie, of the American Interlude as a failure.

"With hindsight and with all the experience of these years I think that all the changes were just a preparation to sell the company again as a whole to a third party that happened to be Japanese that paid and took it away. Now you see how the problems could have been easily resolved with money. And money was what the Americans had, but they didn't try to resolve anything. All they wanted was to sell us." (Leon O.: 7-13)

### **5.2.3. The Japanese corporation**

As we have seen in the previous chapter, in 1992 the company went through the second take-over in a period of six years. It became part of Blazehard Corporation, a leading group in the sector with Japanese origins. The description of the company in this period centres on the multinational character of the new company. The concept represents the struggle between two processes: the 'internationalisation' the company is going through and the effort by the employees to preserve part of the local identity throughout that process.

On the one hand, the company is reported as having become a multinational, working through formal and informal networks and carrying with it processes of standardisation of behaviour across national frontiers as well as a process of 'diffusion' of information, therefore also introducing increasing ambiguity in the work context. On the other hand, the employees of the local branch of the company, nowadays a subsidiary of the main firm, report their attempts at maintaining their own identity.

The transformation of the company from a guild into a multinational has also meant a stress on efficiency and competition that has caused a shift in the way people approach their working environment. Whereas, previously, personal relationships within the company were based on individual alliances and trust among colleagues, now what is stressed are the 'professional' and practical aspects of work. As a consequence, the stories report processes of individualisation of work, where each individual becomes responsible and accountable for their own work despite the fact that they now work in teams. Personal relationships are said to be instrumental, colder and more practical, in an exclusionary environment that selects the best people according to their performance and rejects those who do not fit in. The end result is that the employees describe themselves as 'disembodied', more a number than a person, and the new owners as 'alien' 'them' and 'colonisers'.

### ***THE SCENE: The way of the multinational***

#### ***Working through networks***

At the organisational level, the company is described as working through 'networks'. Thus, people work in teams that make up small working units that in turn make up a department. These teams are described as independent but nevertheless inter-connected. The system is arranged in such a way that employees are supposed to find the support and resources they need to do a good job within those teams.

Indeed, they say that it is in a team, among colleagues, where people find the support and the unity needed for good performance. Furthermore, a team is described as representing

unity since its task is to bring people together in order to pursue the same goal. Teams are indeed described as one of the important developments within the new working environment.

“The first thing for us is the image that we are a group, to convince ourselves that we are a group, an independent team and to convince others about it also. Thus, that we have become an independent group that speaks the same language. And since we are getting to know each other more and more, we communicate better.” (Pepe P.: 78)

“I think that people are more united now through the teams, are more united than before. If you work with a strong team you become stronger when it comes to demonstrating that you are also there and that you are able to participate in whatever is going on. In that sense we are more confident, you tend to rely much more on your people at least at the work level. It allows for closeness and better collaboration.” (Camino G.: 82)

Teamwork is described as crucial for the future of the company. The ideal is to have everyone working together, yet in different teams, to improve the company’s present and future. To work in teams is one of the important things in life since it represents support and leads to a better performance. The teams are also a boost for self-confidence and they help to improve personal knowledge among the components of the team.

“In this life anything that is not done as a team you can forget it. Everything needs to be done as a team. It doesn’t mean that everybody does everything. You need to know your job but you also need to work as a team. The results are better that way.” (Pablo A.: 8)

“Even if we work in teams, at the end of the day the objective for each one of us is the same. Everything goes towards the consolidation of the company, of Blazehard.” (Javier G.: 10)

“The responsibility for a job lies with each person, but I want the others to know also what is being done.” (Josu L.: 72)

This teamwork develops within the same physical space. That way the members of the team are able to relate to each other through personal contacts within a small department. The possibility of being in the same physical space is said to provide them with a boundary where they can locate themselves and others. They are also more involved with their work and have more ‘autonomy’. Thus, within the small units they feel enabled to take more decisions and to participate in more of the everyday work.

“Since we are very few we can see each other much better. It is not the same to be in a company of 200 people that has everybody in his or her area and only concerns himself with his role in that area and leaves... Now we are 20, and we are seeing each other and although we are somehow independent we are more related than before...” (Pepe P.: 103)

"In a sense the participation of the people at small levels is bigger now than before. People like to intervene directly in what they do. So people are involved in the whole process, in the changes and the mistakes that the working unit makes." (Manuel E.: 16)

Within teamwork, communication and connectivity are said to be crucial for good performance. However, despite all the talk about the importance of working in and through teams, there is still no formally developed system to do so and the networks seem to be very much based on personal knowledge and contacts among employees working in different departments. An example of this is that the focus of information diffusion is still the canteen.

"Now we are more like a small company. The difference between a small company and a big company is that a big company...all departments are like watertight compartments, you wouldn't know what your neighbour did. Now we are small units with very few people so in each area we know exactly the complete cycle and we can see more the general problems of the company." (Pepe P.: 109-116)

"We eat each one at different tables, each group has a different table. It is very helpful because there is corridor talk that gets discussed at the table. And if you have a problem the friends in other departments help you. If there is a rumour we'll talk about it. But not only about the job also about the kids and the husband and the bosses not only about the job." (Camilla F.: 58)

In fact, the creation of this type of organising environment carries with it a new set of problems. For instance, regarding teamwork and networking, we find that the people excluded from 'critical networks' within the organisation (decision-making, technological innovation, exchange of information, etc.) report feeling marginalised and devalued.

"It is difficult to know what is happening in other areas because like in my case I know less as time passes because we have become quite isolated. You work with the units you have to work with and that is all. If you work in the administration you don't know what is happening in the manufacturing plant. You don't live in that world and since I have worked there sometimes I miss it." (Carlos C.: 1)

Within the small operational units, the high involvement the employees have with their own team or small operative unit brings with it the disadvantage of producing some isolation regarding other areas. Thus, they feel comfortable within their small units but at the same time they are aware of 'missing' part of the organisational life. They feel sometimes 'out of centre'.

### *Individualisation of work*

In fact, work has become more and more an individual endeavour. Indeed, in their descriptions of Blazehard as a multinational, employees tend to stress each individual's responsibility for the job, which has become a central aspect of self-fulfilment and, thus, as a 'personal thing' that makes you 'feel better'. The main danger of not taking up that responsibility is not only the possibility of being fired for not doing a proper job but rather the lack of personal reward and self-fulfilment. This is an idea that is widely spread without differences in ranks or employees. Good work and the responsibility for it is expected from everyone on the hierarchical ladder from the director to the last one in the company.

"The motivation that you have is more related to the improvement in your own job. If you manage to improve the quality of the job you are doing, that is the reward. It is not really worth thinking 'I am going to work better so I'll have a salary increase'. No, if you want to work well, you work well as a personal thing. Because you feel better doing a good job, nothing else." (Pepe P.: 37)

"The philosophy is that everyone here has to work hard and that is it. Period, there is nothing else. Everyone is the same, you have to work and those who work, work and those who do not work properly get fired. That applies from the director to the last one in the company." (Paz A.: 97)

This responsibility implies that there is no need of direct control by the managers any longer. If everyone takes responsibility there does not seem to be any need for supervision. Every employee is expected to know what to do and how to do it. Seemingly, it implies trust in the employees' abilities to carry out a good job imposing pressure in each team member to do so. Thus, the reports say that it is each employee's responsibility to do a job well. However, since they work in a team, a job badly done will affect the group's performance. The result is the added group pressure in each individual. There are no direct orders or explicit norms but rather a 'constant gaze', a 'surveillance' in Foucault's (1995) terms - and an uninterrupted regard for each other's activities.

"There is no such control as to have someone telling you: 'you went today at 10 to have a coffee and you've been there 30 minutes'. Because all of us know the job that needs to be done and if someone arrives late for whatever reason today we know that they will have to come earlier tomorrow. Nobody will tell you anything because it is your responsibility and everybody knows that." (Aitor O.: 43)

“It is not that you know exactly what each department does but in this open space you see the moves, you see the work they do and you see and can observe the way they work their way through.” (Manuel E.: 31)

“Data that you transmit will be contrasted, you cannot give data that is not perfectly right. So you have to be really careful... This is a new kind of control if you want because it is your own control. I myself have to set my own controls.” (Pablo A.: 9-63)

Everyone is responsible for the wellbeing of the department and, at the end of the day, for the improvement of the company’s conditions, so that everyone feels that they need to contribute to the common effort. Even free time, after finishing with the responsibilities of their job, needs to be put to ‘good use’ since obtaining more benefits for the department will result in better personal benefits.

“Each person in my team knows that if he has free time from administrative tasks they should use that time for management which is where you obtain benefits at the end of the day... So that theoretical excess of time that they have is being put to good use, to management of their tasks.” (Jesus S.: 12)

“But we have convinced the people that things need to be done the way they [Japanese] ask us to do them if that is possible and not to stop at the first difficulty and say: ‘It cannot be done’... Everyone needs to make an effort. To get it right and do a good job. There are still people who live very happily and do things that I wouldn’t dare to do. That is not good for the rest of us. They do not realise that those things can create a bad image for all of us and the Japanese can get a completely wrong image. All of us have to make an effort to get ourselves, our jobs and the company right.” (Leon O.: 84-124)

Thus, each individual should ideally be responsible for his own job, a good team player who contributes to the common effort of getting the company out of the crisis; as well as someone seeking self-fulfilment through work and through the alignment of his personal objectives to the company’s objectives. The aim should be to create an environment of mutual trust, co-operation and commitment in which all employees can identify with these aims and objectives.

### ***The instrumentalisation of relationships***

However, mutual trust and co-operation do not seem to be characteristics of the way people relate in the new company. In fact, the accounts of this period talk about increasing ‘competitiveness’ in personal relations. The reasons given for this situation are the crisis of the sector and the subsequent pressure to perform on each employee. That is

why people have become more aggressive, harder and more competitive. Personal relationships continue only because of work, and the way to treat colleagues is as if they were 'clients' because being practical and functional is the key to having a better performance.

"What is very clear now is that people don't make an extra effort during working hours because then they are not doing their job. And the fact is that nobody is going to do my job but me and if I made the extra effort then I'd have to do my job also afterwards... Because you can have good intentions but you always have more things to do afterwards. And if it is something that is not your responsibility then is even worse" (Ignacio A.: 43-46).

"And now each one is worried about his particular well being. So if before we could have been worried about what happened in other companies or branches if they worked well, now we think that is great if they work but first we need our own company to work well." (Paz A.: 71)

"The relationship with the clients has changed. Now we have to be very pragmatic and hard with them... Because if our company had everything sold we could choose our clients, but since we don't have that, usually we need to be tough with the clients and the sales people. It is true you need to trust your clients to pay you but it is not like before. We need to be tough." (Pepe P.: 47-52)

It seems that for a 'professional', personal relationships should not interfere with work responsibility. The assumption is that everyone's performance will be better if the relationships have a more 'practical' character. This type of relationship might even create less problems or conflicts than a more personal one.

"They [colleagues] are our clients and we have to treat them well because they are our clients. Even if it does sound a bit strange among people who have been working together for almost 20 years. But that is the mental preparation we have to make..." (Jesus S.: 28)

"We perceive the company as an instrument that has to survive. I think that that is the vision that we have now and they didn't have before. We are aware that the times are hard and I think that values have become relative, we need to be pragmatic, and the company is in a bad spot and has to go forward. There is little time for anything else." (Eneko A.: 40)

However, this needs to be internalised since this is not the way things used to be. In that respect habits and values have changed within the new environment and circumstances the company is in.

"It is very difficult to change habits but I do think that the main personal value here and now is egoism, the personal benefit. To work as little as possible and to earn as much as you can. I think it is normal in a big company." (Txetxu S.: 27)

### *Becoming a subsidiary*

Indeed, from a local company, a guild with a defined ‘geography’, Blazehard has become part of a big organisation in different areas of the world: Asia, U.S., Europe, etc. The size of the Multinational is difficult to grasp, as one employee puts it, the company is so big that “now the sun never sets in Blazehard’s domains”. Blazehard/Spain, the old manufacturing guild, has become a small part of the European region controlled by Blazehard/Corporation. This process is consistent with a general trend of mergers, acquisitions and industrial globalisation. However, the employees describe their experience of the process not so much as expansion and development, but more as a step back, since they are being reduced to the ‘periphery’ within the Japanese Corporation.

“Blazehard/Spain created the affiliated commercial companies and these created their local offices. When the Americans came, for them we were one of the associated commercial companies. Now for the Japanese I am not sure we are even that, I think that we are more like a local office.” (Txetxu S.: 31)

“They are stressing that a lot, that we are not Spain any longer that we are Blazehard/Europe that we have to take care of the interests of Blazehard Europe, of all and not only ours. But the decision-makers are there [Tokyo] and they decide there and they tell you what you have to do. It is a constantly bigger dependency... We have 75% of the European production, therefore we should be in a stronger position within the multinational in Europe but it is handled by French people from Brussels.” (Carlos C: 20-26)

This ‘being out of the centre’ is reported at both the team level and the Corporation level. Employees realise how Blazehard/Spain has become just a small part of Blazehard/Corporation’s global operations, and how they no longer control the market or take decisions concerning the development of new products or production processes. Their ‘sovereignty has been kidnapped’ resulting in their exclusion from critical decision making networks within the Corporation. Now they are part of the ‘periphery’.

“There has been a loss in the capability of decision making in Spain. It has been transplanted to Brussels. It is negative. Sometimes we have managed to convince the people in Brussels to take a decision and they answered that they had to ask Tokyo. And afterwards Tokyo has said no. So if we have to ask Brussels and Brussels has to ask Tokyo you lose the capability of deciding for yourself. There has been a transfer of sovereignty, well more like a *kidnap of sovereignty*.” (Felipe A.: 100)

The process of reduction means that they are now only a small part of a big multinational. However the ‘reductionism’ is also reported locally through the stories about the demand placed on the employees to be constantly concerned about ‘saving’ in costs and space, reducing their costs for the benefit of the company. Although they see the benefits resulting from this policy, they also see some of the negative results like the concentration of people in less office space.

“Somehow there has been a generalisation of the reductionism, we have to save money everywhere. The company has gone through a bad time when everyone was aware that we had to work in order to reduce every possible cost to try and climb out of the hole we were in. From using less paper in the office, to less offices, to worse food in the canteen...” (Camino G.: 67)

It is not only the lack of participation in the decisions for the present and future of the company that people complain about; but their further reduction to simple ‘data transmitters’ and ‘blind manufacturers’.

“And at this very moment all that is managed by Japan and the only thing that Japan does is to tell us: you are there to manufacture and send the products. Thus, we have lost all the commercial management we had before...At the personal level, the people who are in management, we have lost a lot. We have become a company where the decisions are very far away. I mean we still have our own internal decisions but they are quite relative to the global agenda of the company.” (Manuel E.: 9-10)

### *Homogeneity across borders*

This seems to be another of the characteristics of a multinational according to employees’ reports: the ‘homogeneity’ that belonging to the same organisation imposes across countries and branches. The working processes are similar, as well as the treatment people receive across the whole Corporation. Indeed, the reports say that to be part of a multinational seems to imply an ‘equalising effect’. Thus, the employees tell stories about how they are not ‘unique’ any longer since they receive the same treatment as the other subsidiaries in Europe.

“An example of the ‘equalising effect’ is that here we still preserve the name of the company as it was before but only internally. Because we talk with people working for Blazehard all over the world, because we are not a multinational as we were when we were working for Blazehard/America now we are a super-multinational. Now you can say that the sun doesn’t set in the domains of Blazehard and similarities are all around.” (Leon O.: 2)

“If the owners of the company are a family, it is very different from if it is a multinational. In a multinational company I do believe that they have standardised the behaviour much more in the different places. That is what is happening here, that is what you notice when you contact people from the company from abroad or from other branches.” (Txetxu S.: 21:17)

This ‘equalisation’ seems to be happening also in terms of hierarchical arrangements. As a result, within the company, the ranks seem to be less clear-cut, ‘flatter’. People feel that they have become more ‘mixed’ and that the system is more ‘democratic’. The work in teams certainly contributes to the effect of having a flatter ranking system where bosses mix with employees.

“Now we are much more mixed. Now the employee is still the employee and the boss is the boss but nothing happens...so we have entered into a dynamic more of convergence. Now both anywhere in the world of Blazehard have a different relationship, even if it is not good in some cases there is no such superiority. We are more mixed, I think due to the fact that we are a multinational.” (Paz A.: 20-22)

“The climate that we perceive is a climate of more normalisation, of less differences, of less use of the friendship networks and the godfathers.” (Aitor O.: 95)

On the one hand, this equalisation seems to have brought with it less constrained hierarchical arrangements and a flatter hierarchy. However, the climate of ‘normalisation’ is reported to be somehow destroying the ‘old networks’ and the relationships with the ‘godfathers’. The complaint is that the system is somehow colder and does not allow for these types of alliances.

### ***Diffusion of Information***

Although the Multinational has brought with it more ‘democratic’ arrangements, an opening to the world and an expansion of the geographical boundaries of the organisation it has also brought a more diffused and dispersed flow of information. The amount of information available is bigger and therefore it becomes more difficult to handle. The result is information that is scattered and thin. The consequence is the lack of a clear image of what is happening in the company.

“It is a big company and in a big company the functions are very much diffused, diluted. I mean, it is not like in a small company where everybody knows more or less about everything. Here there are people that do their job and that is it. You don't have a strong feeling of the company as a whole. Now we don't know who takes the decisions.” (Jokin I.: 33)

“The feeling is that the organisation is still very contingent. Probably in two or three months time there will be another change but nobody knows. Nothing is profiled or defined. There are no patterns or strategy or structure that we can look at.” (Eneko A.: 6)

There is not a person or group within the company that can be identified - as the old masters in the guild were - as responsible for the well being of the company and its employees. Therefore, the employees do not know where to go to ask for direct feedback concerning their jobs and performance. Everything has become ‘guess-work’:

“Since they [Japanese] are here I cannot say that we can do things differently. I don't know but although I am supposed to be improving things no one has told me how to do it or if I had to do it in some other way. I'd like to have someone explaining me the way of doing my job better. I guess that if they don't tell me it's because it is going all right.” (Antonio A.: 31)

“The Japanese are happy with the manufacturing plant and with Sales, we think. They don't abound in compliments but at this point we have learned that if there is no news that is good news. You tend to trust that there is going to be a superior judge that will say something at the end of the day. We don't go to the Japanese and ask if things should be done that way or the other. If you are looking for an immediate response you'll have a disappointment. There is never feedback that way.” (Leon O.: 27)

This lack of clear definitions of what is ‘right’ or ‘wrong’ regarding the job they do makes people feel uneasy. On the one hand, it implies that each person should know enough about his own job to be able to evaluate his own performance. Seemingly, it implies trust in the employees’ abilities to carry out a good job. However, this lack of feedback is associated in the employees’ accounts with the danger of becoming non-important and ‘just anonymous numbers’ for the new owners.

## ***AGENTS OF CHANGE***

### ***Feelings of disembodiment***

As such, it is difficult for the employees to feel in charge. The company itself has lost its centrality as headquarters, the decision-makers are far away and the hierarchy is no

longer visible but rather remote and removed from their reach. All this is reflected in the lack of closeness, and personal regard for each member of the company. So people report not feeling like individuals but rather as 'another number' in the company.

"For me, I am number 3725 and period. It has been lost. At the beginning my very own soul hurt because I didn't feel part of the company any longer, but just number 3725. You become more used to the idea that you are a professional, that you do your job and that is it. Everything ends there. I don't owe them anything and they don't owe me anything either...Possibly the other way, for money, it would be the same. I mean it is not that they pay you less or that before they paid more. No it is not that, it is the concept. For me it is something that I have felt and I do believe that people around me feel the same. I have become a professional that does his job, period." (Ignacio A.: 3-4)

"I believe that everyone is more like a number and is more likely to be affected by changes. The person doesn't matter any longer. I guess that is part of the dynamics of a multinational. If the company is very big the individuals count less, then it becomes more anonymous, what difference does it make if we have a pawn or not?" (Ismael Z.: 71)

This is a metaphor that is used by most of the employees: the feeling of being a number without any personal value attached to it. So they have become 'professionals' as a reaction to the lack of response from the company. Indeed a 'professional' for them is the person who does his job as best as he can and leaves without any further commitment or responsibility towards the company. In their view, that makes people not persons but only 'workers'.

"I feel it [the company] like a monster, one of the things I have learned is that no one is essential here. The feeling is that this works alone, by itself. You remove any one and things will continue as they are." (Txetxu S.: 26)

"In this department there are people who have been recycled for the manufacturing plant. And there have been complete departments that have been transplanted somewhere else. You feel like a second hand person. The realisation arrives suddenly and it feels like you are out of focus." (Ignacio A.: 62)

Even more, the decision-making process is very remote. Employees do not feel part of the company if they cannot take part on the decisions or in deciding what is happening to them. Due to the centralisation of the operational units the feeling of closeness, control and 'centredness' is lost.

"We think that the people who are in Madrid and belong to Sales would be better off here in Bilbao. Because we'd be together and we'd have better communication among us, for the same reason that I have better communication when I am talking to you face to face." (Leon O.: 70)

“That influences the feeling of being a number. Thus, the fact that people come to remind you that you belong to the company. Of course I am part of the company and more than before! But who makes the decisions? The decision making process is farther away and we realise these things. We notice them even if we don't mention them because it seems we tend to avoid the topic. We don't mention it so easily.” (Carlos C.: 49)

The internationalisation Blazehard is going through is undoubtedly having a disintegrating effect on the employees' personal identification with the company. The company as such has become something remote that moves without needing their participation. The employees' stories talk about lack of respect for the individual who appears as a 'second hand' employee removed and transplanted from department to department without major consideration to her personal situation.

### *Among us: an exclusionary environment.*

The situation does not seem to be better among colleagues. We have seen how the employees report a constant acceleration of the individualisation of work, theoretically allowing for better management flexibility as a direct consequence of becoming a multinational. However, this has also resulted in the extreme vulnerability of those who have fewer skills and less bargaining power within the company.

“Nowadays...when the old people... You can see that the one who functions best replaces the other... There has been a very harsh personnel selection in that sense. The people who are 57-58 years old are getting early retirements, obviously the productivity of those people compared with a 30 year old kid cannot be compared.” (Pepe P.: 31-73)

“Young people are much more open to change and to experiment with new things and improvements, to every kind of change. Old people in the beginning know how to do it one way, it works and they don't want to change it...But what is important is the preparation and the skills, the ability to learn new things. The young people are more driven, have more motivation. Sometimes you need to stop them and compensate, tie them up a bit for the rest to catch up.” (Felipe A.: 69-70)

The system within the company has become exclusionary. According to their reports, old people are not made to feel as useful as the younger employees. The result is pressure for constant renewal, learning and training in order to become as competitive and prepared as the younger generation and to be able to cope with the new challenges.

“We are in a dynamic now in which everyone is making an effort everyday more than the previous one. And the ones that don’t do that are not useful... We have to try and be young everyday.” (Jesus S.: 77)

“The feeling is that we are people that can be spared. We are a ‘surplus’ here...so people are worrying now about recycling themselves and to get as ready as possible just in case something may happen to them. They could get fired or that type of things.” (Carlos C.: 37)

In these conditions, it is indeed difficult to negotiate better working conditions for those with little bargaining power, as in the case of low-skilled workers or anyone for reasons of age, gender, etc. This is a stepped up process of social polarisation where we see not only the expansion of younger, highly skilled and self-programmable labour (the ideal professional individual), but also the devaluation of ‘old’ labour.

“I hope that things will change at some point, because the fact is that the Japanese have made our life very hard. We work for hours and hours and there is nothing they give us for it. We understand that it is difficult to put on the market a better and more competitive product. But it looks as if we would be always trying to break records. Where are we going? It doesn't make sense to me.” (Carlos C.: 77)

### ***Them and us***

It is no wonder then that the employees feel that they need to defend themselves against the invasion of their own identity and territory. As a result, the new Japanese owners are described as foreign and alien not only to the Basque company, its culture and values but also uninterested in getting acquainted with them. Therefore, they have become classified in the employees’ reports as a group apart that they have to defend themselves against. A group, which is defined as so different from the ‘locals’ that there cannot be bridges built in order to reduce the differences. The Japanese are described as being very persistent but not brilliant, too collective and giving too much importance to work.

“Obviously they have a completely different mentality from ours. There is something that I think makes us very different and it is that maybe we can have very bright ideas but we are not very constant. I mean, there might be people with wonderful ideas but afterwards that idea stays there and it is not developed. They [Japanese] are absolutely constant but you cannot find a person among the Japanese about whom you can say look at this one he is brilliant. At the collective level they are very good, very constant and very hard working people and in the end they reach their goal and make you reach the goal but just because they are very constant. They are on top of everyone and turn around something many times.” (Manuel E.: 41)

“With a Japanese you can be talking for over a year and still you wouldn’t know what he is thinking about, you don’t know what is the limit... it is hard... they are very difficult to understand and explain.” (Felipe A.: 91)

In contrast, the Basque people are described as more individualistic and therefore much more creative although not so constant in their efforts. An important difference is that the employees define themselves as valuing work but in its ‘just/fair measure’. Thus, they will never put work before family life, the implication being that the Japanese do. Based on all these differences people feel that they need to fight against the ‘invader’.

“Our values are different. Our first value is the family and of course your work because without it you couldn’t live but we don’t live exclusively for work - you live also for other things in live, first of all for your family. I mention this because they have tried to have meetings during holidays and such. They are one group and you are another group.” (Camino G.: 76)

“In my opinion there is no need to transplant working patterns from one place to another. I mean everything that is part of our own culture or to change our own culture they shouldn’t impose it. There is a kind of *organisational colonialism*. Each one brings his style and they impose it. Thus, *the natives, the colonised* we think: Everything that is Japanese had to be implemented here even if we are not Japanese?” (Ismael Z.: 21)

Indeed, the demand to change is perceived to be so high and the support to carry out that change so small, that the employees have reconstructed the Japanese take-over as an act of colonisation by foreigners that do not understand the local ways. In order to defend themselves, they have started to create local strategies within the global strategic plans of the whole Corporation. They have started to ‘retreat to communal trenches’.

“Now it is very difficult for us to keep things home, but if that wasn’t the case we would try to help people from the Sales area. This is a multinational sure, but you always try to protect your own people. I am sure you can understand, 40-50 years working this way, Blazehard/Spain has always been Blazehard/Spain. You always try to protect your own team, your people. That is a constant fight when you perceive that they are controlling you, let’s see if we can cheat and we can send tyres home instead to Italy for instance.” (Ismael Z.: 32)

“We always try to give a hand to our people here... It can create problems at the level of national sales. But we cannot do anything else than what we have been doing until now. If they ask us to produce 1,000, we say that we will produce 900 and keep the other 100 for the people here and when you can you pass them on. But that is illegal because we are doing a favour to the Spanish side of Sales. I don’t think the Japanese know exactly why things had improved but you have to defend yourself a bit.” (Antonio A.: 73-76)

Their positions are devalued in the new organisation model. The only solution for them is to build 'local trenches of resistance' from which they can exclude the Japanese 'excluders'. What they try to transmit is a resistance discourse against foreign impositions on the basis of an 'us' that is defined by a common shared history, geographical boundaries and shared 'mentalities', against a Japanese 'them' that is another group just 'too different'.

### 5.3. LOOKING AT THE STORIES

We have seen how the stories that people tell about Blazehard elaborate on both everyday ordinary and non-threatening events and new, critical and potentially threatening events like the two take-overs. It is the second type of events, especially if it implies involvement with other stories and cultural beings,<sup>61</sup> that make people aware of their own, different and usually taken for granted, history. It is then that people review their present, informed by their knowledge of past times. This review - or 'historical consciousness',<sup>62</sup> - is a selective rather than an objective rendering of facts where the stories are organised around a few significant 'peaks' or critical periods of rapid change. Indeed, the stories told in this chapter were not about a past that is dead, finished and behind, but instead about a past which lives on and has significance and consequences for the present.

In this section, I examine how the stories about the change processes in Blazehard and the metaphors condensing them are the medium by which employees explore and transform the meanings attached to the company and their functions within it over time. It is important to point out however, that these are not 'universal stories' to which each teller subscribes in such a way that each respondent can be interchangeable. The stories and the narrative they compose articulate a space or 'labyrinth' (Eco 1984) of meaning pertaining

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<sup>61</sup> This is what anthropological studies on colonisation have termed 'situations of contact' producing 'historical consciousness' (Hill 1988:7)

<sup>62</sup> As the process in which a collective becomes aware of its 'different' history due to contact with other cultural beings -through the contact with 'the other'-: in our case the Americans and the Japanese.

to the organisation that the tellers construct as they explore it through their telling<sup>63</sup>. My particular concern now, is to show how those stories reconstruct Blazehard's past based on a plot line that guides the employees' explorations through the labyrinth reinforcing some meanings and obscuring others. However, the employees contribute to its reproduction through their selection of the themes they bring into the stories, the ability of the narrative to establish the relationship among those themes needs also to be taken into account. The end result is a narrative that frames the collective understanding of the change process.

### **5.3.1. The changing organisation: from tradition to modernity**

Through their reconstruction of the past, Blazehard employees use the guild narrative to provide a background of contrast for the story that represents the present multinational company. In the guild narrative, the stories talk about the customs and traditions of sovereignty and 'eldership' in the old Blazehard through an exposition of habits of seniority and protocol. Indeed, the collective learning habits relied on the master imparting lessons to the apprentices. As such, the themes that prevail are themes of family and a strong sense of community over issues of economic rationality. In this part of the story, the person is not differentiated from her role in the organisation.

The story describes also how the self-governance that characterised the guild period failed to control exploitative practices, and the long apprenticeship no longer warranted fine quality products whereas people became freer to pursue their own economic and social interests. At the end, a functionalist bureaucracy with more accountability and controls shadowed the concerns about quality, self-reliance and entrepreneurship.

As a contrast, the multinational part of the narrative uses the machine metaphor as a

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<sup>63</sup> Eco defines the semiotic labyrinth as "...(a) structured according to a network of interpretants. (b) It is virtually infinite because it takes into account multiple interpretations... (c) It does not register only truths but, rather, what has been said about the truth or believed to be true... [a completion of the labyrinth] (d) ...is never accomplished and exists only as a regulative idea; it is only in the basis of such a regulative idea that one is able actually to isolate a given portion..." (Eco 1984: 83-84)

governance model. In this part of the story, there is more stress on efficiency and rationality. Indeed, employees repeat stories that sustain a discourse of progress and feel they have to adapt themselves to its technical logic and play out very functional and unemotional 'client oriented' relationships of rational co-operation so that they can become more profitable.

Self-governance becomes a governance where the top management is allowed to check on the employees through performance programs. It looks as if the multinational is set to tame the guild's emotions, contain its masters' corruption of absolute power and counteract their dictatorship. However, the system also contains the workers in the interests of technological progress in a 'panoptic gaze' of constant surveillance (Foucault 1995). In this cult of efficiency each actor is apparently summarised as a number in a personnel record and his performance is tested, inspected, and monitored to ensure it follows the norms. There are reports of more self-discipline, less physical effort and also less spontaneity than in the guild's times.

Knowledge is also portrayed differently within the Corporation where it is said to reside more in experts than in masters or elders. Indeed, within the new conditions of Blazehard, age has become a concern. Old people seem to be required to move out of the way for the new generation. Early retirements have set the trend for an act that is talked about as purification, a cleaning up the company to start anew with younger people. In this case, the fate of the old people seems to be less important than the act of their exclusion and as such, the purification of the company becomes paramount. During the times of the guild, the old people, the experienced, were considered important and contributing to the knowledge and good running of the company. The current situation endows the young with more insight, value, strength and knowledge than it does the old.

Even more, despite the discourse of progress and improvement, the employees seem to have lost control over the discourse of quality. In the guild, customers could bring the complaints directly to the craftspeople whereas now there is a gulf between the employee and the customer.

### 5.3.2. Framing: The enterprise discourse

Through the telling of their stories we can see how organisational actors use past experiences to render the demands of the new organisational arrangements into a form sufficiently familiar to make sense of them. For instance, the guild is represented as the protection lacking in these times of risk, uncertainty and of choices that the Corporation represents. The transition towards a less regulated environment forces each person to confront issues such as responsibility, accountability and visibility, which combine themselves in different forms to provoke successive self-evaluations.

Whereas the guild represents a locality that can be both constraining and protective, the multinational speaks of a globality that can appear as freedom as well as very threatening. A characteristic of the guild was its location in a concrete geographical space. Indeed, the widening of the company's geographical boundaries and its progressive internationalisation makes the grasping of its limits difficult. As a consequence, the control over the local space is lost and the nature of the employees' links and relationships with the local community and with their sense of space - of being the centre - has to be redefined. In this redefinition, the new demands of professionalism, teamwork, responsibility and 'youth' are incorporated into the telling, becoming the new co-ordinates from which what it means to be an employee and what an organisation is can be defined.

These new co-ordinates, as a cultural framework, also organise the new organising arrangements. For instance, whereas in the guild times the managers benefited from a management-on-guilds style, during the American period we see the implementation of a Taylorist approach – norms and accountability lines - that moved towards a more homogenised and equalising arrangement through the 'participatory' activities implemented by the Japanese. As such, the employees have moved from a non-participatory environment to one in which they are expected to be responsible for improving their jobs whereas the centres of power and decision making have become

more remote. In fact, power itself - before symbolised by figures like Don Jose - is more diffused, not so visible and therefore more pervasive since it is everywhere. Thus, within the company, power has moved from the very visible hierarchy 'outside' in the guild's times to the self-responsibility 'inside' each worker characteristic of the multinational times, from hierarchical imposition to surveillance and constant self-evaluation.

The new arrangements also frame new demands for the individual and different definitions of actorship. For instance, in the guild the actor had to fit in, and there was no way to improve himself or his conditions. People were actually not expected to define themselves apart from the company: the company overlapped to a large extent with family life, training, etc. The Americans proposed a system in which the norms and the accountability system implemented were not fully understood and therefore neither was the way to improve on them. However, people started to be able to differentiate between areas: the family life, the community, the company etc. In the Japanese equalisation phase, there is a further withdrawal from the general definition of what a person could contribute within the company and actors become fragmented. However, although equal, they are not prepared or supported in their new ways of interacting. In fact, they still communicate about their lives in terms of how they manage their relation to the company.

However in this "enterprise discourse" (du Guy 2000), the company is no longer required to answer the employees' needs for security, order and productivity. It is expected that individuals must themselves take on a greater proportion of responsibility for resolving these issues. This involves a double movement of responsibility and autonomy. On the one hand, employees are to be made more responsible for securing their own future and well being. Yet, they are to be steered from the centre and kept at a distance on the periphery through the implementation of governing techniques which can shape their actions, at the same time attesting to their independence.

Embedded in this narrative there is a particular view of what persons are and what they should be allowed to be. There is a growing concern to turn the self into 'an enterprise'

that, as Rose (1996:146) says, 'calculates about itself and works upon itself to better itself'. This view of the self stresses the responsibility and the freedom/duty of individuals to actively make choices for themselves. Within this context, the organisation is not expected to provide for the employees' needs but rather to allow them to become implicated in the resolution of whatever problem might appear. In a sense, it looks as if employees have to serve the organisation and not the other way around.

This chapter has shown how the different stories that Blazehard's employees tell mirror a general discourse of entrepreneurship. As a working community, a collective, Blazehard provides the necessary conditions for its continued existence in the form of a reproduced narrative that reinforces certain meanings and courses of action. However, through the different relationships established among the themes that compose the narrative, we can also find the struggle between competing meanings. The discursive strategies of the storytellers are not completely at ease with themselves and there appears a space between them where the tensions in meaning are played out and that permeates the chronological sequence of the narrative. Indeed, the co-authors of that narrative are the members of Blazehard and it is through this notion of storytellers that their role as creators and creatures living within a cultural framework is clearly rendered. The next chapter focuses on that existing tension in the story lines that compose the central story dominating the company.

## 6.0. Tensions within the Story: The Underlying Dialogue

In the previous chapter, we have seen hints of tension in the central narrative describing Blazehard's change process. The boundaries that this main narrative sets frame the collective understanding of the change process, but within that frame the employee's understandings and interpretations are by no means homogenous or unidirectional. There are different discursive strategies used by Blazehard's employees in their understandings and explanations of the change process that the previous chapter did not capitalise on. This chapter explores these different discursive strategies and how they are intertwined with the dialogue that the main narrative outlines. In considering this, the notion of discourse springs to mind, since most of the organisational studies concerned with the analysis of discourse attempt to articulate precisely the space where the tensions implicated in the symbolic construction of organisational life can be revealed.

### 6.1. ORGANISATIONAL DIALOGUES

Discourse is not a new notion in organisational research. It has been part of organisational analysis for at least the last two decades. Its incorporation within organisational studies might be located within the so called linguistic turn in social sciences that points to the significance of 'representations' that people hold in the construction - and not only the description - of social reality (Giddens 1992). As we have seen, even the very notion of organisation is represented in different ways (Morgan 1986), while the daily arrangements of organisational life can be understood as a negotiated process of sensemaking (Weick 1995). Since organisational practices cannot operate outside the cultural or discursive level and depend upon meaning for their effective operation, "it is apparent that they can and should be seen as discursive practices." (du Gay 2000: 166)

Organisations seen in discursive terms have been described as either 'monologues or dialogues' (Keenoy et al 1997: 149). The former indicates an organisation represented as one story told mainly by a dominant group that interprets the exchanges among its members as a coherent whole producing a singular narrative (Boje 1994). In contrast a 'dialogical' analysis recognises the different interpretations of any given organisational story and treats them as co-existing discourses that might overlap at some point throughout their interpretation of the reality of the organisation. This type of analysis stresses the constant negotiation of differences that is enacted through socially constructed practices.

However, we do not find discourses as such when looking at organisational reality but rather pieces of them, acting as hints to the processes which constitute the discourses into a narrative (Parker 1992: 6). A discourse has been described as a set of statements that brings an object – i.e. the organisation - into being (Parker 1992:5). A discourse is realised by means of texts or stories but it goes well beyond them, since it also includes the structures and practices that underlie these texts and their production, transmission and change. Discourses, therefore, help to "create new ways of understanding the world; providing concepts, objects and subject positions that actors use to fashion their social world" (Phillips and Hardy 1997:166). This is a strong argument for their active role in the (re) creation of social reality and for their inclusion in this study.

A discourse (re) produces concepts that help us to understand the world in a particular way and also to relate to each other (Phillips and Hardy 1997). It is when these concepts are brought into play to make sense of social or physical objects, that the discourse 'constitutes an object'. Thus, discourses are able to link ideas and objects: when we change the concept that defines an object we fundamentally change the way in which the object is socially comprehended and therefore accomplished. And it is in this way also that the discourse creates "available...space for particular types to step in" (Parker 1992:10). For subjects, that given 'warranting voice' (Potter and Wetherell 1987) are able to take up one of the 'subject positions' that a discourse creates (Foucault 1980). However, in using particular discourses, actors not only secure the right to speak within

that discourse but also to contribute to maintaining or challenging it. In fact, most dialogical accounts of discourse involve the exposition and analyses of the dialogical struggle between what is considered a privileged established discourse and the marginalised others.

As Foucault says, “discourse is not simply that which translates struggles or systems of domination but is the thing for which and by which there is struggle, discourse is the power which is to be seized” (Foucault 1984: 110). However, human agents “never passively accept external conditions of action, but more or less continuously reflect upon them and reconstitute them in the light of their particular circumstances” (Giddens 1992: 175). The ‘power to be seized’ is therefore not inherent in any kind of discourse or practice, but rather becomes “a dynamic and embodied dialogic accomplishment” (Iedema and Wodack 1999:12). Certainly, no discourse has complete power over ‘its subjects’. The meanings produced by any discourse do not make up subjects in a deterministic fashion, but are rather ‘consumed’ by people already implicated in other cultural relations. People are able to make a difference through their play with discursive practices. As such, the friction between two different discursive strategies might have to be explored in terms of co-existing tensional - rather than oppositional - forces.

In order to expose the tensions that might exist in a single narrative, one should look beyond the struggle between big narratives that impose themselves upon organisational actors, and focus on the micro-processes of daily sense making where actors are able to play with and combine different discursive practices.

## **6.2. EXPOSING THE TENSION: FINDING THE TWO STORIES**

This section is composed of a second reading of the interview and group discussion material. This second reading complements and consummates the initial look at the interviews.

The aim of the first analysis was to look at the common themes across the interviews in order to outline the general narrative. The analysis demonstrated the presence of that common narrative, but also exposed various tensions that contribute to its delineation. This chapter capitalises on that analysis and seeks to explore, interpret and make sense of these tensions. The focus of the analysis therefore changes. Here the analysis seeks to highlight the tensions expressed across the interviews and group discussions, since these tensions are pervasive and they are likely to contain key exploratory power in the understanding of the different concerns and challenges that employees present through their use of different discursive strategies. This section discloses in detail the techniques employed in the second processing of the interview and group discussion texts and the methods of interpretation applied.

The previous analysis was organised around three main areas in the employees' description of the change process. Firstly, their concern with what the company and the changes it has gone through meant for them and their job situation. Secondly, their role within the company and the responsibilities that were expected of them. And lastly, the relationship of the company to the surrounding social community. The tensions were expressed as follows:

- Organisational practices and ideals
- Rights and responsibilities
- Security and autonomy
- Pressures and functionality

These tensions lead the second exploration of the interviews and the group discussions material. They became the categories that defined the coding schedule. But in order to make the coding process more exact, I combined them with the different topics that had been prioritised within each of the stories that employees highlighted and that the previous analysis had sought to explore. As such, the coding schedule could be presented as a matrix (see Appendix 15) comprising of all combinations for coding. The eight code categories are defined in the context of the three areas explored by the employees in the

interviews: the company, the employees themselves, and the context of the company. For example, the code categories security and autonomy are defined as follows:

- **Security:** Discussion on the need for security and protection and not feeling alone. It is about not being completely independent, unprotected and isolated.
- **Autonomy:** Discussion of autonomy and freedom from the ties, responsibilities and commitments that the company/employees has/have regarding the market, community, the corporation, etc.

The coding schedule successfully dissected the text (with ATLAS/ti) to permit reordering for interpretation, and thereby facilitated access to the patterns underlying the main narrative. This enabled a fruitful exploration through these patterns, and revealed the two stories underlying that main narrative. Once the text data had been thoroughly and systematically broken up into manageable and workable pieces of information, these were integrated into a cohesive, comprehensible scheme that made sense of the content. The second stage aimed at understanding the dynamics underlying the tensions noticed in the employees' accounts through the regrouping of the coded text in a tabulated form (see Table 2).

Code category	Practices	Ideals	Pressures	Functionality	Responsibility	Rights	Security	Autonomy
Interview 1	The company has been divided into two areas	Small company/ easier to relate to and control	Japanese way of working has been imposed	The early retirements leave the company with the adequate personnel	The company should provide for our future	Company Needs to be profitable and some of its measures will be traumatic	Having job security is very important	Decisions coming from abroad, lost power/ control
Interview 2	We have less and colder relationships among ourselves	Young people are more open to learn	To be considered we need to be improving constantly	Japanese are involved with this company	We are responsible for improving the results of our work	We have the right to a personal treatment	We need to feel we are part of a group	We do not participate in the general ruling of the company

Table 2: Extract from grouping coded text according to code categories.

The regrouping was completed by going through all the coded text for one interview under the eighth categories and collecting the main issues being discussed -there where some instances where no text was coded- (see Appendix 15). These groupings illustrate how particular issues become salient and were considered through the interviews. It also

allows for the identification of specific issues relevant within each code category as follows:

- **Practices:** Internal division of the company
- **Ideals:** Organisation as a supportive collective
- **Rights:** Individuality and protection from the 'outside'
- **Responsibilities:** Self-improvement
- **Security:** Company's provision of employment
- **Autonomy:** Choice and increased competence
- **Pressures:** Multinational corporation
- **Functionality:** Professionals in a productive company

These categories were reworked with the issues within which they were discussed and the three areas that employees have explored in their narratives (i.e. the company, their role within it, the relationships with their social context, etc.). The result is eight themes that translate more succinctly both the code categories and the issues discussed (see Table 3 below).

Areas discussed	THEMES (Code category + issues discussed)
<i>Company</i>	1. Provision of safety 2. Ideal supportive collective
<i>Employees:</i> Working practices	3. Responsible professionals 4. Increasing competence
<i>Employees:</i> Selfhood	5. Individuality 6. Autonomy to choose
<i>Context</i>	7. Internationalisation pressures 8. Relations with the 'other'

Table 3. Themes and areas discussed

An important point to remember, however, is that there is no direct correspondence between the issues exposed in the table and each employee's story. That is, even if the broader themes that were reflected upon were the same, employees assessed these issues differently, to arrive at apparently conflicting conclusive statements. I was able therefore to attach these statements to the eight themes derived (see Table 3).

At this point, it becomes clear also that these statements can be organised into two distinct stories, comprising of eight conclusive statements each. The two stories share the

same themes and the three basic areas of discussion, but differ in terms of the assessments given to the different themes by the employees – regardless of their age, level in the hierarchy or department affiliation. These differences are expressed through the different conclusive statements.

These two stories point towards two distinct types of conceptualisations of the organising processes in and around the organisation. However, they do not correspond to different types of respondent. Thus, the employees could not be classified on the basis of a particular story for the simple reason that all of them used conclusive statements from both stories in their personal accounts as well as in the group discussions. They all related and linked elements of both stories, although some exhibited an overall preference for one of them. Although both stories stem from the same themes and are therefore interrelated within one narrative, people use the conclusive statements coming from both stories in their accounts. This is what indicates the tensions in people's accounts. The result is the use of potentially conflicting statements within the same account.

### **6.3. ORGANISING FROM TWO POINTS OF VIEW**

This section begins by outlining what the two stories on organising are in order to familiarise the reader with them (see Table 4.). The stories are named not so much describing their content but rather by taking into account their focus. The 'inward looking' story looks at the way employees describe work as an activity performed in relation to and in collaboration with others, as well as at the functions of the local company. The 'outward looking' story focuses more on the role of the local company within the bigger corporation and on how the process of opening up to new influences relates to the individual employee. These two tales are related in most interviews. By and large, respondents in the both the interviews and groups discussions tended to use elements of both stories in order to explain, understand or emphasise a point of the stories at some stage in their narratives.

AREAS	THEMES	Statements THE INWARD LOOKING STORY	Statements THE OUTWARD LOOKING STORY
Company	Provision of safety	Means job security.	Means a profitable company.
	Ideal supportive collective	Through participation and involvement in the common effort.	Via a clear definition of the commercial interchange with the company.
Employees Working practices	Responsible professionals	Work based on teamwork and collaboration.	Self-responsibility of improving ourselves through the development of our work.
	Increasing competence	Through an appropriately designed job from which we can contribute.	Through opportunities for promotion, development and learning within the company.
Employees Selfhood	Individuality	Expressed through our links to the collective.	Means that each individual goal's and needs are different.
	Autonomy	Depends on the Japanese's interests and the stability of the market.	Potentiality to choose between companies and jobs.
Context	Internationalisation pressures	Fight to preserve our ways of working.	Fight to have more access to the decision making in the centre.
	Relations with the 'other'	Impossible due to differences.	Possible if we overcome our differences.

Table 4. The two stories about 'modes of organising'.

The next section explores these stories. However, before entering into the exploration of the tensions conveyed by the two ways of looking at the organisation, it may be useful to elaborate a bit on what the two stories imply, because the presentation of discussion areas, themes and statements does not convey their resonance. For this purpose, two interviews were selected to illustrate the use of the themes identified. These particular interviews were selected because the interviewees used all eight themes highlighted by the analysis, which not all interviewees did. These respondents will help the reader to follow how employees are able to look at the organisation using two different discursive strategies. However, these interviews are not the sole or even the principal bearers of the two stories but just their best exponents since the stories resonate through all the interviews and group discussions.

One of these interviews (Paz A.) exemplifies the ‘inward looking’ way of regarding the organisation, while the other interview (Txetxu S.) is prototypical of the ‘outward looking’ view. The third interview (Carlos C.) shows aspects of both stories and it is included in an attempt to demonstrate how both ways of looking were used in a single narrative.

### 6.3.1. The inward looking story

The first story is organised around the collective character of a business organisation. What the story transmits are the employees’ concerns and challenges about the way a company should be. On the one hand, the story highlights the responsibility any company has towards its employees in terms of offering security and an environment in which it is possible to work without undue uncertainty.

“I believe that the Americans did not have any interest in the progress of the company. It is not like when you buy something to live there and for your family to live, to have some continuity. So to feel part of a multinational with lots of manufacturing plants is fantastic but it is basic to take care of those manufacturing plants. I mean that we hope that they [Japanese] are here to stay, to remain and to persist.” (Paz A.: 65)

“People feel that their effort and involvement has not produced the results they expected and you are getting older and you think you know what? Let someone else fight this fight... I mean after 25 years working, you have seen things and realise that there is a lot of disappointment around. If you have been working for 25 years and you have not been compensated, you are not properly valued and badly paid, your claims are not taken into account and still you need the job.” (Paz A.: 29-70)

On the other hand, the story emphasises, as part of the employees’ responsibilities the issues of participation and co-operation as ‘the way’ to work. Within this story, employees’ responsibilities lie within the collective. However, in order to become responsible and useful workers, they ask for a properly designed job from which they will be able to contribute to the general wellbeing.

“If you work with a stronger team you become stronger when it comes to demonstrate that you are also here and that somehow you have also some goals and motives to do a good job. And in that sense you become more relaxed and you trust the people around you at least in working terms” (Carlos C.9: 56).

“I hope we will be changing direction because that pressure to be number one... you have to watch out because there are very few number ones and those that are there if you

pressure them too much you will also crush them. Those who are really good if you overwhelm them you'll drown them" (Paz A.: 61).

"You cannot demand from a person to have higher education when she has been all her life inside a company working. We try the new things that come up and we are ready to learn and to improve but..." (Carlos C.: 57)

Here the self becomes 'collectively defined' since within this story individuals become defined through their links to the collective. The company becomes a reference point that can provide markers of identity. It is even more so when they perceive their working future as too dependent on external circumstances.

"I think that at Blazehard everyone looks towards the company. Because it is my job, my employment, I eat because of it and we have all been here for so long that you more or less feel a bit part of the company." (Paz A.: 25)

"There is a feeling of insecurity, maybe not so much among the people who are here, not because of the Japanese owners but because of the situation on the street, on the job market. Now to fire people is normal, here it was not like that before but now it is changing..." (Carlos C.: 64)

In a sense, within this story there is a lack of security in being able to be individually competent. So the company is still the point of reference, it also represents the security of an environment that can be dealt with because it is familiar, understood and well known. As such, the story relates strongly to the theme of security achieved only through belonging to a collective. Indeed, one of the options that it offers in its understanding of the relationships with the outside is defensive, to 'preserve what we know'.

"But what they are looking at is Blazehard Corporation Europe and the changes announced in the information systems which, in our case, are going to mean more control since everything is going to be transmitted to Brussels. From any terminal they will have access to the information... I believe it is very bad to have lost our autonomy and our decision making power. I believe it is critical and sad and very negative for any country, economy or company." (Carlos C.: 25-28)

What the story describes is the search for a 'non-intrusive environment' that to a certain extent can be taken for granted, that will not demand the permanent state of awareness necessary to confront constantly new risks and uncertainties. It delineates an environment within which one can feel competent and become a useful employee.

### 6.3.2. The outward looking story

This story also considers the provision of job security as a responsibility of the company towards its employees. However, the focus of the story is on achieving the level of competitiveness that would allow the company to do just that. The story looks outside the local collective at the competition existing in the market that the company needs to tackle. The construction of a collective that will act as a support for the employees is also a theme of this story. Yet, its construction starts through the establishment of a clear 'individual contract' between the employee and the company. That is, through a clear definition of what the company expects from the employee and what he is able to give in return.

"The Japanese went straight to the manufacturing plant, to regenerate the working force and also to improve the quality of the product. That means a lot because if a product is good it has a very competitive price in the market. And that is good for all of us." (Carlos C.: 40)

"You can see yourself integrated in it [the company], because it difficult to do anything if you do not believe in what you are doing and you will not be as efficient as you can be if you are not aware that whatever you are doing is being paid and in this case the money is for you...and now I can say that I am Blazehard Corporation because in my job whatever I do is always for Blazehard Corporation and I belong here and my salary depends on us doing well. In that sense, I am integrated." (Txetxu S.: 21-23)

Here, work is more an individual endeavour in which employees are responsible for improving not only their own skills at the job they do, but also themselves through this work. In this story, the employee becomes someone who is able and willing to embrace risks, uncertainties and fears as part of organisational life. As an entrepreneur, the employee is portrayed as capable of making decisions about her career and ultimately about her own life, independently of Blazehard's arrangements.

"In a company each employee has to play his part and do his best and improve his work. You need to know where you are, and that you need to improve ... for different reasons but there is a control that is there and you need to learn also to control yourself and define your own limits." (Carlos C.: 35-59)

"Administration tasks are being reduced and obviously your expectations and ambitions are being diminished. Before I could have become a director of a department but there are no departments now. And since the administrative side is a necessary evil for the Japanese, we have a director and that is it. There are no more directors... So as a professional what is going to happen to me? Am I going to be here as an analyst all my

life? There are no new areas and, even if the work I do is equivalent to what a director would have done before, the title is not there, neither is the salary..." (Txetxu S.: 93- 94)

Individual competence then becomes possible. The employee within this discourse has the space to be recognised individually and to decide on, choose and innovate his conditions.

"The old generation are not professionals. Not that I am talking about the cold professional that only cares about himself but what I want to do is to develop a career and that does not depend so much on where you do it like in this company but rather on how you do it." (Txetxu S.: 18)

"It is not that you believe yourself to be part of the company... Now if I think of Blazehard or Blazehard Corporation and of the things I do with a more elevated and global sense. But I do not want to stop thinking that overall I am a professional and I can leave the company at any time." (Txetxu S.: 13-14)

The employee as an individual is at the centre of both views where he undergoes a process of reflexive examination, in which both the negative and positive aspects of both discursive strategies are examined, weighed and contrasted. But in the 'outward looking' story the employee as an individual becomes paramount in contrast with the previous discourse where the collective aspect of the company was stressed.

"Then you see how the company has moved on and you see the big Corporation around you and the reduction that we might not want. And I am sure that if it was another company, American or Spanish, now I could be a director of something... but here it is impossible because we are not differentiated in relation to the centre and we have become a mass of undifferentiated people." (Txetxu S.: 96)

This story relates heavily to the issue of opening up, to the multinational character of the company that forces its employees to consider other ways of organising that are not the local ones. This outward view stems and feeds from the comparison with 'others'.

"The administration is more stagnated. Everything is being extremely reduced ... I am not sure what the outcome will be but despite the reduction we have to take into account that the Japanese are the ones who are successful in their management and maybe the rest will start imitating them. But if we are going to become managers Japanese style and then again... If I look at the job market and one day I want to try in some other area maybe I am going to be completely out of touch..." (Txetxu. S.: 59-101)

Within this story, the local environment and its ways of organising are reconsidered in a way that highlights their potentialities as well as their constraints. The employees become actors on a bigger stage, on which the local environment needs to be relocated and

organised in relation to wider reference points and in which personal choices need to be made.

#### **6.4. EXPLORING THE TENSIONS THROUGH THE STORIES**

This section dives deeper into the stories through the exploration of each of the eight themes in both the interviews and the group discussions. It is both a richer elaboration of the stories and an attempt to expose the tensions in the employees' accounts. These tensions are created through the simultaneous use of both stories when assessing each of eight themes that compose the three areas of discussion.

##### **6.4.1. The company**

AREAS	THEMES	THE INWARD LOOKING STORY	THE OUTWARD LOOKING STORY
Company	Provision of safety.	Means job security.	Means a profitable company.
	Supportive collective.	Through participation and involvement in the common effort.	Via a clear definition of the commercial interchange with the company.

Excerpt of Table 4. Showing Company discussion area.

Security is a theme that pervades the whole story of Blazehard. Apparently, people feel very strongly the uncertainties and risks that emanate from their new condition after the two take-overs. Job security is certainly a concern in a country with high levels of unemployment and in which the demands for professionalism and technical skills placed on employees are rising. The elaboration of this theme within the two stories reflects the tension between considering the company responsible for providing a secure job and the need to make the company competitive and able to adjust to new market conditions in order to survive. Both imply a search for security but, whereas one focuses mainly inwards on the safety of the local company and its collective of employees, the second looks at the relations between the local company and the wider environment and how these affect employees' conditions.

*“CE: It is very clear that the company has to sell, for me to get my paycheque...*

*JJG: Sure but independent of that you tell the client that the tyres are good...*

*CE: Yes man, but I believe they are good, but it does not come from my heart...*

*JJG: Precisely because of that...*

*CE: No, no. It is because I believe in the product, not in the company. Before I did believe in the company, not now. That is how things are...now it is the product...*

*IA: I think so, if you link your heart with the company, it is because people have been here for a long time and they started here when they were 15 years old and the company is like a father... And the same thing happens as when you grow older. When you are small your father is the hero who takes care of you and then you see your father as he really is, but you always have him in your heart....” (Group discussion 2: 53)*

As the discussion conveys, the tension here is related to what people think of, and expect from, the company and what they are supposed to give back to it. We find that, in order to feel safe, employees demand a certain job security. This also implies the preservation and reproduction of working conditions that were already there. As we have seen in the previous chapter, in the times of the Guild, this meant that the acceptance of the conditions that the company imposed on its employees and the disciplinary arrangements that they implied was rewarded with the possibility of staying and the right to claim a personal place within the Guild's structure. In that sense, the contract between the company and the employees was clear.

“And I believe that at this point anyone who has a job needs to feel grateful and it is certainly good if you have a job...I do not think it is good for the working person to be in constant uncertainty. Especially, since her performance is not going to be good, the more uncertainty you have in any aspect of your life the worse you feel... Now we are in a situation and it is very clear that anything can happen to us, more uncertainty, more nervous tension because you don't know if you'll have a job tomorrow...” (Camino G.: 71-76)

“ But you notice how they [undefined] are pressuring more and squeezing you more, and taking away from you everything that can be taken away. But what happens now is that considering the job situation outside what you think is that we have a job and you keep on going...” (Camino G.: 48)

Within the inward looking story, a good company should strive to provide benefits and wellbeing for its employees and the employees in turn will be loyal and take care of it. However, employees also know that, in order for their jobs to be safe, the company should also be concerned with improving the product to become more profitable and competitive in the international market so that they can keep their jobs. It is then that the story ‘turns outwards’ and the new owners are perceived as having done a good job:

investing in the manufacturing plant and improving the quality of the product. The investments are considered a good sign for the company's future. They also demonstrate that the Japanese are able to provide for the employees' future.

"Some of the changes have created maybe some resistance but in general they have been received quite well... there is another variable to be taken into account and that is that all this has happened in the middle of a big crisis in the sector and that of course conditions people. I mean if you see around how the unemployment rises and how companies close around you etc..." (Manuel E.: 78).

"The company needs to survive and we need to improve. The message is clear that if we are not productive, to reach 50% of Japan's productivity we need to implement a series of different measures and if we are not productive we are not viable" (Josu L.19: 54).

"The future is positive but that does not exclude the need for strong measures by the management, like early retirements. For me those measures do not indicate that the company is going wrong but rather they indicate the continuous improvement that we need to achieve day by day. If in each area people make an effort everyone will be better off. If everyone contributes even if it is only a bit each day the company and all of us will pull through" (Jesus S.: 12).

Since the American 'failure', when the company was sold because of its inability to perform in an increasingly competitive environment, the focus of employees' concerns has been on becoming 'profitable'. Even if that meant that some of the measures necessary to achieve that goal would be traumatic – i.e. early retirements. The question that employees confront is should the company be profitable for its employees' sake or for its own preservation? It leads people to evaluate what are the company's responsibilities towards them and their expectations towards it. According to the inward looking story, the company should ideally become a collective in which employees can find support and in which the employee as a person can feel herself taken into account.

"But the truth is that people, each individual's personal situation is not taken into account. For instance, if a person finds a specific problem at some stage in his life, in Blazehard he does not find help. Here you come to work and that is it... It's like when you have a problem and you cannot resolve it or you do not see a way out and you ask yourself where am I? That has a lot of influence because the lack of response from the company in that sense affects you." (Juan S.: 53-58)

"And I believe that if there was a clear vision of continuity... I mean if those people who retire, besides being concerned only about their own retirement, which is normal, would see that they leave the company but their sons enter the company, things will feel more balanced. But the problem is that they leave and there are few people who get hired..." (Jesus S.: 79)

The company should also be involved with the surrounding community. The 'outward looking' story considers that a company should be socially committed to the environment and the community within which it is located.

" We should have an explicit interest in being a company that is respectful and kind to the society or community that surrounds us and to our environment... We'll have to fight to create a nice place to work where people can feel comfortable. Not only to talk about it or write company reports about it but to really create a company that takes care of the community in which it lives, the environment, a socially positive company and that gives to the community...A socially positive company." (Felipe A.: 129)

When looking inwards to the local company, people express the need to be integrated in it in conditions where they feel protected. That is easier when they belong to a collective. Whereas when looking outward, they realise that, in order to organise that collective, it is important to start from clarifying what the company should expect from the employees and what they should provide in return. Thus, it is important to clarify the 'contract with the company'.

" How much each one contributes is a matter of an interchange on a one-to-one basis with the company." (Josu L.: 44)

" I know that people feel grateful for having a job but I would say that they should not be because we are also contributing, your job is supposed to be worth something. We all know that it is less valued but still..." (Ismael Z.: 72)

"Before to see a Blazehard banner in the road would provoke... happiness. Now... if it is doing well, great, because if the company works I shall be receiving my paycheque and if it does not work I will become unemployed so I am interested. Besides I am a professional I have a job to do, so I do my job and that is it." (Ignacio A.: 11-12)

On the one hand, the inward looking story reclaims the constraints that the company can impose on the employees and that might delimit their possibilities of development, as safety that offers a secure and familiar space. On the other hand, when people look outside that collective they talk about the possibilities of negotiating those constraints with the organisation. However, that negotiation implies taking some degree of self-responsibility on the part of the employees. Thus, the constraints in the outward looking story are more of an internal nature, represented by the responsibility of each employee in acts of self-regulation.

#### 6.4.2. The employees: Working practices

AREAS	THEMES	THE INWARD LOOKING STORY	THE OUTWARD LOOKING STORY
<i>Working practices</i>	Responsible professionals	Work based on teamwork and collaboration.	Self-responsibility of improving ourselves through the development of our work.
	Increasing competence	Through an appropriately designed job from which we can contribute.	Through opportunities for promotion, development and learning within the company.

Excerpt of Table 4. Showing employees' discussion area. Working practices.

Regarding the working practices necessary to achieve the type of supportive company described in the previous section, the inward looking story stresses teamwork as the best way to do it. Within this story, it is only belonging to a team when you are 'protected' in a multinational.

"In a company it has to be a constant search for solutions where everyone contributes to one or other solution in a concrete moment. We do not know at what moment we will be needed but it is for the benefit of the collective and, in the end, of the Japanese Corporation." (Pablo A.: 68)

"Not everyone because there are many stubborn people around who are not aware of the critical moments that we are living in or what a job well done means. People believe that it is enough with getting out of their beds each morning and coming to the office to earn a salary. And unfortunately there are some people who do not quite realise the problems at this point." (Leon O.: 13)

The outward looking story treats this issue differently. In this story, people emphasise the importance of improving the level of quality in the company to get ahead of competitors and, to achieve this, the best technology and people are needed. So, besides being good team players, people should become 'professionals' who improve themselves through the job, self-responsible people willing to make extra efforts. They should also be open to learn and to try out new things.

"On the other hand, all that uncertainty and scarcity in terms of jobs should motivate people, it should motivate the temporarily hired people to improve their training, to improve is compulsory and people should be able to recycle themselves." (Paz A.: 23)

"People should be also responsible for their own safety, because if there is an accident that means money and that increases the cost of the product and the product that gets out on the street is more expensive. A person that does not come to work besides being more expensive does not produce either so we put into the warehouse fewer products etc. ... People have to work because to do it and do it well and controlling them, threatening them with a stick is not useful." (Antonio A.: 7-45)

But in order to do a good job one needs to feel useful, especially when there is a constant pressure to be a good worker and people do not want to be left behind or fired. As the inward looking story goes, when people feel dysfunctional in terms of work they become apathetic and are not interested in improving either themselves or their job. And constant improvement is important to give a good performance.

“Now the trauma is that you see yourself without a projection. For people like me who have been here for so long I believe we can do many more things but it is difficult to see what can be done...I am already 52 years old and I have 6 years until early retirement. That slows you down. I need to work here but maybe I could have a more interesting or nicer job. I would like to see a bit of light on the horizon. There is no fire or passion...I have security but I'd like to do something else, to be useful again, to create something else.” (Leon O.: 141 –143)

“The reporting grows and grows and that means that our playing field is more limited, which limits you and frustrates you and forces you to adjust to an organisation in which you are a small little point...Then the idea is to forget your work as an important element, to forget about your objectives...the idea is that you should not seek to be satisfied with your job.” (Jokin I.: 45)

The outward looking story treats the issue of competence in a different manner. According to this story, employees should have opportunities for promotion, development and learning within the company.

“In the end if you stay for too long in the same place you lose a vision of the surrounding environment, you lose touch with the evolution in your area, and knowledge of the competitors...It is important to move around, the problem is that you need to recycle yourself constantly...” (Manuel E.: 48-54)

“Because in terms of knowledge it is not that you become ‘full’ of it and stagnate, you can always improve. True that you can know a lot and from there onwards you are going to learn what you are going to learn, not more, unless the market changes or the technique in what you do changes and so it is important to always be actualised...” (Txetxu S.: 37-16)

The implication is that people should take responsibility for themselves, make decisions and be able to improve accordingly. Yet, when doubt arises about one's own ability to be competent, that freedom to choose can become a burden and create anxiety. Because being part of a multinational can lead easily to having too many choices and therefore to having to deal with constant uncertainty, one needs to find - also in the bigger stage of an international company - one's own place.

Although these two stories differ in emphasis, both nevertheless elaborate on the increasing competence the employees need to successfully manage their own local environment especially in moments of change. That is, to decide how and to what extent they will be involved with their new working environment and how they will define their relationship with the organisation. Both elaborate also on the constraints and possibilities that the organisation imposes on and/or offers them.

When people look inward, to the local collective, they emphasise the need to have markers of identity and boundaries to help them find a place within that collective. They express also a need for having a clear job description that would tap into an employee's resources and in terms of which a person would feel more adequate. In looking outward however, they stress self-responsibility and the need to decide for themselves what to do and where to do it. Within the outward looking story, the reference points do not come necessarily from the company or the department but are rather negotiated between each employee and the company in relation to particular working arrangements or personal preferences. However, even with all this potential to negotiate and decide, there is an awareness of not being able to work efficiently without having a certain involvement with one's own department or company.

At the end of the day, an employee needs to become a 'professional' and that implies to being an 'active consumer', able to distinguish among different options and lifestyles and to decide which one to chose. It also implies self-awareness, the ability to recognise personal limitations and constraints. The 'choosing self' that is being proposed here entails a new image of an employee. It outlines an individual in search of meaning, responsibility, a sense of personal achievement, a better quality of life and hence of work. This type of employee is not seeking to emancipate himself from work but rather to be fulfilled in work and by work. Work is therefore an activity through which employees can produce, discover and experience themselves. However, the local collective story suggests that something is missing in this portrait and suggests a more 'collective professionalism' in which a professional – involved, responsible, self-reliant, accountable, etc. – is still able to participate in company life. In fact, the skills needed to

be a ‘professional’ are defined collectively and redefined through personal experiences. And it is within this interplay between the collectively defined and the personally experienced that any learning and development will take place.

The following quote expresses beautifully the tensions discussed up until now. It shows how people elaborate on the need to belong and be associated with a collective and at the same time the need for being able to choose when to exercise that association.

*“CM:* But your work is not your life...

*AI:* Exactly! But there is not that care...

*CM:* That love....

*AI:* And that is related to the way they treat you. Now if I am number 33.336, I am that to all effects and purposes. I am not 33.336 to work and then to love the company Mr. Whatever.

*SC:* To me and I think the new generation... I just want Blazehard to grow...

*PPL:* Yes, it is clear than when you leave your group...

*SC:* No, whatever group you belong to because if tomorrow I am in Michelin then I’d like Michelin to grow...

*AI:* Yes that is how it is...

*PPL:* Before there were some conditions...

*AI:* We have people who left the company and still remember it and that is hard...and you tell them to forget Blazehard.

*PPL:* But those people started to work here when they were 18 years old, and grew up here....

*AI:* That was another thing and most people started like that, as CS says. We are all professionals but he is even more aware than we are of that fact because he is young. To know that I have a job and a price for that job and that I need to do my best and all the rest of it is where we are all coming back now....

*SC:* The company can hook you up and you can become very comfortable and not want to leave. But not for being comfortable, you stay because you also need to learn and improve...because you cannot leave and forget about the parallel world of other companies because this ship can sink any day...

*PPL:* Yes, it is not nice...but you know? There is a positive aspect to it. As you get disillusioned by your work life you focus more on your personal life... Because how many times have we been away and our wives were at home complaining also because of the long hours? Now the family has more value and you think twice before going...I believe that now we are freer...the personal responsibilities that each employee had in the paternalistic times are fewer, the servility we had before does not exist now...” (Group discussion 1: 118)

#### 6.4.3. The employees: Selfhood

AREAS	THEMES	THE INWARD LOOKING STORY	THE OUTWARD LOOKING STORY
<i>Selfhood</i>	Individuality	Expressed through our links to the collective.	Means that each individual goals and needs are different.
	Autonomy	Depends on the Japanese's interests and the stability of the market.	Potentiality to choose between companies and jobs.

Excerpt of Table 4. Showing employees' discussion area. Selfhood.

The following discussion shows the tension between being part of the company, defining oneself through participation in a collective and being independent from that collective.

**AZ:** Even if you have been here all your life it is the same, you give your work in exchange for a salary. The difference is that it is to one or various owners...

**SB:** ...yes at the end you also feel the company is a bit yours and you are part of it...

**AZ:** ...yes, yes...

**SB:** And it is true that one attaches emotions to one's environment but well we know that change is part of our working life ...and at the end it is you who really matters ...

**LP:** ...but of course you are forced to think in that way not because you really want...

**SB:** Because what you mentioned of the possibility of being offered another job and signing tomorrow... well the way they treat you here certainly you will not break your arm working for them..." (Group discussion 3: 97)

Whereas the inward looking story suggests that there should be more space for the individual *within* the collective, the outward looking story stresses the need to be considered as an individual *independent* of the collective. Both co-exist however, and express the need for creating a space for the individual inside the company. The danger is that if people are not treated as individuals they might - in both cases and for different reasons - become detached from the company's goals.

"Human and social relationships have deteriorated. There has been a systematic elimination of the folkloric internal life of the company. The seriousness, the productivity, all these things have made human relations colder." (Juan S.: 105)

"To any person if you take away ceremony from life it seems as if you have taken away life. These things should be better valued, many of them have disappeared because of the extra costs. I don't know... I think that these things should be done in order to create a good working environment and because we belong here... and we have to maintain the respect for individuals, for the person. There should be a place and a time for everything, you always have to respect the person and I do not see that now." (Pablo A.: 47-57)

However, later on and still elaborating on the same theme, Pablo claims:

“I do not see any respect for the person you see? We should see if everyone is satisfied within the company. Each person has different objectives and a distinct personality. Of course not everyone thinks like Blazehard thinks, we should sit down and see what is expected from our work. I only want to live my day normally, without problems. I know that this is not heaven but I want to find my daily participation.” (Pablo A.: 70)

The outward looking story stresses once again the possibility of having a commercial interchange with the company and the fact that each individual is distinct and so is his job performance.

“Now it is different, you can be critical and at the same time feel part of the company. Nothing to do.” (Camino G.: 46)

“ The recent changes have been imposed from Brussels, but they do not know everyone here to be able to take proper decisions. Maybe they know the bosses but not person by person.” (Carlos E.: 41)

“ They decide after your presentation who get the medals for good work and I believe that the Japanese take those medals given by Tokyo as theirs. Of course it is a matter of teamwork but the medal goes to the boss or the Japanese advisor not to us.” (Leon O.: 77)

In looking inward, people become aware of their limitations – in terms of age and training - and the limitations that the crisis of the tyre manufacturing sector and the Japanese management's interests impose on them. However, the employees' ability to choose and decide among options, is conditioned on what the market does. In the following the fear of losing one's job is stated again:

“To work in another place? How? I am 48 years old so I don't even consider it. I know a lot of people who are unemployed. My own internal situation is one of uncertainty in my job but without possibilities outside there. So I am linked to the future of this company. Things will happen to me but they will happen to me here. We know that that is the way multinationals move. If next year in Brazil labour is cheaper the owners will go there and they will close down this manufacturing plant and we will be on the street... There have been people here retiring when they did not want to retire. So we are in their hands and in that sense you feel powerless since you cannot change anything. You cannot think about resisting because at some point they can tell you either this job or nothing.” (Ines L.: 58-61)

Looking outside the collective however, people see how they can choose, not only between companies to work for, but also to have a personal life that is not completely linked to the company and its future. This side of the narrative stresses the employees' potentialities rather than their limitations and warns about the danger of being absorbed

so much by one company and the personal fear of losing a secure job, that the world ‘outside’ is forgotten.

“Well, we do not behave like they [old generation] do but I believe that a company can absorb you so much that it can make you forget that outside it things follow a line more global than the one you develop here. You have to be careful and keep an eye on the outside.” (Eneko A.: 29)

“Lately in Madrid people go on some excursions like a day to the countryside together but in general people say: here is my work and when I finish it that is it. After work everyone goes home.” (Josu L.: 66)

“I believe that the sense of being part of the company is the same that the Japanese have but what you read or hear now is that they over there in Japan are also questioning it. They also think that there should be something else, in terms of free time or family life or something besides company life...” (Ignacio A.: 46)

It is not that the employees do not see constraints when they look ‘outside’ the company’s boundaries, but the constraints they see do not have a specific location and when reported they are located in the processes of ‘self regulation’ that allow for a more competent self organisation. As soon as one is able to resolve the clash between the demands of individual desires and fears and that of ‘external reality’, and the choices that this reality offers, it becomes possible to decide and to choose. One should then be able to organise the local environment in a ‘self-governed’ fashion. Thus, one can be able, capable and competent without having to be dependent.

#### 6.4.4. The context: Local attachments and detached globality

AREAS	THEMES	THE INWARD LOOKING STORY	THE OUTWARD LOOKING STORY
<i>Context</i>	Internationalisation pressures	Fight to preserve our ways of working.	Fight to have more access to the decision making in the centre.
	Relations with the ‘other’	Impossible due to differences.	Possible if we overcome our differences.

Excerpt of Table 4. Showing Context discussion area.

*AI:* The company has demonstrated that it can do well...

*PPL:* Yes and the people who will stay here will have a secure future. Now, to what extent this company will become completely mechanised and how many of us are going to remain is uncertain...

*AI:* Now we are 4,000 later what? 2,500 or 3,000?

*PPL:* And the problem is also within a multinational to what extent are we going to be useful also?

*SC:* Yes, if for instance Turkey becomes part of the European Union...

*PPL:* For instance, they have a manufacturing plant there and we know that we can make plans maximum for a year or two no more. I guess that except for super-companies like Coca-Cola and a couple more there never is a clear future...Where is the world going? Towards a brutal super-capitalism...

*AI:* For me that was clear long ago. We will become exclusively a manufacturing plant and it is logical. We can see how people are being empowered in Brussels and there are less manufacturing plants each time. We also have a brutal personnel reduction here. If tomorrow Turkey becomes part of the market then there will be more reductions. But that is going to happen for sure.

*PPL:* But it is also a process...

*AI:* People who had a job here now they find that job in Brussels done by someone else. And so on... I have been clear about that for a long time...

*CM:* And that is the fear that we always had that as soon as they take the administration from here we'll end up doing just tyres no more...

*AI:* And it comes down to money..." (Group discussion 1: 155)

The discussion illustrates the employees' concerns regarding the widening of the company's geographical boundaries. The tension between being at the centre or on the periphery of the company is discussed, as well as the implications that these geographical differences have for the employees' future. Employees realise that they would need more freedom and autonomy from the people in Europe. If they are to progress within Blazehard Corporation, they would need to have more control over the production process in Europe. However, in a multinational that centralises processes within geographical regions there is less freedom to act and less local responsibility. Their answer is to fight against that encroachment.

" You ask Brussels and they ask Tokyo, and all the way back and you lose the opportunity to decide by yourself here." (Camila F.: 104)

" We will have to fight a lot to get respect for our way of working. The Japanese have a way of working that is very hierarchical. But that will be our future fight. Starting from getting a nice working environment so people will not come to work as if going to jail, but rather wanting to come." (Felipe A.: 140-131)

“The process of distribution of products is complex, but we'll keep on fighting to defend our colleagues here. We'll keep on cheating. When there is a product that can become scarce because there is a lot of demand. So the Sales and Manufacturing teams cheat a bit but everything for the fatherland. Not for the system because the illegal system cannot be made into an information technology system. This is among colleagues in an informal basis.” (Ismael Z.: 9)

Yet, they are aware that the area to which they belong geographically is Europe, which is where the business is being centralised. There is a pressure to become similar to the other European branches and, since Brussels is the co-ordinating centre for the European side of the company, the answer to these internationalising pressures would be to have more voice and stronger presence there. They also know that their decisions are being diluted by the general agenda of the company and therefore they are becoming less important.

“To manage the company in an international way these [Japanese] have relied a lot on Brussels. So we have so many ‘*gabachos*’ [French] in the organisational chart. A completely new team was hired. That will be one of the problems we'll have to tackle, we'll have to fight to get our way of working respected.” (Antonio A.: 24)

“There may be problems ahead but we don't expect too many because we are profitable. Still things like the retirement plan are expensive, lots of people being retired but on the other hand the benefits should give us some room for manoeuvring.” (Leon O.: 20)

“At some point we won't be useful for them here. And what is our alternative? To jump, leave here and go more directly to the centre, to Brussels... Now, when you think about the possibility of moving geographically because of work...it is difficult, maybe because mentally you are not prepared for it. We are not used to moving and it becomes difficult.” (Manuel A.: 28-32)

In the main narrative, the tension between centre and periphery portrays the Japanese owners as the ‘Other’. They are portrayed as the foreign, outsider culture with which people need to negotiate. For that negotiation the two points of view propose two courses of action with different implications. On the one hand, the inward looking story emphasises differences. The Japanese are situated outside the local company's interests and therefore are portrayed as impossible to negotiate with. They are so different that Blazehard employees cannot relate to or understand them.

**“SC:** The Americans told us what to do and how to do it. The Japanese do not say anything and since we have changed owners you pay attention to them to see what comes from the new owner and he does not say anything and he just listens and you end up controlling yourself...

**PPL:** The Americans guided us like kids, you have to follow this path; the Japanese leave you alone in the middle of the highway and you can take the direction you want as long as you reach the set objectives...

**CM:** And as long as you say whatever he wants you to say...

**PPL:** And that you achieve what he wants..."(Group discussion 1: 48)

**“AM:** They say that over there [in Japan] you get married in the company and live within the company and you even have kids on the company premises [laughs] and for that you have to love the company...

**BV:** They [the Japanese] will have to change things a lot in order for us to love the company that way. That is not what we do" (Group discussion 3: 51).

The outward looking story emphasises, if not similarities, then at least possibilities of negotiation. Recognising differences still situates Blazehard's employees at the same level as the Japanese since 'at the end of the day they are just like any other culture'. This view offers the possibility of a dialogue across cultures rather than a rejection based on the differences.

"What happens is that it is another culture and you accept it. That it is another way of understanding and another way of implementing things... In any case they would have to respect our laws. It is not their country." (Camino G.: 40-41)

"We do not do everything perfectly like the Japanese do. There are certain things we have adjusted from the point of view of productivity, but there are other things that the Japanese themselves... It is impossible to do everything as they do, although we would not mind, but it is difficult." (Antonio A.: 43)

One of the things that the two take-overs changed was the geographical boundaries of the company and consequently its relationship with the surrounding community. Whereas in the guild times the community was perceived as an extension of a well known and respected organisation, now to say Blazehard implies talking about a multinational corporation geographically spread all over the world. And with this change in boundaries came the awareness of difference. This awareness of the consequences of a specific geographical location implies and presupposes the notion of an 'Other' – other people, other places, other cultures or ways of doing things - that triggers comparisons, reflection and questioning.

The internationalisation of the company has contributed to diminishing the identification of the employees with it. Within the blurred limits of the multinational it seems more difficult for an individual to form a coherent view of himself based on his membership of that collective. The awareness of an ‘unbounded’ organisation highlights the struggle between the centre and the periphery. In this case the members of the periphery who are feeling threatened tend to retreat to ‘communal trenches’, as we have seen in the previous chapter. The constitution of these trenches is not arbitrary. They seem to be defensive reactions against the internationalisation that dissolves the autonomy of the organisation and the links with the community where people live, as well as the flexible working arrangements that blur the boundaries of membership and involvement.

As a reaction to a diffused organisation whose limits are difficult to grasp, the employees propose the local community and the small team where size, membership and conditions of belonging can be easily defined, understood and grasped. The focus is on defending what they perceive as their own – as different from others’ values. This idea of ‘fighting’ carries with it a commitment and responsibility for the wellbeing of the company. The tables have been turned here and it is no longer the company who protects and defends the employees but the employees who become responsible for defending a way of working. Defending Blazehard means defending localism and individuality.

Both responses are reactions to a consciousness of colonisation, of a process of imposition. The challenge to this imposition comes from a desire to ‘exclude the excluders’ by those who feel excluded and on the periphery: those who are governed without being offered protection. This contrasts with what I would call the ‘colonisation of their consciousness’. The stories they tell are heavily influenced by the discourse offered by the company. Indeed, being a responsible professional, efficient and self-reliable, is something that enterprise discourse sells. The struggle here is to determine which aspects of both alternatives are worth keeping and which are worth fighting against. In any case, what it is interesting to notice is the way in which the organisation is still very much part of the employees’ lives and how they still describe themselves

through their relation to it. Thus, how despite all the changes and open possibilities for combining stories the organisation addresses the employees so strongly that they still tell stories and define themselves in relation to it.

What these two stories demonstrate is the tension existing between the two discursive strategies used by Blazehard employees. These two stories co-exist and justify the main narrative without excluding one another but rather interrelating and intertwining to compose that main narrative that describes Blazehard's reality. The two discursive strategies complement each other in such a way that without either one of them the narrative would lose perspective. That is, if the employees concentrated only on the outward looking story, they would lose the connections with the collective they belong to and the historical continuity of their organisational life. Concentrating only on the inward looking story, on the other hand, would create a 'claustrophobic narrative' devoid of many possibilities for self-improvement and change. This is a tension that is worth keeping and that rarely gets resolved since it feeds on the stories that articulate the temporary space in which people can start to consider and organise a changing local environment.

Through the two discursive strategies that the stories outline, we can see how the employees' local environment is not only socially reproduced and maintained but also socially challenged. It is the group of employees who through their interactions reproduce the stories in trying to make sense and find the implications that the new events would have for their life in the organisation. Thus, through the constant recollection, assessment and consideration of the process of change, the new events become part of the main collective narrative that we saw in the previous chapter. As such, the ongoing talking and thinking about the changes is critical to form a collective narrative which organises the way employees think and act regarding their working life.

However, the main story is not (re) produced without questioning. We have seen in this chapter how the co-ordinates that the ‘enterprise discourse’ sets are assessed, questioned and challenged. Through the processes of discursive reflection the historically situated discourse of progress and enterprise is reproduced but also resisted. It is in that process of resistance and evaluation that the agent demonstrates himself active and able to improve. That is, on the one hand, we have seen how people through their own experiential resources try to decide on what they value and to organise their priorities using and assessing the discursive strategies that their cultural environment makes available for them.

## 7.0. Conclusions

This chapter brings together the analyses presented in previous chapters and wraps up the conceptualisation of cultural transitions in organisations outlined throughout the thesis. The first section of the chapter briefly reviews the main theoretical themes of the thesis. The second section focuses on the process of cultural transition in Blazehard, drawing on the theoretical insights discussed before. The chapter concludes with a discussion of the concept of cultural transition within a wider cultural context and proposes some areas for further research.

### 7.1. SUMMING UP THE ARGUMENT

The thesis has looked into how people make sense - personally and collectively - of an organisational change processes. It explores the effects of these changes through the way people reconstruct the organisation and their role as its employees in the stories they share and the conversations they have among themselves.

The theoretical and methodological stance throughout the thesis is based on the concept of organisations as cultural creations, and organisational actions as taking place and being reported according to the meanings that the organisational members attach to them. Therefore, the thesis began exploring the development of the culture concept from its origins in anthropology to its more recent conceptualisation as a tool for observing organisational life. I have considered the cultural manifestations enacted within the organisation - in the form of stories, discourses or narratives - that have been explored in the thesis as part of the organisational world. Thus, I have considered culture as a system, the product and producer of social practices, that permeates all of organisational life rather than just being a variable of the organisation.

This approach stands in contrast to organisational studies that portray organisations as single entities held together by formal structures, concrete purposes and survival strategies. These studies assume that structures and social components must be fully integrated with the symbolic dimensions of the organisation, if the organisation is to survive in an alien and competitive environment. In stressing 'equilibrium', function and survival against the environment they conceal the symbolic side of organisational life, which is what this thesis brings to the fore. Two traditional assumptions in organisational studies have been questioned in this thesis. One is the consideration of culture as an attribute of the organisation, which can therefore be manipulated by intentional effort to achieve specific aims. The second is the radical separation that these studies assume between the organisation and its environment.

By contrast, I have adopted a broad approach viewing organisational culture as the interpretative frameworks in terms of which organisational actors interpret their experiences and guide their actions. These frameworks help to define organisational reality for those who partake in organisational life. As for the boundaries that demarcate the space inside - and outside - the organisation, I conceive them far from rigid and static, but rather porous, mobile and subject to constant re-negotiations.

Culture is conceptualised here based on both the shared meanings that provide us the symbolic resources to maintain a way of looking at the world and the possibility of multiple voices that allow us to innovate. The shared meanings come about when the members of the organisation have shared their activities for a long period of time, so that they come to create, through their everyday interactions, a complex understanding of the world. Some of its aspects become part of a cultural framework that provides the organisational members with both meanings from which to interpret new experiences and direction for their actions. That is, their cultural context provides them with the discursive strategies and therefore the continuity necessary to understand their organisational reality and to make sense of changing conditions. These shared ways of perceiving, feeling and thinking help people within the organisation to make life more predictable secure and familiar.

But the cultural frameworks that the employees use, are not static, they become reproduced and challenged through everyday interactions. This is a two-fold process: on the one hand cultural reproduction becomes the replication necessary to slowly establish and develop a cultural framework. Some of the aspects that constitute that framework would need to be used and implemented, in order to become assumed as part of a self-adopted rationale. On the other hand, re-production also implies regeneration offering possibilities for change. And any change situation opens possibilities for disruption, challenges to the historical order and therefore innovation of our cultural frameworks. We can, then, complement the idea of the organisation as a culturally constraining environment, with the image of an 'arena' where through their reflective awareness individuals are capable to develop within these constraints. The reproduction of a cultural framework is an ongoing process that incorporates both continuity and diversity and in which certain themes are brought to the fore, whereas others are set aside without being completely eliminated.

The thesis shows how the processes of continuity and differentiation coexist and contribute to the permanence and innovation of the cultural world of the organisation. As such, the focus is on both the cultural collective as well as on situated meaning to read commonalities and diversity in organisational life. In fact, consensus, conflict and confusion coexist in the organisation making it difficult to draw stable cultural boundaries inside the organisation or between organisation and environment.

Certainly, this has implications for the way the organisation is conceptualised. The proposal of the thesis is that not only within the organisational boundaries are the cultural frameworks (re) produced or called into question. The organisation - as it has been shown in the case of Blazehard - is not culturally independent from its context but rather shares similarities with the wider context within which it is embedded. However, the unique combination of meanings, assumptions and expectations found within the organisational confines, allows its members to create a symbolic boundary, which demarcates - without imposing rigid constraints -, the space inside and outside it. These boundaries are

arbitrary, to the extent that there is nothing given or necessary about them. The important point to remember about the boundary between the organisation and the environment is that it is being constantly negotiated. In fact, much of the work of cultural creation depends on just how, where and when these boundaries are being placed and activated. Thus, boundaries both separate the organisation from the outside world and link it to it. As such any organisation is therefore best conceived as a ‘nexus’ where both internal and external cultural demands intersect.

## **7. 2. DEVELOPMENT WITHIN A CULTURAL FRAMEWORK: BLAZEWARD**

Neither the permanence that historical memories provide the employees, nor the security achieved through that permanence are simply received as given truths. They are always open to the active agent, always subject to some degree of challenge and revision that actively constructs, breaks down and reconstructs history, working out the tensions between order and disorder, consensus and contest. A condition of development seems to be the possibility of diversity, differentiation and a certain degree of challenging discursive practices with the inevitable tension that this brings. This suggests a solution to the apparent paradox that we confronted in the first theoretical chapter: if the members of the organisation do not have too much in common, then any kind of joint action would be difficult to achieve; whereas if they conform too much, the emergence of new forms of organising is blocked.

In my exploration of that paradox, the empirical chapters have progressed from the account of Blazeard’s development within its socio-political context and its reconstructed story as narrated by its employees to the different discursive strategies they employ in order to make sense of their new conditions. Thus, from a historically anchored description of the organisation to the use of processual and visual analogies – the inward and outward looking stories - that explore the employees’ hopes and concerns regarding their working life. I have focused on the employees’ accounts of their personal experiences within the history of the organisation. The stories have made explicit their efforts to maintain a way of looking at the world as well as to create possibilities for

innovation and change. The stories express both the changes experienced by the organisation and the way people understand, organise and explain their reality.

These stories are part of the interpretative framework employees use to make sense of their organisational world. Thus, as a working community, Blazehard has provided the necessary conditions for its continued existence in the form of a commonly reproduced narrative organised around a plot line that guides the employees' reflections and explorations reinforcing some meanings and obscuring others.

Within this narrative the company 'develops' from a company directed in a management-on-guilds style to the implementation of a Taylorist approach with norms and accountability lines to the more homogenised and democratic arrangement implemented by the Japanese. The employees relate to have moved from a non-participatory environment with very visible hierarchy to one in which self-responsibility is paramount. Thus, from hierarchical imposition to constant self-evaluation. The employee is portrayed throughout the narrative in a changing manner. For instance, in the first part of the story he had to fit within the constraints that the guild set and there was little space for improvement; whereas with the Japanese phase, there is a withdrawal from the definition of what a person could contribute within the company as employees portray themselves as more detached from the organisation. The change situation and the awareness of a transition force each employee to confront issues such as responsibility, accountability and visibility, which combine in different forms to provoke constant self-evaluations. The end result is an 'enterprise discourse' that frames the collective understanding of the change process so that past and new events are given a logic of 'progress'.

However, this progress is not always described in positive terms. We have seen how employees describe their daily activities as co-ordinated through networks. Networks, in which the agent at the end of the line of communication is not that relevant any longer, and which gradually replace the old organisational setting based on a rationalised bureaucracy with a very clear and identifiable receptor at the end of that line. Mobility, inter-activity and pervasive connectednesses have transformed the organisation, making

everything more productive and effective. The individuals included in the network are being empowered by this transformation. However, a direct consequence of this new type of communication is the accelerated process of individualisation and fragmentation of labour. This increases management flexibility and actually would allow people to detach themselves from the organisation further, finding for instance a better fit between their work and their personal life. However, it also leads to extreme vulnerability for those excluded from the network, and with little bargaining power to negotiate working conditions.

What it is at the root of the employees' selection of themes to compose the stories they tell, is this process of differentiation. Thus, what employees are telling us is that first they were members of a group and as such they did depend on others as colleagues, as members, as people. When eventually difficulties emerge, the 'bonding' to other members of the group proved insufficient, and a different form of organisation emerged. People eventually depend on others, but not so much as persons, but as what is represented through the network of communications. In other words, the development is towards more and more dependence on communication channels, rather than on whom it is at the other side of the communication.

But this expansion of a networking form of organisation, even if it augments the human powers of organisation and integration, also undermines our concept of a separate, independent subject helping to subvert the notions of sovereignty and self-sufficiency. So it is that people search also for roots, uniqueness and individuality within the organisation. This process includes also the search and the creation of difference through the comparison with the 'Other'. That is, the employees' awareness of the rise of a new form of organising that tends towards homogeneity, provokes and runs hand in hand with the construction of difference, the construction of boundaries, distinctiveness and uniqueness (Hall and du Guy 1996). And this is a process that is never fully completed. Like everything historical, this search for uniqueness and/or for the symbolic boundaries that demarcate it, undergoes constant transformations.

Indeed, storytelling has revealed itself as a process of never-ending questioning in the organisation. The combination of different methods of data gathering – interviews, documents and group discussions – and of analysis – narratives and discourses – facilitated the creation of the space in this research in which the speech of the diverse interests and perspectives existing within Blazehard could be included. The exploration of these stories has shown how people in a change situation both turn to their own experiential resources *and* use the symbols and meanings that their cultural environment provides.

The process of cultural transition in Blazehard is reflected in the space that the two stories create, where meanings can be ‘unfixed’ and redefined. It is in the discursive tension between the inward and outward stories, in the shifting focus of the employees’ point of view that the agent is able to explore. Through the experience of those tensions, the employees, as agents, demonstrate that they are active in the construction of their reality and by being active they are able not only to feel the tension but also to exploit it. The stories told here have illustrated how some of those tensions – in defining the responsibilities of the organisation, of what being a professional means etc. – have been worked out by the employees creating, therefore, the conditions for change. However, there are no concluding definitions provided, since we have seen how in the constant process of meaning negotiation any definition is always temporary, tensional and ‘up for grabs’.

The conditions for improvement are also established through this awareness of difference, of contrast between discursive strategies. They exist when people are able to access these different discourses and explore other possibilities, when new events and elements are introduced into an already unfolding story and the story line develops. In that sense – as the introduction pointed out – it is more fruitful to maintain and learn how to manage the tension between the context and the discourse, the structure and the agent, and between the local and the global than to try to resolve it, since it is within this tension that the conditions of fluidity and ambiguity required for change can be created.

## 7.3. TENSIONS, TRANSITIONS AND WIDER CULTURAL CONTEXTS

### 7.3.1. The local and the global

We have seen through Blazehard's story how a process of opening up can become perceived as a process of domination through the struggle between the European headquarters in Brussels and the Basque periphery. The employees responded to that process partly retreating to symbolic 'communal trenches'. This is mainly a defensive reaction. First, against the dissolution of the autonomy that the company had before and the disappearance of a way of life rooted in the surrounding community. It is a defence also against a working system in which networking and flexibility blur the boundaries of membership and involvement, instrumentalise social relationships and increase the responsibility of each individual over the productive processes. The transformation of the company into a multinational has also incremented the instability of work for the employees. Within this context, it is more difficult for the subject to make sense of what is going on, to sense the continuity between past and present, and therefore to form a coherent view of himself.

This defensive reaction, can be construed also as a defence against 'colonisation'. We have been told how the multinational corporation can reorganise resources very quickly, its freedom of action making the local organisation vulnerable to sudden changes. Since these changes arise from organisational needs remote from the actual needs of the local organisation, they can become locally unintelligible and hard to foresee and prepare for. In this way, the process of opening up and globalisation becomes a process of domination in which the cultural patterns prevalent in the leading corporation become paradigmatic, a *desideratum* which others must strive for and around which certain forms of homogenisation occur. The result is that for most people globality appears as a threatening process of disenfranchisement of their rights, and confusion in their lives (Castells 1996).

Hence the employees' resistance to becoming passive subjects of those global flows, affirming their difference as a kind of alternative values system. Themes of locality, nationalism or cultural differences are being used to build up communal trenches of resistance. One of the consequences is that the more democratic and homogeneous arrangements that multinationals bring with them, are perceived by some as 'violations of pluralism'. The reaction is to defend the 'local uniqueness' against the imposition of 'equalisation'. Ironically, this 'local uniqueness' ascribes homogenous and 'equal' characteristics to the 'unique and different' local in-group. So that when the world becomes too large to be controlled they try to anchor themselves in a place and recall their historic memory attempting to shrink that world back into what they can size up and reach. As mentioned in the introduction, the outlines of these processes can be seen in many other companies, regions and countries.

However, a multinational conforms to what Anderson (1983) calls an "imagined community". Like any other community that is larger than face-to-face groups, members do not know the majority of their fellow employees, do not meet or hear from each other. A multinational presumes the co-ordination of actions of many human beings physically absent from each other. As such, it lifts out social relations from social contexts and re-articulates them, disembedding them. Yet, Blazehard employees still define themselves through their membership of the organisation, because in terms of job affiliation no employee can identify himself with the whole tyre industry.

In Blazehard - now a truly global corporation and one of the largest tyre manufacturers in the world, although still having problem with the quality of its products - we have seen how the employees work out that tension between belonging to a collective and individuality and uniqueness, between maintaining and developing. These are themes that reflect not only the reality of their company but also the reality of the socio-political context in which they live. Like in Blazehard, the discursive reproduction of a Basque community builds on the emphasis of a common history, and history has always to do with recollections and memories. However, the latest socio-political developments in the Basque country – e.g. a radicalisation of the nationalist discourse – show mainly a

process of maintenance. Thus, a constant recollection of past events that tends to maintain for instance the old ‘imagined’ offences alive - e.g. lack of political freedom due to a ‘conquest’ by the Spanish central government through deployment of Spanish police forces in the Basque territory- to gain the support of successive political generations. However, for the themes of being Basque there is little conversational space for alternative discourses so that the process of maintenance becomes constant, leaving little room for improvement. Indeed, in the Basque country nowadays there is little alternative to what being Basque means, but the nationalist. Therefore, there is no possibility to choose between discursive strategies in order to explain or innovate on that definition. As Juaristi says, “in the Basque country nowadays there is only one community: the *abertzale* (nationalist). Outside it, one is at the mercy of the elements” (Juaristi 1999: 303). Like in Blazehard, the nationalist discourse of redefining boundaries and reverting to a closed community excluding the different others, is an attempt to keep a permanence that runs the danger of constraining any possibility of change and innovation. It certainly muffles alternative voices.

### 7.3.2. Subjects and structures

This thesis belongs within organisational cultural studies that attempt to handle the tension between the organisational structure on the one hand and the actor orientation on the other. That is, studies that try to link together the actor and the structural level. The split between the subject and the organisation, is characteristic of studies that consider the subject and his experiences as independent of the unifying and all-powerful structure of the organisation (Humphreys et al. 1996). However, in exploring the symbolic world of Blazehard, I have focused on the subjective experiences related by its employees rather than displacing them from the core of the research field to a subordinate position. And we have seen how their narratives as cultural manifestations are intrinsically bound up with their individual lives - through their desires, fears, past experiences and expectations -, through the organisation of these experiences while being shaped by them.

Discourses and their capability of maintaining cultural patterns, transmitting safety and limitation, do not completely constitute the subject, since the creation of meaning is intrinsically associated with individual experiences. The subject, as locus of experience, enacts his power through his ability to chose and select from the options presented by the organisation and the society in which he lives. However, that agency is not innate, since we are both subjected to, and subjective through, our relations with others. These relations delineate the narratives we construct, but they never close them to the potential for change since the subject is defined and defines himself through more than one discourse. That is, to explore and define his position within a narrative the subject explores both his experiences and what his cultural environment offers. Accordingly, it is in the tension between the two that the subject can become an object of reflection to himself.

It is through the exploration of individual experiences within the context of the organisation, that the individual experiences himself from the standpoint of others becoming then the object of his own explorations. Through the recollection of the collective history of the organisation in which their individual experiences were located, Blazehard members moved from taking the position of specific individuals towards themselves, to taking the attitude of the whole group and community towards themselves. And it is through this process that the organisational community exerts control over the individual. This is where power comes into the analysis.

In Blazehard, the future of the company and the shape it will take is not completely defined by the employees that have participated in this study, it depends also on what someone else, somewhere else decides. As such, the subject positions that they take within the different discourses are partly given by their cultural environment, and therefore, might not be always desired. However, discourse does not completely constitute, precede and shape the subject. The subject as a responsible being is not only 'subject' to the constraints of his cultural context but also 'subject' of his own process of awareness and self-reflection. This is a social process, which is made possible through language and conversational relations.

### **7.3.3. Conversations and unfinished dialogues**

Virtually all of our experience is mediated through socialisation and in particular the acquisition of language. Language like a time machine permits the re-enactment of social practices across generations, while also making possible the differentiation of the past, present and future. But language is alive and changing, modifying itself constantly and through that process altering the social practices that it informs.

Consequently, I have considered social phenomena within the organisation as constructed in the ongoing conversational relationship between people. The thesis explores the way in which organisational members, through the telling of stories among themselves reproduce, challenge and innovate on their social reality. It also stresses the multiplicity of discourses and symbolising practices that are to be found in any culture. Language - the medium of cultural transmission and change - simultaneously structures and is structured by people so that individuals are not simply the effects of social relations nor are their relations simply the sum of their individual experiences.

Organisational dialogues within Blazehard are in tension, articulated through the centripetal forces seeking expression in unity, merging and monologue and the centrifugal forces seeking expression in multiplicity, separating, disagreement and dialogue. The centripetal forces pushing towards unity and order account for the dominance of a particular narrative whereas the centrifugal forces of multiplicity and diversity seek to be given more room to be expressed within that narrative. Hence, through everyday conversational activity people organise their experiences but can also generate new knowledge.

## **7.4. SUGGESTIONS FOR FURTHER RESEARCH**

The thesis has shown how the particular discursive elements used by Blazehard employees and the situations and social contexts in which they are embedded are related. On the one hand, we have seen how the situational, political and social contexts that

surround the organisation shape and affect the social and conversational world within the organisation. On the other hand, the interpretative frameworks used by the employees e.g. the enterprise discourse - influence the way the organisation and its social reality are perceived and therefore lived. In other words, frameworks, narratives and discourse constitute social practice and are at the same time constituted by it. However, I am aware that the knowledge produced in this study – as with every piece of research – is limited and that it may be further developed. For instance, by placing actions and social practices further at the centre of attention in organisational research. This would mean that neither individuals nor systems would be allowed to predominate but that analysis would concentrate on the actions and manifest organisational practices displayed in the organisation. Thus, through a stronger focus on social practices individual actors would be clearly present while the organisational context can find equally clear expression. Organisational practices have been considered here as discursive practices, since they operate inside the cultural level and depend on meaning for their effective operation. However, this notion can be further developed when considering organisations as communities of practice in which individual people engage in practices which require opportunities for joint activities (Wenger 2000).

The relationship between the tension created by a cultural transition and the anxiety it provokes is another prospect of future research. We cannot forget that change in organisations might be also at the same time deeply personal change for individual members. Sometimes, this type of process can become very ‘painful’ when new experiences come around, meanings break down, assumptions are contradicted and the order that we had constructed for our world becomes vulnerable and threatened. Especially nowadays when a new type of organisations seem to be emerging. We have an environment in which big companies meddle in politics, while public administrations want to enter the economic market; the global seeks to control the local whereas the local tries to subvert the global and where people meet virtually when networking in cyberspace. Employees and citizens become consumers, and consumers become economic citizens, the public becomes private and the private goes public as ‘new identities’ proliferate. This creates a variety of options and reactions that implies more choice, which in turn

increments the risk and the uncertainty, since one cannot control, know and master all the possibilities that the new choices offer. This can lead to anxiety and sometimes to the rejection of the new possibilities of change and innovation. Focussing attention on that anxiety created by the shifts in meaning can be an area of further research.

An alternative for coping with that anxiety may be the better transmission of information, of what we know, through training on the management of these alternatives. However, much of the knowledge accumulated in a company like Blazehard, seems to be made out of experience and cannot be communicated by workers under excessively formalised management procedures. Yet, the sources of innovation could multiply if organisations were able to establish bridges to transfer that tacit knowledge into explicit knowledge. Stories that connect collective interpretations of organisational life to the individual experiences, might be able to provide a medium through which that knowledge can be transmitted. It would be interesting to see if the transmission of that knowledge is more effective when people are able to narrate past, present and even future actions to each other. The narrative space stories provide, could be able to give them the structure, guidance and the possibilities to explore innovations and improvements.

Overall, this thesis makes a contribution to the organisational culture debate. However, despite its findings, further study would contribute more to overcome the previously discussed limitations. Further studies may add to the practice based understanding that contributes to the development of rich and informed theory.

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## Appendix 1: Interview schedule

### 1. Background Questions.

Name.

Place of residence etc.

### 2. Job description

What kind of job do you do here?

How long have you been working here?

How did you start working in Blazehard?

In which place are you working?

Do you work alone or share an office?

Differences between your job now and before...

### 3. Describing the Company.

How is the enterprise divided?

\* Departments/ sections.

How is your section divided?

\* How many people are working in it?

\* Description of a typical working day...

Existing relation between departments/floors.

Tell me about the Company.

\* How would you define the firm in relation with its environment?

\* Was it like that before?

About the organisation of work.

\* Is there any kind of control or supervision of work?

\* Participation?

Decision-making processes.

Norms etc.

\*Employees' experience and training/Formation is enough?

Which are the strengths of the department?

Any area to be improved?

### 4. The Process of Change.

How would you define the actual situation of the firm?

Have there been important changes?

\* Types.

\* The main one: Why. Who has been involved in it. How.

What has happened in the firm to occur such changes?

Which are the objectives of such changes?

Was the change progressive or did it happened suddenly?

Do you think the people have adapted to the changes?

How have those changes influenced your daily work?

### 5. The future

Do you anticipate new changes in the future?

What is going to happen to you/the company in the future?

## Appendix 2: Description of interview participants

Description of the interview respondents in terms of area, department, task, level in the hierarchy, years in the company, gender and age

Respondent	Area	Department	Job Description	Level in the Hierarchy*	Number of Years in the Company	Age	Gender
1. Pepe P.	Sales	Controlling	General Manager.	Second level.	25	51	Male
2. Manuel E.	Sales	Original Equipment	General Manager.	Second level.	17	43	Male
3. Antonio A.	Manufacturing	Plant Production	General Manager	Second level	20	47	Male
4. Felipe A.	Manufacturing	General Director	General Director	First Level	17	40	Male
5. Ignacio A.	Sales	Accounting and Reporting	Analyst	Third level	20	45	Male
6. Jesus S.	Manufacturing	Purchasing	General Manager	Second level	29	43	Male
7. Pablo A.	Sales	Accounting	Analyst	Third level	38	55	Male
8. Carlos C.	Manufacturing	Distribution	General manager	Second level	32	51	Male
9. Camino G.	Manufacturing	Administration	Secretary	Third level	29	46	Female
10. Ismael Z.	Manufacturing	Services department	General Manager	Second level	25	44	Male
11. Ines I.	Manufacturing	Administration	Secretary	Third level	31	47	Female
12. Javier G.	Manufacturing	Inventories	Analyst	Third level	27	40	Male
13. Camila F.	Manufacturing	Administration	Secretary	Third level	22	43	Female
14. Leon O.	Manufacturing	Inventories	General Manager	Second level	25	52	Male
15. Juan S.	Manufacturing	Purchasing	Analyst	Third level	29	53	Male
16. Paz A.	Manufacturing	Administration	Secretary	Third level	32	N/A	Female
17. Aitor O.	Sales	Controlling	Analyst	Third level	25	46	Male
18. Josu L.	Sales	General Director	General director	First level	9	40	Male
19. Eneko A.	Sales	Administration	Analyst	Third level	4 1/2	32	Male
20. Jokin I.	Sales	Accounting	Analyst	Third level	5	31	Male
21. Txetxu S.	Sales	Accounting	Analyst	Third level	5	33	Male
22. Carmen M.	Sales	Administration	Secretary	Third level	19	48	Female
23. Carlos E.	Sales	Marketing	General Manager	Second level	32	54	Male

\*The levels in the hierarchy are divided as follows:

*First level:* General directors of Sales and Manufacturing;

*Second level:* General managers of the different departments within those two divisions;

*Third level:* those working under the general managers, mainly analysts and secretaries.

### Appendix 3: Description of group discussion participants

Description of the group participants in terms of department, job description and level in the hierarchy, years in the company, gender and age.

#### GROUP 1: SALES DIVISION

Name	Department	Job Description and Level	Years in the Company	Gender and age
PPL	Management Department	General Manager. Second Level.	25	Male/50
SC	Accounting and Reporting	Analyst. Third level	5	Male/32
AI	Accounting and Reporting.	Analyst. Third level.	29	Male/51
CM	General Direction	Sales General Director's Secretary. Third level.	19	Female/45

#### GROUP 2: MANUFACTURING DIVISION

Name	Department	Job Description and Level	Years in the Company	Gender and age
PA	Accounting and Reporting	Analyst. Third level.	5	Male/32
CF	Purchasing Department	Administrative secretary. Third level.	22	Female/48
CE	Marketing Department.	General Director. First level.	32	Male/51
JJG	Production Department	General Manager. Second Level	28	Male/52

#### GROUP 3: MIXED

Name	Department	Job Description and Level	Years in the Company	Gender and age
AZ	Manufacturing: Production	Production manager. Second Level.	17	Male/40
SB	Manufacturing: Purchasing Department	Administrative secretary. Third level.	25	Female/47
AG	Sales: Original Equipment Department.	Analyst Third level.	15	Male/ 38
BF	Manufacturing: Production Department	Plant Manager. Second Level.	28	Male/50

## **Appendix 4: Group discussion topic guide**

### **TOPIC ONE – THE COMPANY**

1. Division of company into Sales and Manufacturing areas.
2. Change from American way of working to Japanese way of working
3. Becoming a multinational
3. Relationship – lack of - with the new owners.

### **TOPIC TWO – THE JOB**

1. More responsibility, less participation.
2. “Feeling a number”.
3. Teamwork.
4. Control and surveillance in the open space offices.

### **TOPIC THREE – EMPLOYEES**

1. Women/sexism.
2. Generational differences: Old versus young people.
3. Need of more training/to develop more skills.

### **TOPIC FOUR – THE CONTEXT**

1. Less relationships with the surrounding community
2. Isolation, periphery within the multinational.

## Appendix 5: Description of documents

List and description of documents used

Number	Type	Year	Origin	General description	Comments
1	Annual Report	1960	Headquarters, Spain.	General Annual Report	Copy owned by one of the interview respondents.
2	Annual Report	1993	Headquarters, Spain	General Annual Report	
3	Annual Report	1995	Headquarters, Tokyo	General Annual Report	
4	Annual Report	1996	Headquarters, Tokyo	General Annual Report	
6	Annual Report	1998	Headquarters, Tokyo	General Annual Report	Downloaded from the Internet
7	Annual Report	1999	Headquarters, Tokyo	General Annual Report	Downloaded from the Internet
8	Special Report	1994	Human Resources, Spain	Copy of a conference presentation about the latest changes in personnel policy carried on in Blazehard.	
9	Self-Report	1994	General Director, Sales.	Description of his understanding of the change process.	
10	Informal Report post-interview notes.	1995	General Director, Manufacturing.	Description of his trip and experiences in the Multinational headquarters in Tokyo	
11	Training documents	1994	Production Director's own.	Description of the Deming plan.	
12	Training documents	1994	Production Director's own.	Description of Kaizen process.	
13-16	General letters	1993-1995	From the European headquarters in Brussels.	Examples presented by one of the respondents as to the 'intrusion' of Brussels.	One example from 1993 attached as appendix.

## Appendix 6: Coding schedule

TOPIC AREAS	BASIC CODES	DESCRIPTION
<b>Job Description.</b> Explanation of the job responsibilities and the daily issues related to the work	<i>Responsibilities</i>	Description of the employee responsibilities and tasks
	<i>Job organisation</i>	Description of the way his job is organised. Includes in which department is the employee located, reporting lines, co-operation in teams etc.
	<i>Personal Relationships</i>	Description of the different personal contacts, formal - work related- and informal in the work place -either in the office, canteen, coffee machine etc.-
	<i>Previous Experience</i>	Description of the employee previous experience in the company and its influence in his/her actual job.
<b>Description of the Organisation:</b> Explanation of the 'internal structure' of the company and the product/service that it provides.	<i>Product</i>	Description of the company's product or service
	<i>Process</i>	Description of the production or service Process
	<i>Internal structure</i>	Description of the company's internal structure: hierarchical arrangements, departmental divisions, etc.
	<i>Employees Relations</i>	Description of the relations with Trade Unions, the retirement plans, training, career progress, promotions etc
<b>Context:</b> Description of the position of the company within its environment.	<i>Market</i>	Position of the company within the market: local, national and international.
	<i>Community</i>	Relationships to the surrounding community
	<i>Clients:</i>	Relationships to the Clients and Providers

## Appendix 7: Code/text occurrences for The Guild

### HU: analisis1 THE GUILD

CODES	PRIMARY DOCS																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	Tot
accountability	1	0	0	0	0	0	1	4	0	3	0	0	5	1	0	4	0	0	1	0	0	0	0	20
belonging	2	2	0	0	9	1	1	0	3	2	2	3	2	1	2	2	0	1	1	0	0	0	1	35
career progress	2	0	0	2	0	0	0	0	0	0	2	2	1	1	2	2	1	1	1	0	0	0	1	18
civil servants	1	0	2	0	0	1	0	3	0	1	0	0	0	1	1	2	1	0	1	0	0	0	0	14
continuity	1	1	0	0	1	1	2	1	0	1	1	0	0	1	2	1	0	1	1	0	1	0	1	17
decision making	1	2	0	0	1	1	1	1	0	1	1	0	1	2	2	0	0	0	3	0	1	0	2	20
dependency	0	0	0	3	0	0	0	1	1	2	2	0	2	1	0	5	0	0	2	0	2	0	0	21
disorganisation	2	0	1	2	3	2	2	1	0	0	0	3	0	1	2	0	1	2	0	0	0	0	0	22
division	0	0	0	2	0	1	0	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0	0	7
dynamic	2	0	0	1	3	0	0	0	0	4	3	0	0	3	0	0	0	1	0	0	0	0	1	19
experience	1	0	0	1	0	1	2	5	3	2	1	0	0	0	0	0	0	1	0	0	0	1	0	18
guidance	0	2	0	0	0	3	0	0	1	1	0	0	1	2	0	0	0	1	0	1	1	1	1	15
indiv. responsib.	1	0	0	0	1	0	1	5	0	0	5	0	2	1	0	3	0	1	0	2	0	0	0	22
information	0	0	0	1	2	0	0	2	0	3	0	0	0	0	2	3	0	0	1	1	0	0	1	16
insularity	0	0	1	0	1	0	2	1	2	0	1	0	5	1	0	2	0	0	1	0	0	0	1	18
integration	0	0	0	0	1	1	0	3	2	0	0	1	1	0	1	2	0	0	0	0	0	0	0	13
job provision	1	0	0	0	0	0	0	0	1	0	0	0	0	2	0	0	0	0	0	1	0	0	1	6
job security	2	4	0	2	8	3	0	2	2	4	1	0	0	3	0	0	0	0	0	1	0	0	1	33
local attachment	0	6	0	0	0	1	2	0	1	0	2	0	0	4	1	1	0	0	0	0	0	0	3	21
manufacturers	0	0	0	0	0	4	1	1	0	0	0	0	1	0	4	1	2	0	1	0	0	0	0	15
market control	1	1	0	1	1	3	0	0	0	0	0	0	0	4	5	1	0	0	0	0	0	0	2	19
ownership	0	0	0	0	3	1	0	4	1	1	0	0	0	1	0	0	0	0	0	0	0	0	0	11
paternalist	0	1	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	1	1	0	0	5
personal history	0	1	0	1	0	1	0	2	0	5	1	0	0	3	0	1	0	1	0	0	1	0	1	18
personal interact.	7	4	0	0	1	2	2	4	6	1	1	2	0	0	4	3	1	2	1	3	0	4	1	49
quality control	1	2	2	1	4	3	0	0	1	0	1	0	3	9	5	0	0	0	1	1	0	0	0	34
restrictions	0	0	1	1	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	4
rituals	0	1	0	2	0	0	1	0	2	0	1	0	0	2	0	2	0	0	2	0	0	0	4	17
sexism	1	0	1	0	0	0	0	0	0	0	0	0	2	0	0	3	0	0	0	0	0	0	0	8
society	0	0	1	0	1	0	0	0	1	0	0	0	1	0	0	0	1	0	0	0	0	0	0	5
status symbols	1	1	0	0	1	3	0	1	1	3	1	0	0	1	1	1	1	1	0	0	0	0	0	17
visibility	0	3	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	5

Codes-Primary-Documents-Table: Cross-tabulation of primary documents (columns) and the codes (lines) with each cell counting the occurrences of the code in the primary document. Sums are computed for each row and column.

## Appendix 8: Thematic codes for The Guild

TOPIC AREAS	BASIC CODES	THEMATIC CODES
Job Description	<i>Responsibilities</i>	<b>Individual responsibility:</b> The degree to which people felt responsible for their jobs.
	<i>Job organisation</i>	<b>Accountability:</b> The system of being accountable to someone else higher in the organisational chart. <b>Dependency:</b> from another employee in order to learn, because lack of training programs and/or lack of formation.
	<i>Personal Relationships</i>	<b>Sense of Belonging:</b> Sense of ownership. How people felt towards the old company. <b>Rituals:</b> The common ceremonies and celebrations that were held within the company. <b>Personal history:</b> The life and developments of each employee were known and monitored.
	<i>Previous Experience</i>	<b>Experience:</b> lack of experience in other companies.
Description of the Organisation	<i>Product</i>	<b>Manufacturers:</b> Description of the company based on what they manufacture. <b>Identification of the company with the product.</b>
	<i>Process</i>	<b>Disorganisation</b> Refers to the informal way of doing things in the company and the problems created lack of control over budget and production, lack of knowledge about norms, procedures etc. <b>Quality control:</b> The lack of control over the production process and therefore of the products released to the market. <b>Insularity:</b> The different departments existing before were their own closed 'kingdoms'. <b>Civil servants:</b> The creation of a 'red tape' organisation. They were secure and employed for life.
	<i>Internal structure</i>	<b>Status symbols:</b> Indicate rank and prestige (i.e. office space). They indicate the 'owner's' position in the hierarchy. <b>Decision-Making:</b> Process by which the senior managers were able to decide about the daily running and future of the company. <b>Dynamic</b> referring to the young people that belonged to the company and how the company was dynamic.
	<i>Employees Relations</i>	<b>Career progress:</b> It refers to the career development in the old times <b>Guidance:</b> The way employees were guided in their daily routines and organisational life in general. <b>Job security:</b> The company was protected by the state and providing 'jobs for life' to its employees. <b>Restricted information:</b> The way information was handled. Sometimes it was considered secret or belonging only to the higher levels of the hierarchy.
Context.	<i>Market</i>	<b>Market control:</b> The control exercised by the company over the Spanish market.
	<i>Community</i>	<b>Continuity:</b> The ways in which continuity was assured within the old company. Through family connections, personal interactions, close relationships etc. <b>Local attachment:</b> The people have been in the same company for a long time. High community involvement.
	<i>Clients</i>	<b>Personal interactions:</b> The way the interactions between employees and between employees and clients are described.

## Appendix 9: Thematic Categories for The Guild

THEMATIC CODES	MAIN COMMON THEMES	CATEGORIES
<b>Accountability</b> <b>Individual responsibility</b> <b>Dependency</b>	<ul style="list-style-type: none"> <li><i>Bosses and colleagues trained and guided us</i></li> </ul>	<ul style="list-style-type: none"> <li>• Hierarchical</li> </ul>
<b>Personal History</b>	<ul style="list-style-type: none"> <li><i>We had a place in this company.</i></li> <li><i>Our personal trajectory was taken into account.</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Protective Company]</li> </ul>
<b>Sense of Belonging</b>	<ul style="list-style-type: none"> <li><i>It was 'our' company</i></li> <li><i>We belonged here</i></li> </ul>	<ul style="list-style-type: none"> <li>• Company offered a Referential Context.</li> </ul>
<b>Rituals</b>	<ul style="list-style-type: none"> <li><i>We had common celebrations and ceremonies during the year.</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Referential Context.]</li> </ul>
<b>Lack of Experience</b>	<ul style="list-style-type: none"> <li><i>We entered the company very young so we needed guidance.</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Protective Company]</li> </ul>
<b>Tire Manufacturers</b>	<ul style="list-style-type: none"> <li><i>We were a manufacturing company.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Identity [Stagnation]</li> </ul>
<b>Civil servants</b> <b>Disorganisation</b> <b>Quality control</b>	<ul style="list-style-type: none"> <li><i>There was no 'rational organisation'.</i></li> <li><i>The product wasn't very good.</i></li> <li><i>We were part of the 'Red Tape'.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Stagnation</li> </ul>
<b>Status symbols</b>	<ul style="list-style-type: none"> <li><i>The ranking system was very clear and visible</i></li> </ul>	<ul style="list-style-type: none"> <li>• Hierarchical environment</li> </ul>
<b>Decision-Making</b> <b>Insularity</b>	<ul style="list-style-type: none"> <li><i>We were the decision making centre</i></li> </ul>	<ul style="list-style-type: none"> <li>• Self-management</li> </ul>
<b>Career progress</b> <b>Guidance</b> <b>Restricted information</b>	<ul style="list-style-type: none"> <li><i>Our career development was set up.</i></li> <li><i>We had complete job security</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Hierarchical environment]</li> <li>• Stability</li> </ul>
<b>Job security</b>		
<b>Market Control</b>	<ul style="list-style-type: none"> <li><i>The company controlled the Spanish market</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Stability]</li> </ul>
<b>Continuity</b>	<ul style="list-style-type: none"> <li><i>The company was very involved with the local community.</i></li> </ul>	<ul style="list-style-type: none"> <li>• [Referential Context]</li> </ul>
<b>Local attachment</b>		
<b>Personal Interactions</b>	<ul style="list-style-type: none"> <li><i>We knew the clients</i></li> </ul>	<ul style="list-style-type: none"> <li>• Personal contacts</li> </ul>

## Appendix 10: Code/text occurrences for The American Interlude

HU: analisis2  
**AMERICAN INTERLUDE**

CODES	PRIMARY DOCS																							Totals	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23		
accountability	0	0	0	1	0	0	0	0	1	1	2	0	5	6	0	4	0	0	0	0	0	1	0	21	
expectations	0	0	0	1	2	0	0	4	1	3	1	0	0	5	0	1	0	0	0	0	0	0	1	19	
failure	1	1	3	4	7	0	4	3	2	1	3	1	0	14	0	1	0	1	0	0	0	0	0	3	49
new employees	2	0	0	1	5	2	2	1	3	3	0	2	1	2	0	0	1	2	1	0	0	4	0	32	
new technology	0	1	0	2	6	0	2	0	0	4	1	0	3	4	0	0	0	0	2	1	0	2	0	28	
norms	0	4	0	0	1	2	0	1	2	2	0	0	0	3	3	0	0	0	0	0	0	3	0	21	
pre-american	3	0	0	1	0	3	0	1	1	0	1	3	0	7	2	0	0	1	1	1	0	1	2	28	
problems	3	0	0	0	6	1	0	0	0	0	0	3	2	3	1	1	0	0	0	0	0	0	0	20	
surprises	0	1	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	
take-over	0	1	0	2	1	0	0	0	1	2	0	0	0	10	0	0	0	0	0	0	0	0	1	0	18
Totals	9	8	3	12	30	8	8	10	11	16	8	9	11	54	6	7	1	4	4	2	0	12	6	239	

Codes-Primary-Documents Table: Cross-tabulation of primary documents (columns) and the codes (lines) with each cell counting the occurrences of the code in the primary document. Sums are computed for each row and column.

## Appendix 11: Thematic categories for The American Interlude

TOPIC AREAS	BASIC CODES	THEMATIC CODES	COMMON THEMES	CATEGORIES
Job Description.	<i>Responsibilities.</i>			
	<i>Job organisation.</i>			
	<i>Personal Relationships.</i>			
	<i>Previous Experience.</i>	<b>Pre-American period:</b> description of the company and its needs before the take-over, just before the Americans arrived. <b>Existing Problems:</b> awareness of the problems the company had to survive.	<ul style="list-style-type: none"> <li>• <i>Then we realised about the problems we had</i></li> <li>• <i>We were alone</i></li> <li>• <i>We needed a change</i></li> </ul>	<ul style="list-style-type: none"> <li>• Crisis awareness</li> </ul>
Description of the Organisation	<i>Product.</i>			
	<i>Process.</i>	<b>New Technology:</b> the Americans introduced the computers. The mechanisation started with them. <b>New Employees:</b> after a long time without new personnel the Americans hired new people.	<ul style="list-style-type: none"> <li>• <i>The Americans brought new technology</i></li> <li>• <i>They hired new employees</i></li> </ul>	<ul style="list-style-type: none"> <li>• Changes</li> </ul>
	<i>Internal structure.</i>	<b>Norms:</b> the new rules brought about by the American owners. <b>Accountability:</b> the new reporting system introduced new lines in the organisational chart. <b>Control:</b> the Americans imposed new methods of controlling the workers: norms, reports etc.	<ul style="list-style-type: none"> <li>• <i>They brought a rigid accountability system</i></li> <li>• <i>They imposed new controls</i></li> </ul>	<ul style="list-style-type: none"> <li>• New Administration</li> </ul>
	<i>Employees Relations.</i>	<b>Expectations:</b> Description of what the employees expected of the new owners. <b>Failure:</b> The end result of the American intervention: they failed to improve the company.	<ul style="list-style-type: none"> <li>• <i>They came to save us</i></li> <li>• <i>Never tackle the problems we had</i></li> <li>• <i>They never appreciated us and went to live in Madrid.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Expectations</li> <li>• Failure</li> </ul>
Context.	<i>Market.</i>			
	<i>Community.</i>			
	<i>Clients.</i>			

## Appendix 12: Code/text occurrences for The Corporation

### HU: Analisis3 THE CORPORATION

CODES	PRIMARY DOCS																							Tot	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23		
client orient.	11	15	0	5	5	3	3	7	3	2	2	3	0	8	6	11	1	2	4	6	3	5	6	111	
competition	6	1	0	5	2	6	8	6	4	0	7	2	0	6	6	2	1	3	3	2	2	0	3	75	
connectivity	10	7	0	1	1	2	7	2	2	8	2	3	7	6	4	9	0	4	4	11	7	2	5	104	
co-ordination	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	
equality	7	0	0	4	5	9	7	4	6	9	6	1	1	1	4	13	4	3	2	4	5	7	3	105	
globality	1	0	0	9	0	1	0	1	0	2	0	0	1	0	8	0	1	0	2	2	0	0	0	31	
information	14	10	0	23	2	6	2	5	6	2	1	1	0	1	5	2	0	3	5	4	3	1	2	98	
inseguridad	1	2	0	1	7	1	1	1	0	3	0	0	0	0	0	1	0	0	0	0	0	0	1	0	19
japanese system	3	1	0	0	1	0	0	1	0	0	2	0	0	2	0	0	0	0	0	0	0	0	0	0	10
jerarquia	4	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8
kidnap	3	6	0	13	2	3	0	5	3	5	8	7	1	17	2	3	1	1	3	2	0	4	1	90	
number	2	2	0	4	8	3	2	13	13	14	7	1	5	8	2	18	1	2	5	3	3	6	5	127	
perdida	8	5	0	2	3	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21	
reductionism	6	5	0	3	10	4	5	4	3	10	5	10	2	5	5	3	4	16	4	4	4	7	2	121	
remoteness	9	5	0	10	9	12	7	6	6	4	3	13	12	11	9	3	9	4	11	6	7	5	167		
regionalism	3	10	0	3	4	1	1	6	3	1	6	1	0	17	1	2	0	3	4	2	0	1	5	74	
resistance	1	7	0	20	6	3	5	15	23	15	16	1	1	14	5	6	4	1	1	0	5	7	4	160	
rewards	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	
self-resp.	4	5	0	6	3	4	3	2	2	2	3	3	1	7	6	5	1	9	2	2	3	1	6	80	
small units	18	6	0	7	0	6	4	3	4	1	3	6	5	4	13	0	2	6	5	4	4	2	4	107	
social pola.	15	3	0	10	3	4	2	7	3	17	4	2	8	10	2	11	0	3	4	14	6	10	6	144	
split	0	1	0	4	3	1	1	8	4	5	3	1	0	7	0	7	1	0	4	4	3	8	2	67	
stand behaviour	1	4	0	0	5	3	2	3	1	9	2	0	0	12	4	6	2	0	0	2	0	5	0	61	
surveillance	3	3	4	3	0	0	3	4	5	6	6	3	8	5	3	2	2	0	9	11	2	5	16	109	
teams	9	2	0	7	4	3	10	7	10	10	6	9	16	4	9	5	1	8	11	3	7	3	10	154	
trade unions	4	1	10	0	1	0	0	5	0	1	1	1	0	2	0	4	0	0	0	0	1	0	1	22	
take-over	1	1	0	0	0	0	0	0	2	0	0	0	12	0	0	0	0	0	0	0	0	0	0	16	
training	4	0	0	2	0	2	0	0	1	0	0	0	0	0	2	0	0	0	0	0	0	0	0	11	
us and them	3	4	0	3	3	7	11	5	8	4	4	8	6	7	6	4	3	1	1	3	5	4	3	103	
Totals	154	108	14	148	87	85	85	121	111	132/100	66	74	170	94	131/31/75	75	94	71	88	89					
	2199																								

Codes-Primary-Documents Table: Cross-tabulation of primary documents (columns) and the codes (lines) with each cell counting the occurrences of the code in the primary document. Sums are computed for each row and column.

## Appendix 13: Thematic codes for The Corporation

TOPIC AREAS	BASIC CODES	THEMATIC CODES
b scription.	<i>Responsibilities.</i>	<b>Self-Responsibility:</b> Description of how each person is responsible for their own work.
	<i>Job organisation.</i>	<b>Surveillance:</b> The ways in which people feel that everything that they do at work is known and controlled.
	<i>Personal Relationships.</i>	<b>Competitive:</b> Descriptions of how the relationships at work have become instrumental and competitive rather than collaborative and supportive. People complain about lack of solidarity, detachment etc.
	<i>Experience.</i>	
scription the ganisation	<i>Product</i>	<b>Split:</b> Description of the consequences of the division of the Sales and Manufacturing areas.
	<i>Process.</i>	<b>Small Units:</b> A small unit is composed by teams. The main characteristics is the involvement of the people from different teams in the tasks, physical proximity, there is direct command etc. <b>Teams:</b> The new way of working. It includes anything related to co-ordination of tasks, division of responsibilities between the team etc. <b>Connectivity:</b> Anything related to the exchange of information among the team members and among the small units. Comments about why that connectivity exists: such as experience, working together, friendship etc.
	<i>Internal structure.</i>	<b>Equality:</b> Being part of a multinational imposes similar working procedures across countries and branches and people are treated the same. <b>Standard behaviour:</b> There is a standardisation of behaviour among branches that allows for a possibility of communication across boundaries <b>Information:</b> Since the amount of information is bigger now it has become more problematic to handle it. There is a lack of clarity. <b>Us and Them:</b> Affirmation of identity in contrast to globalising trends, through the creation of in-groups and out-groups. <b>Resistance:</b> Creation of symbolic spaces where the local identity is defined and defended. <b>Kidnap:</b> A kidnap of sovereignty. That is how the employees describe the Japanese take-over.
	<i>Employees Relations.</i>	<b>Social Polarisation:</b> in terms of age and/or gender. The requirements of the new system impose a brutal selection of people. <b>Being a Number:</b> Metaphor that relates to the lack of personal recognition. <b>Remoteness:</b> Relates to lack of participation in the decision making process also feelings of being out of control over work issues <b>Reductionism:</b> Relates to the centralising trend, amalgamation, experienced by the employees in the new working conditions.
n text.	<i>Market.</i>	<b>Globality:</b> Awareness of what means to belong to a multinational company. <b>Regionalism:</b> They are part of a region within a multinational corporation. References to Brussels as the centre, even if the HQ is in Tokyo.
	<i>Community.</i>	
	<i>Clients.</i>	<b>Client Oriented:</b> Descriptions of how the relationships at work among colleagues have become based on work without room for personal interchanges.

## Appendix 14: Thematic categories for The Corporation

THEMATIC CODES	COMMON THEMES	CATEGORIES
Self-Responsibility Common Effort	<ul style="list-style-type: none"> <li><i>Each is responsible for his work.</i></li> <li><i>Everyone needs to contribute to the common effort.</i></li> </ul>	<ul style="list-style-type: none"> <li>Individualisation of work</li> </ul>
Surveillance	<ul style="list-style-type: none"> <li><i>Everyone knows what the other is doing.</i></li> </ul>	<ul style="list-style-type: none"> <li>[Individualisation of work]</li> </ul>
Competitive Client Oriented	<ul style="list-style-type: none"> <li><i>We need to be tough and practical in this kind of market.</i></li> <li><i>We have to treat each other as clients.</i></li> </ul>	<ul style="list-style-type: none"> <li>Instrumental Relationships</li> </ul>
Split	<ul style="list-style-type: none"> <li><i>The company is divided in operative units.</i></li> </ul>	<ul style="list-style-type: none"> <li>[Networks]</li> </ul>
Small Units Teams Connectivity	<ul style="list-style-type: none"> <li><i>We work in teams. All the teams are connected</i></li> </ul>	<ul style="list-style-type: none"> <li>Networks</li> </ul>
Equality Standard behaviour	<ul style="list-style-type: none"> <li><i>Multinationals have an equalising effect.</i></li> <li><i>Relationships are more democratic.</i></li> </ul>	<ul style="list-style-type: none"> <li>Homogeneity</li> </ul>
Information	<ul style="list-style-type: none"> <li><i>We do not have a clear image of the whole company.</i></li> <li><i>We lack feedback about our work.</i></li> </ul>	<ul style="list-style-type: none"> <li>Diffusion</li> </ul>
Us and Them Resistance Kidnap	<ul style="list-style-type: none"> <li><i>They kidnapped our sovereignty.</i></li> <li><i>They are different.</i></li> </ul>	<ul style="list-style-type: none"> <li>Communal Trenches</li> <li>[Subsidiary]</li> </ul>
Social Polarisation	<ul style="list-style-type: none"> <li><i>Always having to be better.</i></li> <li><i>It is better to be young and skilled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Exclusionary</li> </ul>
Being a Number Remoteness Reductionism	<ul style="list-style-type: none"> <li><i>I am just a number.</i></li> <li><i>No one is important any longer</i></li> <li><i>We do not participate in the daily running of our jobs.</i></li> </ul>	<ul style="list-style-type: none"> <li>Disembodiment</li> </ul>
Globality Regionalism	<ul style="list-style-type: none"> <li><i>Need to defend from organisational colonialism.</i></li> <li><i>We are peripheral within the Multinational.</i></li> </ul>	<ul style="list-style-type: none"> <li>Subsidiary</li> </ul>
‘Virtual’ Contacts		<ul style="list-style-type: none"> <li>[Instrumental Relationships]</li> </ul>

## Appendix 15: Coding schedule for discourses

sions/ as ussed	Practices	Ideals	Pressures	Functionality	Responsibility	Rights	Security	Autonomy
	Description of how the company/ employees act and is/are organised. They are descriptive comments about the organising practices in the company.	Discussion of the company /employees is/are and how it/they should be. These are statements at the level of ideals and preferences and about how they/ company ought to function.	Discussion on the coercive workings of the company/ context in relation to the employees. It is about the pressures and constraints that they feel the company imposes on them.	Discussion on the operative workings of the company/ employees/ context. About the utility of the organising practices as they are and the function they serve for the employees and the company itself.	Discussion of feelings/views about the company's accountability and obligation to employees and society. Talk about its duty and what it owes to the employees and the community.	Discussion of feelings/ views about the company/ employees rights in terms of what is fair for the company to expect from its employees and from society. Talk about equity and justice and what the employees and society owe to the company.	Discussion on the need of security and protection and of not feeling alone. About not being totally independent and unprotected and isolated.	Discussion of autonomy and freedom from the ties, responsibilities and commitments that the company/ employees has/have regarding the market, community the corporation etc.
pany							No items coded	
ployees								
text		No items coded		No items coded	No items coded	No items coded	No items coded	No items coded

## Appendix 16: Example of documents - General letter

B/EUROPE. S.A.

28 SEPT. 93.

Letter from the President of Blazehard-Europe to the General Directors in Europe.

Gentlemen:

During this period of economic uncertainty in Europe, where we are experiencing high interest rates, currency devaluation, and a slow down in some markets, we must remain focused on our 1993 goal - Break/even Profit & Loss for the BE group. We are in the "home-stretch" with a little over three months to go and our goal is within reach, but can not be achieved without the maximum effort of you and your staff.

As one step to reduce expenses, all employees of BE group will be required to fly on a class lower than business class if available on business trips within Europe. There will be no exceptions to this rule. Please immediately notify your staff of the change.

Obviously this change will reduce expenses, but just as important, it shows a willingness to sacrifice and a commitment by all to achieve a goal which we already accepted for 1992. This is only an example of action, which can be taken to work toward our common goal. Use this example to closely examine your business and to encourage employees within your operations to carefully explore all options to reduce expenses and increase sales.

It maybe simple matters as sending a fax instead of telephoning or an extra effort by your sales person to open that new account which he has been calling on. You are all good business people with creative minds so I encourage you to use your imagination. If you have ideas, which you think would be beneficial to others within our group, please let me know directly.

In advance, I thank you for this extra effort and look forward to celebrating with you in a few months the success of achieving our goal.

The President.