

# DRAGON

## DRAGON is the SCOS journal,

so that it will deal mainly with the subject of Organisation Symbolism. It will give priority to articles – case-studies or theoretical expositions – which consider the organisation as a human and social group within which we see the development of phenomena outside the precincts of classical systems analysis; beliefs, myths, rites, heroes, sagas, and so on. These new concepts usually coincide with the introduction to organisation study of disciplines formerly remote from it: linguistics, history, psychoanalysis, anthropology, etc.

## DRAGON publishes working papers,

consonant with a research area that is constantly evolving and which emerged simultaneously in several different conceptual "broths". Its aim is the rapid circulation of concepts and factual material. An important goal is to assist in formulating a common approach to the organisation enabling comparison between different cultural perceptions. At a later stage, DRAGON will provide other services: lectureship invitations, researcher exchanges (working and living accommodations to accompany research assignments), and so on.

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between members of SCOS and their associates. By publishing in first-draft or working-paper form, the authors indicate that they will welcome comment as to content, style, references, and so on. Therefore, DRAGON should be used by contributors, readers and commentators alike with this in mind. Increasingly greater space will be set aside for readers' letters and comments. Consonantly with this, amended versions of earlier articles may be published at short notice. It is also understood that contributors remain free to publish revised versions of their papers in other journals of more established academic reputation.

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# EDITORIAL

Of all the difficulties involved in running a journal - even such a marginal one as this -, the material problems are probably the least daunting: all they need is a word processor, some spare time, and a bit of effort. More encroaching are the ones which call for thoughtful decision making: on what subjects should we focus? what kind of papers should we encourage? where will we find a place among the existing array of academic journals and management publications?

At the outset, we decided to take up only the minimum range of options. Clearly, our subject matter was that covered by SCOS and its annual conferences, we would publish studies still without the final polish usually required elsewhere, and our readership would be composed mainly of SCOS members. We wanted to create the most informal of media, offering researchers in its area an opportunity for exchanging their findings in various stages of formulation.

Thus far, the articles published have been mainly taken from among papers presented at recent SCOS conferences, so that there was no major vetting problem - it being assumed that this function had been performed by the organisers of the conferences concerned. From now on, however, we will gradually be including contributions from other sources, which will be scrutinised by two appointed copy readers.

We of course remain concerned to maintain maximum ease of access and, to this end, propose the following procedures on which your comments would be welcomed:

- the copy readers give their assessment, from which it

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emerges either that the submission cannot be published as presented (when it is returned to the author with the reasons for rejection), or that it can be published but only with reservations (when, if published, it is accompanied by the copy readers' comments - signed or not as the case may be). If passed unreservedly by the copy readers, it is published as it stands.

This procedure would have the advantage of ensuring that the positive features of imperfect articles are brought rapidly to the attention of all our readers, accompanied by a commentary to which the author can reply so that any controversial features are seen from both sides, or that such articles can be re-issued subsequently in a revised form, or both.

The above is merely a suggestion and is not intended to restrict the freedom of action of the many copy readers who have offered their services. But, at the same time, we feel that the editing procedures applied by many journals cause undue delay in the spread of ideas, as well as imposing standard lines which discourage any non-conformist impulses of their contributors.

This is not of course to say that DRAGON will publish indiscriminately. Unlike some other species of monsters, the Dragon is not blindly omnivorous. But this kind of approach could be revealing as to the way in which research papers - and the theories behind them - are built up, and this to our mind is just as important as the endless discussion of concepts and methods usually put forward (concepts and methods alike being generally of the most conventional kind, so that unorthodoxy can easily be identified and pilloried).

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So, we will welcome your suggestions on this and other matters of editorial policy and, in the meantime, here are some of our own which you may wish to comment on:

- one idea is that of starting a "Salvage" section, offering a platform for papers previously rejected by the "official" journals - rather like the Salon des Refusés where, in the 19th Century, the Impressionists and other nonconformist painters could show the paintings excluded from the official exhibitions at the Palais du Luxembourg<sup>†</sup>. Our own copy-reading procedure would apply to these papers, of course, and we could contemplate publishing the reasons for their original rejection. The latter might be considered a somewhat aggressive step, but would help to constitute a useful body of material for future reference in a Management Sociology compilation covering the machinery of literature production, on the same lines as Bourdieu;
- we might also put out special issues devoted to specific areas of our craft. For example, P-J Benghozi, of the Management Research Centre at Ecole Polytechnique in Paris, is prepared to coordinate an issue on the theme of "Art and Organisation". Personally, I would welcome one on "Language and Organisation", compiled by specialists such as Aktouf and Linstead. Other colleagues might be attracted by subjects such as "Organisation Symbolism in Sweden, or in Canada, etc", or "Corporate Myths in some Industrial Countries". In each case, the compiler would be expected to arrange the contributions in a way bringing out any specific national approach, or illustrating type of utilisation of Language Science, and so on.

Other possibilities include:

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<sup>†</sup>See, inter alia, pp 205-232 of Romanticism and Realism, the Mythology of Nineteenth Century Art by Rosen and Zerner, Faber & Faber (London 1984)

- book reviews, but here again something original is thought to be appropriate for DRAGON. For instance, a critical (though not necessarily savage) review of a recent work relevant to our field of study could be accompanied by a reply from the author, who would of course be given a copy of the review sufficiently well in advance;
- notification of material connected with, or applicable to, our area of research, such as broad descriptions of new observation systems which might prove useful to other people in different circumstances (who might then be expected to report back to the originator on their performance), or teaching aids (case studies, exercises) developed for courses on organisation symbolism.

In short, it is hoped to attract the widest possible variety of contributions, so that DRAGON will become the practical tool we all need.

Finally, we beg forgiveness for airing so many papers signed by a certain Dégot, and to confirm that the main purpose of DRAGON is not to dispose of the surplus output of that author (however prolific he may choose to be). Questioned on this point, the guilty party told us he was much more interested in the works of others than in his own (with which he was already familiar), and that the real reason was a relative shortage of material coming in from elsewhere, at least in the intervals between SCOS symposiums. So send us as much material as you can, if only to put the balance right.

Vincent DEGOT

## SUSCRIBITIONS

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CREATING FICTION IN THE COMMITTEE: THE EMERGENCE OF THE SATURN CORPORATION  
AT THE GENERAL MOTORS  
Richard RASPA

"The worst years made it more acceptable to understand that something had to be done. But once we sold that, it was then our turn to say, 'Let's not just go two steps, let's go into the 21st century.' You just don't stumble into the future. You create your own future."

--Roger Smith, Chairman of General Motors, Time (June 1985)

Creating your own future rather than stumbling into it at the mercy of forces beyond your control is a way of speaking paradoxically about the General Motors Corporation, and, more widely, about the nature of change and organizational culture. The paradox is that you create your future reality by creating fictions in language of the way that future could be. Fictions are made up, revealing the cognitive map of a culture, and are a strategy for interpreting experience. To create fictions is an activity by which the world is disorganized and reorganized. The purpose of this paper is to examine the paradoxical ways in which fictive language and fictive contexts, including symbolic representations of the planet Saturn, contributed to the recent creation of the Saturn Corporation at General Motors in January 1985. The new company is heralded as the factory of the 21st century and the producer of space-age automobiles. Paradoxically, however, Saturn does not exist in the world today. There are no plants, no buildings, no organizational structure, no staff. Although a site has been chosen for the assembly plant in Tennessee, the first cars are not expected to be produced until 1987. The Saturn Corporation exists only in the language of GM speakers, and those speakers are creating the future of Saturn in what they say.



Information for this study was gathered in interviews conducted with four GM union and management personnel who served on the Committee of 99, formed in January, 1984, which made the recommendation to found the Saturn Corporation. Members on this Committee of 99 were drawn from every area of traditional General Motors hierarchy, from welders to plant managers. As a researcher, I am approaching the Saturn group as a cultural system, basing my concept of culture upon the work of Clifford Geertz in symbolic anthropology. Culture is an ensemble of texts which are vehicles for saying something about something (Geertz, 1973). My role as ethnographer is to produce a "thick description" of Saturn's culture by interpreting the group's own interpretations of experience. I am construing their constructions of what they say they are up to. Thick description implicates me as a participant-observer in the interpretive act, much as the web does the spider. I bring to interpretation a set of premises about culture, about organizational life, and about the study of culture and organizational life. These premises constitute my context for making sense of what my informants tell me. Moreover, those I am interviewing also bring a cultural context to bear upon the way they construe the situations at hand. Distinguishing these contextual frames--mine and those of my informants--is the process of interpretation. To put this another way, thick description is the act of making present in language the richness

over this period of disorder and surfeit. Saturnalia is both play and nonsense, and as symbolic forms they deconstruct the common sense way of seeing things. Saturnalia play and nonsense exist in a liminal state. As Victor Turner says:

for me the essence of liminality is to be found in its release from normal constraints, making possible the deconstruction of 'uninteresting' constructions of common sense...into cultural units which may then be reconstructed in novel ways, some of them bizarre to the point of monstrosity (from the actor's own perspective). Liminality is the domain of the 'interesting' but 'uncommon sense.'" (Mechling, 1984)

Thus, order and disorder, rule and misrule, sense and nonsense are bound inextricably in the social construction of meaning. Play frames and liminal frames are fictive texts standing in paradoxical relationship to texts created by common sense (Stewart, 1978). These cultural systems make nonsense by using procedures which contradict common sense.

Ironically, the mythic figure of Saturn and the rite of saturnalia shed light upon a corporate process at General Motors from February to May 1984, when the Committee of 99 met regularly. While there are obvious differences between the universe of play and work, particularly in the public display of the event, the similarities in structure and effect are too obvious to overlook.

Saturnalia was a period of extreme license when a broad range of behavior was not only tolerated but encouraged. The Saturn

believed that the Golden Age was recreated during these periods of festivity. The best known ritual was saturnalia, the annual carnival of mirth, revelry, and excessive pursuit of pleasure. Saturnalia was a period of license when adherence to conventions of law and morality was suspended and replaced by an expansive living in relation to the larger cosmos, in which people celebrated their kinship with natural and divine rhythms in the universe. Saturnalia was the domain of play, unbounded by the ordinary, workaday constraints of time, place, and mores. The ceremony went on for seven days from December 17-23, the last month of the Roman calendar, in the streets, public squares, and houses of that ancient city. Like other seasons of license, saturnalia was celebrated as a public ritual signifying the end of the old year and the beginning of the new.

What is interesting for our purposes about saturnalia is the license given slaves, the people lacking rights and power. A slave could rail at his master, drink wine with him at the same table, and not fear punishment. Saturnalia was both an inversion and mockery of <sup>the</sup> conventional life--the world of common sense--it suspends. It is the sphere of nonsense where equality is praised and privilege scorned, where the common sense way of achieving order in the world is confounded by its mock king, a Lord of Misrule, wearing burlesque crown and sovereign mantle and staff, playing merry pranks as he rules

The thematic relationships are expressed paradoxically: to remain the same, things must change; and the whole is greater than the sum of its parts. The text I am interpreting is created by the discourse of the four members of the Saturn group with me as participant-observer around a table at a General Motors site. Present are a vice-president, a director of personnel, a pipe-fitter, and a middle-manager in quality control. The group is construing their previous conversations while serving on the Committee of 99, conversations which are themselves guesses of what was said. How do these themes relating to change and performance unfold in the fictive contexts created by the symbolic expressions of the planet Saturn?

Sir James Frazer's discussion in The New Golden Bough (1959) of the Roman god Saturn reveals an unexpected connection between the Saturn Corporation and its mythological representation. The fictive Roman Saturn, the god of Saturday, held the same supernatural rank as Jupiter. His name is derived from Satur (stuffed) and Sator (sower). Here etymology reveals function. Saturn was the deity of sowing and husbandry who ruled beneficently, bringing together various warring tribes, teaching them agriculture, and giving them laws, thereby establishing harmony and peace. His reign was the fabled Golden Age of abundance and prosperity. After he vanished, a whole series of rituals and ceremonies arose to commemorate his reign. It was widely

of a culture in sensory detail so that an audience which has never seen the sights or heard the sounds or inhaled the aromas of that world is moved to feel what it is like to be in it. Ethnography evokes the texture of a culture.

To characterize the process of thick description, Geertz (1973) uses an example borrowed from Gilbert Ryle of two boys rapidly blinking. In one, this movement is an unintentional twitch; in the other a signal of conspiracy--winking. While the two movements are physically the same, the difference is that the winker is communicating. Deliberately contracting your eyelids in the context of a public code which marks the action as a conspiracy is winking. One can extend the analysis further and consider a third boy who parodies the wink in a socially established code in which the wink is exaggerated and done with a wry smile. The communication is ridicule rather than conspiracy. Thus, ethnography may be considered an interpretation of the twitches, winks, and parodies of winks, a set of procedures for distinguishing true winks from false ones, for separating the layers of reality from fiction in any given culture. The real objective of ethnographic exploration is the laying bare of paradox to reveal how a culture is able to deal with its prescriptive codes.

As a text the Saturn group brings together the double themes of change/survival and teamwork/individual performance.

Committee of 99 was given unprecedented license to discover what it would take to be competitive in the world marketplace of automobile manufacturing. The Committee took as its name Saturn, after the Saturn Rocket Program. They wanted an image that was as significant as the Saturn 5 Rockets which had pioneered space travel. General Motors' success in the small car market requires as massive commitment of energy and money in the 1980s, as the project of successfully landing a man on the moon in the 1960s was for the Saturn Rocket Program. Moreover, saturnalia inverts the common social order, setting aside rules of conduct in a spirit of holiday. From a common sense point of view, the Committee of 99 was engaged in playful nonsense. They played, "Let's pretend we have all the money and time needed to create the ideal organization, and let's also pretend that we are all equal." Composed of forty-four United Auto Workers (UAW) and fifty-five salaried and managerial employees who made up the seven sub-committees, the Committee of 99 journeyed over two million miles investing 50,000 hours of work to discover the perfect corporation. From February to May of 1984, the travelled together, lived together, and operated on a concept of shifting leadership. To find out how the Saturn Corporation should be organized, they went wherever they wished all over the world and talked to whomever they pleased or could get into see. In addressing all the sensitive corporate issues regarding the role of the union

of consensus decision-making, the speaker reveals a characteristic American delight in rowdiness, revelling in the mock fight and the direct and audacious confrontations in the office by modern-day Lords of Misrule. Once again, it is "as if" the speaker is exploring a new frontier, not the frontier of space travel of two decades past, nor the frontier of the American West of a century ago, but the frontier of the corporate imagination, creating and recreating itself in symbolic action.

There is a need for researchers to connect the thick description of organizational texts with other areas of symbolic form, such as aesthetics and religion. My concern has been to examine the way fictive language performance creates reality and transforms people and institutions. I have attempted to do that in a mode which evokes in my audience a sense of having participated in the Saturn experience in some way. The function of paradox in interpretive acts is to provide the opportunity to be there--in that time and in that place "as if" it was really happening in the moment. The dynamics of the "as if" mode of discourse demonstrates a symbolic process wherein people set aside the reality of their own workplace to create a utopian organization which they embrace as true. In that act people do not stumble but create their own future.

I had the other day with one of my counterparts in the organization. He's in charge of technology. I'm involved with the people systems. We just openly beat each other up to get to the best solution, and the V.P. is a guy from the traditional world: 'They openly disagree in front of me. They obviously don't get along.' We use language you wouldn't believe, we say things. We walk in and see guys and give each other a big hug. You've got to bring it out in the open. Conflict is not directed against the person but the problem. There's not a feeling of there's going to be a winner and a loser. It's how do we both win!

Here the paradox is that the whole is greater than the sum of its parts. The new image for the Saturn Corporation is a circle instead of the customary box delineating organizational roles and functions. People will live in the new company "as if" they inhabit the space of an ecological system, not bounded by deadening bureaucratic squares. Within the circles what creates the boundaries is the speaker's willingness to identify with the whole team and be responsible for the complete endeavor. To engage in teamwork is to work "as if" we are one. Sharing a common purpose, our activities are focused and results appear serendipitously which exceed rational predictions, going beyond effects which could be produced by individuals working in isolation. The speaker's description of consensus management is a perfect illustration of telling the wink from the twitch. From the traditional perspective of the Vice President, it looks "as if" Ed and Neil are fighting, when in actuality they are passionately caught up in the act of solving the problems which the organization was designed to solve. Proud

We don't have boxes in Saturn. Our organization chart is drawn in circles. We don't create someone responsible for something, a program, and therefore it's that person's responsibility to create quality of work life for me. Therefore, I'm going to sit back and make the son-of-a-bitch do his job. But that's not how we operate. To create someone responsible means that nobody else is responsible. That's his own little box. We don't have boxes in Saturn. Our organization chart is drawn in Saturn circles.... The synergistic thing is quite interesting. These separate committees were all charged with the same mission--to seek out the best people systems throughout the country and the world, and put together a report of what they saw as the very best reward system, structure of the entire people-oriented parts of the business--the very best. Each of the seven sub-committees put together a report--a lot of long hours. And there was a lot of ownership. Each of the sub-committees gave a report. We then got all seven groups together to come up with one report, one best report. Actually, it was four days. And in four days the report that was put together was better than any one individual report. And on many occasions, things that were in the final report were things that do not exist anywhere in the world today. They were not in any of the seven reports. One day they put in eighteen hours, one day sixteen, and the rest twelve. The process we used was consensus. No voting. You had to buy in personally 70%, and support the decision 100%. And one person could block the decision of 99 people. And on a couple of issues that happened. Somebody would say, 'I can't buy it,' and 98 people would say, 'You what!' And then we'd go back into a meeting and reconvene, and six hours later the group came up with something everybody could live with. And that one person could turn the decision around. We had one example on the Steering Committee which had a problem on the travel policy. We had some restrictions that were causing problems for folks. And they came around and visited us and we were forced as a Steering Committee to re-evaluate our decision. We met for twelve solid hours. Consensus is tough. And during that twelve hours, the six members of the Steering Committee changed their minds a minimum of three to four times, some as many as eight times. Conflict is essential in the process.... Here's what happens. We have a new vice-president of manufacturing and he goes to one of the key people on the project and says, 'Joe, you and Neil don't get along. I've got to find a way to get you two guys together.' This was a very serious conversation

usual subordinate/superior dichotomy which marks most corporate cultures gives way to a bold egalitarian identity in which even hourly line-operators have privileged managerial information, and can make a significant contribution not only to the success of the corporation but also to the revitalization of the nation. Going to work is at least an exciting prospect, perhaps a patriotic one, and maybe even a spiritual odyssey. It is "as if" working calls forth the high tones of holiday where problems are not problems but sources of joy, insight, and possibility.

The saturnalia paradox is evoked in me too as I listen to discourse about discourse. At first, I conclude, "This is fiction and they are merry pranksters flying around the world in search of a corporate ElDorado." Yet, this is not fiction. They have created a new corporation and their enthusiasm compels my belief in the transformation of General Motors. The paradox again presents itself to me in the issue of the reliability of my data. "This is not data," I assess. "This is just plain talking around a table." On the contrary, this is not just talking. Speakers speak from the aesthetic premises embedded in the narrative traditions of the General Motors culture. The unfolding of the discourse traditions at GM and the style in which the speakers negotiate the boundaries between fiction and reality may be seen in the following narrative sequence:

he has an almost evangelical faith in the power of the corporation to triumph over adversity, particularly of the keen Japanese variety. He also has mastered any fear he may have had that change might hinder his career. Why, then, must things change in order to stay the same? The fictive GM Corporation of the 21st century will save its employees' jobs, while the "objective of us" employees here and now is to save the corporation. But in order to save General Motors, its past practices, policies, and procedures must be bracketed, i.e., symbolically destroyed. The saturnalia play frame allows the speakers to shift back and forth across boundaries from truth to fiction, from what is so to what may be so, from GM to Saturn, in their endeavor to renew the organization for posterity. In addition, such expressive images are framed in tones of sincerity and enthusiasm "as if" the speaker is recounting an aesthetic event which has moved him deeply. What emerges is a profound trust in the dynamics of the Committee as the reservoir of insight into the process of change.

The power of saturnalia is its generative force. In the festivity revellers abandon their workaday identities momentarily and participate in another calendar of being wherein they are transformed into more spontaneous, free, and creative human beings. In a similar way, on the Committee of 99, the speaker testifies to the transformative charge of the process. The

Based on our results and everything that we worked on, especially the UAW-Saturn Study Center, the concepts of the Saturn organization that we came up with really suggested that the best way to make that happen--to develop the new partnership--is to be protected from the traditional General Motors policies, practices, and procedures, and to be protected from the traditional UAW organization because we were working toward common goals rather than a separate goal of more employment which don't complement each other....Ed has cost information on Saturn which the news media would die to get their hands on, but they don't ask him because they know that hourly guys don't get that stuff. They're not sure I have that information because I'm not a V.P. Yet, any one of the hourly guys could tell you how Saturn stacks up against other vehicles in technology and cost, but they wouldn't. There was not one breach of confidentiality in the whole process....When things got a little dull occasionally or when we didn't seem to be getting someplace, we'd point out the fact that General Motors is going to survive. We may not make the cars domestically, we may import them from Japan or Korea, or wherever. General Motors is going to exist in the year 2000 and in the year 2020, and will be in business selling something to somebody, and it'll probably be in the field of transportation. It just might not be made in this country. The objective of us is to turn that around and say it's in the interest of the country to have a strong industrial base--that's where true money and wealth-creation happens, not in the service industry. And that's what creates jobs and service jobs don't have nearly as much significance as manufacturing jobs that create wealth. That's where the real potential is, for the company, for the employees, and for the country. That was the vision. That American flag--one of the guys from the Delco Division in Kokomo, Indiana, came in and hung that dude up and said 'That's what it's all about!' Boom. Clipped it on the wall and it's been there.

Consider the way the saturnalia frame--we are working "as if" we are playing--allows the double themes of the Saturn Corporation to be present paradoxically. While the speaker of the piece above assumes that change is inevitable and necessary for survival, he

and management, the structure of the organization, the systems of reward, training, marketing, and so on, they visited fifteen different universities, eighty GM plants, and over seventy visits to outside corporations around the world--a total of 170 contacts in three months, a giddy pace even for the most extravagantly successful entrepreneur. As one GM executive put it:

This was probably the most nontraditional thing GM has ever done. We had all these teams of people, half salaried, half UAW people all over the place, setting their own travel and meeting schedules. Our vice-chairman called out vice-president of labor relations and said, "Al, do you know where all these people are?" He said, "Well, of course not." "Al," he said, "Do you think you should know where they all are?" He said, "No, I don't think so. They'll tell me when they get the results."

Gregory Bateson's paradox operates here: that which is denotated by the messages or signals in play are not true and nonexistent (1973). The Saturn Corporation does not yet have a physical existence. Committee members stood in a paradoxical relation to both the established General Motors organization and the emerging Saturn Corporation. In the context of the Committee's work, the Saturn team spoke, planned, made decisions, and acted "as if" the actual General Motors structure did not exist, and correspondingly, acted "as if" the inchoate Saturn organization did (Bateson, 1973; Stewart, 1978). In their voyages, Committee members expanded their own repertoire of ways to interpret organizational life. The group acted "as if" they were the owners, Board of Directors, and decision-makers of the Saturn Corporation. As another member of the group observed:

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USERS ARE LOOSERS: images of the quantitative and qualitative aspects of the division of labor between EDP specialists and management users<sup>1</sup>. Jacques BRISSY

#### Two disproved hypotheses.

This paper investigates how E.D.P.<sup>2</sup> specialists and management users see, interpret, evaluate the division of labor when working on a common computer project. In the first part of the paper, we analyze the quantitative aspects of the division of labor. This refers to the percent of involvement of the two groups at eight stages of a computer project, as seen by the participants. The respective images of EDPs and USERS concern both the actual and the ideal allocation of tasks and responsibilities. In the second part of the paper, one will concentrate on the qualitative aspects of the division of labor, i.e.: the exchange of 1) directions, 2) suggestions, and 3) information between the two groups.

The research findings indicate that as far as the formal, quantitative aspect of the division of labor is concerned, there is an astonishing amount of agreement between EDPs and USERS. There respective images of 1) how things are, 2) how things should be, and 3) what corrections are needed, are strikingly alike. This is not what one would have predicted on the basis of the dominant hypothesis of a "communication gap" between computer professionals and management USERS.

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- (1) Research findings based on field observations, informal interviews and self-administered questionnaires for EDP specialists and USERS as well, in various U.S. organizations. For this paper, only two firms will be used. They will be referred to below as the "Petroleum Co." (324 EDP and 57 USER questionnaires) and the "Telephone Co." (286 EDP and 113 USER questionnaires).
  - (2) "Electronic Data Processing" professionals, which will be abbreviated "EDPs" in the rest of this paper.



However, something problematic, and related to a possible "communication gap" becomes evident when one analyzes the qualitative aspects of the division of labor. Here, the problem is not: "how much involvement?" generally speaking; it is: "what kind of involvement?". The prevailing hypothesis that EDPs' responsibilities are limited to answering questions, and providing information when asked to, is not supported. EDPs are often "bossing" the Users, answering only the questions that please them, and giving advice and directions when they are not officially supposed to.

a) The "black hats" and the "white hats".

This is how EDPs and USERS call each other at the Telephone Co.. These are not just the colours of two opponent teams, neither the uniforms of rival gangs. We are talking about the good versus the bad and the ugly. Of course, the "black hats" (EDPs) are the bad ones, and the "white hats" (USERS) are the good ones. But they are only joking! When they talk "shop", they agree on the basics.

Relations between EDPs and USERS are often dramatized with labels stressing opposition under various names: antagonism, communication gap, conflict, misunderstanding, hostility, quarrels, etc.... This seems highly questionable, according to our findings.

In Part L, it will be shown that EDP and USER images of the actual, as well as ideal, division of labor show an amazing parallelism. Their respective diagnoses of what is wrong and what should be done are alike, beside slight differences of degrees, never of nature.

b) EDPs provide a "service" (information) to USERS.

We all agree, as we learned in our textbooks, heard from casual conversations with EDPs, USERS and top managers, that the EDP Dpt. is ONLY providing a "service" to management USERS: not instructions, directions or orders. They are staff people. USERS are line people; they keep the whole initiative,

and bear the entire responsibility: they ask questions, receive answers; they give precise directions to EDPs concerning objectives, priorities, requirements and the like. Such views are highly questionable, according to our findings.

In Part II, we will observe that EDPs are not just information providers: they also give a lot of suggestions, instructions and directions. Similarly, USERS provide plenty of information (more than what they will receive in return), in addition to loose directions, and inadequately defined needs, priorities, and objectives.

Part 1: the quantitative aspect of division of labor between EDPs and USERS.

The division of labor, quantitatively, corresponds to the respective involvement of EDPs and USERS at various stages of the design and implementation of projects requiring computerization. The major steps are listed in Table 1. For each of the steps, the respondent indicates in the first set of columns what he feels is currently the percent involvement of the EDP Dpt. and of end-users of the system during that phase of the project. Then, in the second set of columns, he indicates what he thinks the percent involvement for each group should be (for the benefit of the company as a whole).

1.1 The actual division of labor: EDP and USER images.

Graph 1 shows the respective involvement of each group, for each of the 8 steps involved, as it is seen by EDPs and by USERS. At each step, the EDP involvement (lower part of the graph) plus the USER involvement (upper part of the graph) totalizes 100 percent.

1) According to the EDP image and the USER image, one observes a large agreement concerning the structure of the overall distribution of the division of labor, which is basically the same for both groups. The two curves are remarkably parallel.

Table 1. Division of labor between EDPs and USERS at major steps.

	<u>ACTUAL</u>		<u>IDEAL</u>		
	Percent involvement at each step PRESENTLY:		Percent involvement at each step SHOULD BE:		
	EDP Dept.	User	EDP Dept.	User	
A. Definition of system requirements	____%	____%	____%	____%	(2:39-50)
B. Development of rank- ordered list of design options	____%	____%	____%	____%	(2:51-62)
C. Development of detailed system external specifications	____%	____%	____%	____%	(2:63-74) (2:80 2) (3:1 1) (3:2 ) (3:3-5 )
D. Design of system internal specifications	____%	____%	____%	____%	(3:6-17)
E. Programming	____%	____%	____%	____%	(3:18-29)
F. Conversion and system testing	____%	____%	____%	____%	(3:30-41)
G. Implementation (training, procedure guides, equip- ment installation, etc.)	____%	____%	____%	____%	(3:42-53)
H. Post-installation review of system	____%	____%	____%	____%	(3:54-65)
					(3:66-79 BLANK) (3:80 3)

2) The USER line, in Graph 1, is always somewhat below the EDP line (7.9% on the average), indicating that USERS see the actual implication of EDPs as slightly less than the EDPs evaluation of their own implication, and vice versa. Relatively speaking, each group shows a slight tendency to overestimate its own contribution and to underestimate the contribution of the other group.

3) Both groups agree that on the average, the EDP involvement (71.5% as seen by EDPs, and 63.6% as seen by USERS) is greater than the USER involvement (28.5% as seen by EDPs, and 36.4% as seen by USERS). This is mainly so for stages D,E,F, when the EDPs involvement approaches 90%. At the initial and terminal steps, one comes closer to a fifty-fifty distribution.

#### 1.2 The ideal division of labor: EDP and USER images.

Graph 2 shows the ideal respective involvement of each group, for each of the 8 steps involved, as it is seen by EDPs and USERS. Again, at each step, the EDP involvement (lower part of the graph) plus the USER involvement (upper part of the graph) totalizes 100 percent.

1. According to the EDP image and the User image, one observes a large agreement concerning the structure of the overall distribution of the division of labor, which is basically the same for both groups. The two curves are remarkably parallel.

2. The ideal line is always set above the actual line by USERS and EDPs as well, indicating that the relative share of USERS involvement should increase to the prejudice of EDPs (see 1.3 below).

3. The USER line, in Graph 2, is always somewhat below (4.5% on the average) the EDP line, indicating that USERS see the ideal implication of EDPs at a slightly lower level than the EDPs own evaluation of their own ideal implication, and vice versa.

Figure 1. Actual involvement of EDPs and USERS at major steps.

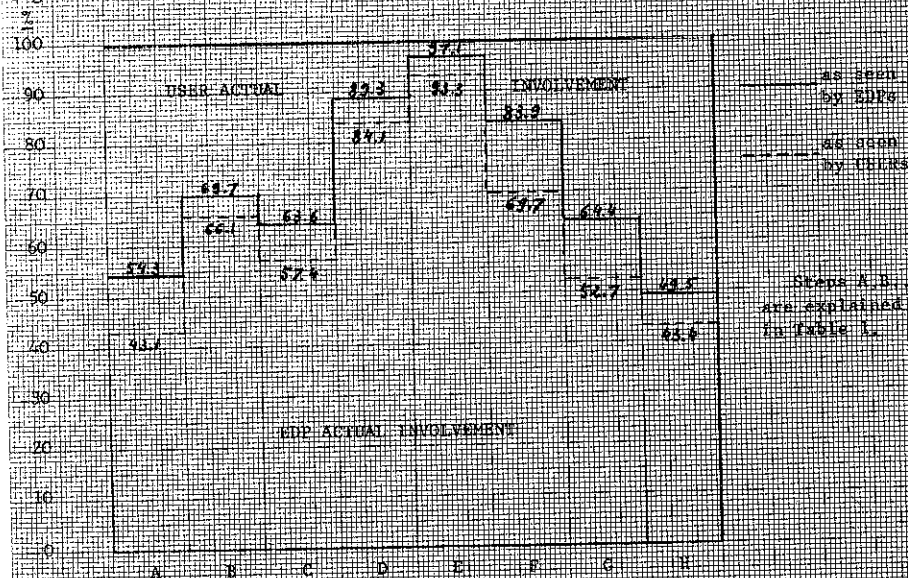
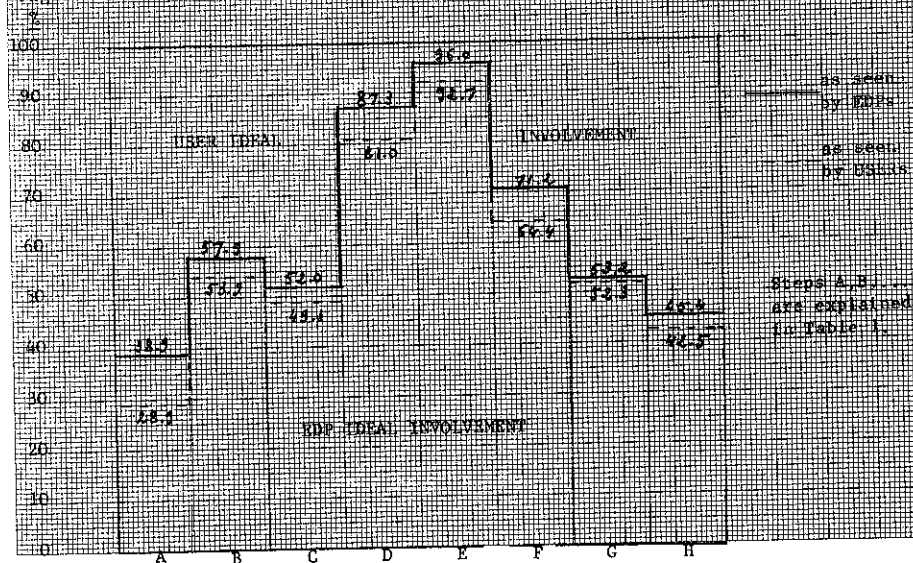


Figure 2. Ideal involvement of EDPs and USERS at major steps.



Relatively speaking, each group shows a slight tendency to overestimate its own ideal contribution, and to underestimate the amount of ideal contribution of each group.

- On the average, both groups agree that the EDP involvement should remain greater (62.6% as seen by EDPs, and 58.1% as seen by USERS) than the USER involvement (37.4% as seen by EDPs, and 41.9% as seen by USERS). This is mainly so for stages D,E,F, when the EDPs involvement should be above 80%. For the initial and terminal steps, one reaches a fifty-fifty distribution.

### 1.3 The gap between the actual and the ideal division of labor.

Graph 3 (EDP image) and Graph 4 (USER image) show the gap between the actual and ideal involvement of each group. Again, at each step, the EDP involvement (lower part of the graph) plus the USER involvement (upper part of the graph) totalizes 100 percent.

- According to the EDP view, EDP involvement should ideally be smaller (-8.9%), and USER involvement should be greater at each step.
- According to the USER view; EDP involvement should ideally be smaller (-5.5%) and USER involvement should be greater at each step.
- Both EDPs and USERS agree that a better division of labor should involve a greater participation of USERS and a smaller one for EDPs.
- The "correction" needed is smaller (-5.5%) in the USER image than in the EDP image (-8.9%). However, the USER already has the impression to participate more than what the EDP thinks to be the case (36.4% vs. 28.5%).

In summary the two images (from EDPs and from USERS) of the actual and ideal division of labor indicate that EDPs and USERS are in complete agreement concerning the overall nature of the division of labor at each step, and concerning the fact that EDPs do have, and should retain the biggest share but that such a share should be reduced to a slight extent.

Figure 3. Actual vs. Ideal involvement of EDPs and USERS, as seen by EDPs.

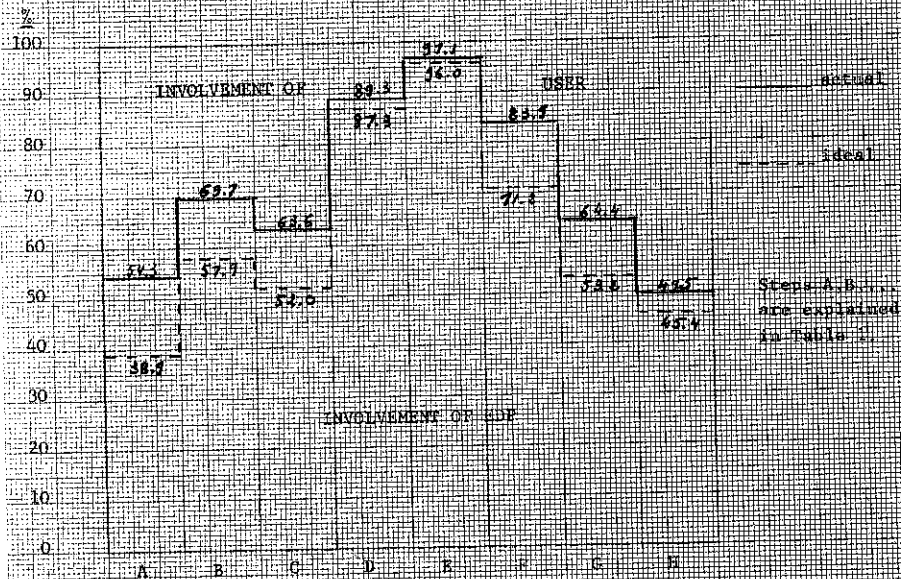
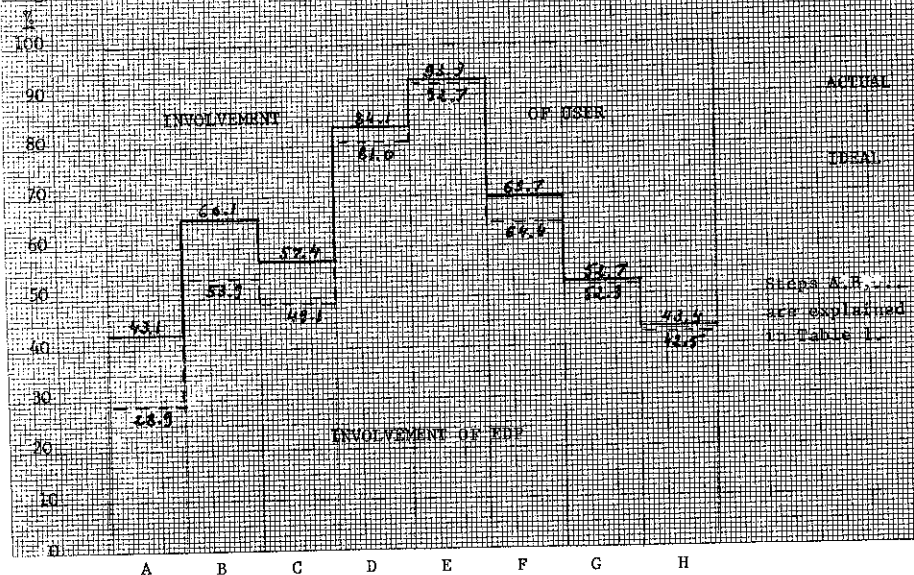


Figure 4. Actual vs. Ideal involvement of EDPs and USERS, as seen by USERS.



## Part 2: the qualitative aspect of the division of labor between EDPs and USERS.

The quantitative aspect of the division of labor had to do with "amount of involvement". The qualitative aspect deals with "nature of involvement". The distinction will be between giving and/or receiving ("always" or "often" as opposed to "sometimes", "seldom" or "never");

- directions,
- suggestions or opinions,
- information, explanations or clarification.

2.1 When EDP is more than a "service", and when the USER is not always the boss.

Official definitions of functions in many companies tend to stress the role of the manager as one of decision making, and the role of the computer professional as one of providing information. The staff/line demarcation involves that the management user retains the whole responsibility. He sets the objective, gives orders, provides guidelines, and obtains a response from EDPs who are supposed to be loyal and competent servants.

1) EDPs give more than information.

However, the research findings indicate that the EDP staff quite often gives suggestions and even directions to USERS, in addition to mere information.

According to USERS, EDPs give (always or often):

- Directions	18.4%
- Suggestions	28.4%
- Information	35.5%

Proportionally, according to USERS, what EDPs give to USERS is composed of:

22.3% of directions
34.6% of suggestions
<u>43.1% of information</u>
100% of EDP contribution.

In other words, the ingredients of the EDP "service" to USERS are made up with suggestions and directions for more than one-half, information accounting only for less than one-half.

2) USERS request more than information.

If EDPs do not go "by the book", it may be that they are urged to do so by the USERS themselves. The USER behaves like an hesitating client who needs to be guided, advised, directed, and not just neutrally informed. At least, it is the perception of the computer professional.

According to EDPs, USERS ask for (always or often):

- Directions	50.5%
- Suggestions	42.2%
- Information	59.5%

In other words, close to two-third of what the USER really expects to receive from EDPs involves essentially counsel, information matters being accessory.

Proportionally, according to EDPs, what USERS request from EDPs involves:

33.2% of directions
27.6% of suggestions
<u>39.2% of information</u>
100% of requested EDP contribution

3) USERS also give information, not just directions or suggestions.

According to EDPs, USERS give (always or often):

- Directions	36.8%
- Suggestions	46.0%
- Information	48.2%

Proportionally, according to EDPs, what USERS give to EDPs involves:

27.9% of directions
35.2% of suggestions
<u>36.9% of information</u>
100% of USER contribution

4) EDPs ask for information, in addition to directions or suggestions.

According to USERS, EDPs ask for (always or often):

- Directions	31.2%
- Suggestions	27.4%
- Information	30.0%

Proportionally, according to USERS, what EDPs ask for involves:

35.2% of directions
30.9% of suggestions
<u>33.9% of information</u>

100% of the requested USER contribution

In summary, the classical view of the USER as a man of power (and that only), and the EDP as a man of knowledge (and that only), does not hold. USERS are more "direction-seekers" (50.5%) than "direction-providers" (36.8%).

EDPs receive plenty of information (48.2%) from USERS, more than the information they give in return (35.5%).

In the collaboration process between USERS and EDPs, the computer professional seems to have eventually much more power, or rather influence, than the management user. The latter is someone who needs help, rather than someone who orders. The former is the patron, rather than the servant.

2.2 USERS are losers: is it a communication gap?

We have seen in Part 1 that EDPs and USERS talk the same language, agree on major issues, know how the work is done, complain very few about the present division of labor, and are in accord concerning the corrections to be done.

Instead of a communication gap, one should consider the possibility of an influence gap. When both professional and administrative authority (Etzioni, 1964) have to come to terms with each other, expertise will often overweight hierarchy. In the case of computer professionals, the hypothesis of "datacracy" (Rose, 1969; Brissy, 1984) as already been explored.

Table 2 summarizes the respective contributions and requests of USERS and EDPs.

1) EDPs say: "you are asking a lot!"

Indeed, USERS ask for directions, suggestions, or information 51.0% of the time (i.e., "always" or "often").

2) USERS say: "we are not getting much"

Indeed, EDPs give directions, suggestions, or information 27.5% of the time (i.e., "always" or "often").

3) USERS say: "you are not asking much, besides."

Indeed, EDPs ask for directions, suggestions, or information 30.5% of the time (i.e., "always" or "often").

4) EDPs say: "you are already giving a lot, anyway!"

Indeed, USERS give directions, suggestions, or information 43.7% of the time (i.e., "always" or "often").

Table 2. The exchange of directions, suggestions, and information between EDPs and USERS

	EDP says <u>USER asks for</u>	USER says <u>EDP gives</u>
Directions	50.5%	18.4%
Suggestions	42.2%	28.4%
Information	<u>59.5%</u>	<u>35.5%</u>
$\bar{X}$	51.0%	27.5%
	EDP says <u>USER gives</u>	USER says <u>EDP asks for</u>
Directions	36.8%	31.2%
Suggestions	46.0%	27.4%
Information	<u>48.2%</u>	<u>33.0%</u>
$\bar{X}$	43.7%	30.5%

USERS are contributing more (in terms of providing directions, suggestions, and information) than what they receive in return from EDPs. If they are "loosers", it is not just because of such an unbalance in absolute terms, but mainly because they do not receive what they want, and give unnecessarily what others do not want.

EDPs consider that USERS demands are excessive, and should be cut down. They ask 50.5% of the time for directions; we, EDPs, can provide them only 18.4% of the time. They ask for suggestions 42.2% of the time; we, EDPs, can do it only 28.4% of the time.

They ask for information 59.5% of the time; that can possibly be handled by us in only 35.5% of the time.

Is it incompetence on the side of the EDPs ? Or is it unwillingness ? Rather so, because, EDPs will say, USERS keep asking the wrong questions, giving unnecessary information, unclear objectives, or useless guidelines. In summary: impracticable requests....

### The concept of organizational culture

The following description consists of two parts, the first one describing how an uninitiated observer can "read" the culture of an organization by searching for culture-specific phenomena. The second part is about a concrete working method where you alternately gather and interpret cultural data.

There is a question we have to alter before we explain how we work when we study the culture of an organization.

\* How do we define the concept of organizational culture?

Our work originates in the following notion. Just as a society, a certain population, a tribe or what it may be, can be said to constitute a culture, an organization in itself can be a culture. An organization maintains boundaries, has its symbols, carry out rites and live with its rituals.

The reality that the members of the organization experience is formed by its history and the norms it has developed, but also by the organizational goals and the different ways they are achieved.

### Some starting-points and foundations

Before we continue, let us take a brief look at where we stand theoretically and explain foundations that rule the way we work.

The method is qualitative and we emphasize interpretation and understanding of the data collected. We ourselves are the instruments when we step inside an organization to gather and interpret cultural data. We make as if it were a qualitative valuation of the culture in the specific organization.

The way we study organizational cultures resembles how ethnologists work when they study different societies and cultures.

Just as they do, we interpret and put together what we see and hear to entireties. Together, these entireties form an image of the thinking and acting of the organization. When we at a certain point of time draw out, or uncover dominating ideas and traits that powerfully affect life in an organization and document them, we catch an instant picture of the culture.

Later on, this picture is given back to the organization. Hereby we open up for the organization's own interpretations of what we have found - i.e. what we think we have seen and heard. This is important since the difference between a correct interpretation and the more common opinion, sometimes seems to be subtle.

Except drawing out hidden meanings in what is said and done and thereby giving the reality a meaning, we also let dead things send their messages to us. Buildings, interiors, colours etc - what do we learn from them? What other noticeable things gives us coded messages about the culture we exist in?

### Perspective

Our perspective is not like that of the actor-researcher's in the way that he classifies and interprets from a reality defined by the organization members. His way to work is characterized by a trial to see the reality through other peoples eyes. Instead, we are guests or contemplators uninitiated that "open up ourselves" to the culture of the organization for a very short period of time. We are careful not to stay too long and become a part of the culture ourselves. We come as strangers and deliberately call everything we see and hear in question.

So, if the actor-approach means to interpret what people mean with the things they say and do, our uninitiated approach - or peep-hole perspective - implies that we interpret words and ways to act independent of what the members of the organization themselves mean with them.

The experience we already have from different organizational cultures is a part of our frame of reference. This knowledge directs our search as a compass.

### Level of abstraction

Our level of abstraction is the entirety. We start there and return when relating the parts. If we, for example, study solely one division within a company, we define this division as the entirety to which we relate. There is a big risk to go astray and lose your way in details if you do not constantly ask yourself how much meaning the parts have in the whole context. Another approach is to study different subcultures and how they interact or not.

## DATA GATHERING

### Interviews

Interviews are our most important method for gathering data. We almost exclusively use private interviews. The questions are more suitable for person to person dialogues, though we have tried groupinterviews a couple of times.

Regarding the interviews, it is important that the procedure in itself should encourage the organizational culture. This happens when we make underlying values and norms obvious for those we interview. The questions are different in the way that they create a distance to everyday life and make it necessary for the interviewee to stretch, or even get shocked in his conceptual frame. We create a situation where the interviewee becomes aware of the organizational culture through a series of "ANA-experiences".

It is therefore important to create a friendly atmosphere that opens up the dialogue in the beginning of the interview. It is also important for us as interviewers to feel the rythm and puls in every situation. Some people get inspired very suddenly while others need to think for a little while before they give their answers.



To trade small against big is also important. As soon as we notice we are involved in small unimportant details, of no interest for our project, we change this by going from details to entirety. This is done without giving priority to one thing before the other. Instead we relate them to each other.

We also try to interview those who are willing to share their thoughts and feelings about different situations in everyday life in the organization. But sometimes an interview fails; gives nothing and the dialogue stays away. Both parties feel it is wasted time. Whose fault it ever may be, we have to end such an interview fast and in a suitable way.

What different categories do we choose to interview?

They can be divided into two groups:

\* people who moulds the public opinion (persons who have a great influence, without considering their position)

\* and other employees

The public opinion moulders are often managers, trade-union leaders or specialists with a high status.

Among the category "other employees", we often choose to interview incoming orders clerks, switchboard operators, receptionists and manager secretaries, all an example of groups that usually have access to the cultural keys.

All the voices from "the floor" also have to be considered, to speak in management terms. Different interviewing themes will be discussed later on in the article under the title "The cultural keys".

### Observations

As a complement to our interviews observation also belongs to our technics of collecting data. The spirit, cooperation, commitment and so on, is also possible to register if we expose ourselves to a broad surface of contacts. Information of this kind can for example be found in the reception, if we sit down in some of the visitor chairs and study all the meetings that take place there. For example visitors who are received or directed to a new place. The way people are welcomed, is an important cultural element. Another way is to have lunch in the staff restaurant. To wait in a line, sit down among the employees and chat informally, also gives us a unique possibility to take a bearing on the spirit in this very culture.

Here our outlook is open. We do not expect this or that to occur. We are prepared for anything to happen. Curiosity and happiness to discover things guides us.

Under the title observations, is also a study of the physical localities included: buildings, interiors, colours and so on. A camera is very useful. Is there contradictory elements in the culture? For example is there a big distinction between the organization's attitude towards managers and other employees? Striking differences in size and interior of the offices is an example of such contradictions.

### Secondary data

Advertising leaflets, videos, staff-magazines, product-brochures and annual reports are all secondary data revealing how the organization chooses to appear towards employees, customers and other pressure groups. In a large organization it is usually easy to find information since it is accessible through the archives. If you miss an archive, it is always possible to ask the person responsible for information to give you relevant prints.

When we gather cultural data these are the guiding words: All possibilities to collect relevant information should be utilized and documented.

### The cultural keys

It is not our purpose to describe the questions we use or why we use them. They have to be chosen to suit every single organization. However we have found some main points to be important in the cultural diagnosis:

1. The saga
  - The creation of the organization, i.e. how it all started
  - why the organization was created
  - the founder and his personality
  - epochs, milestones and critical events
  - heroes, i.e. historically important personalities and their influence
2. The primary task
  - is the task still the original one
  - how deeply rooted is the task among the employees
3. Rituals
  - what signifies the everyday work, for example attest- and control routines, meeting routines, decision-taking, cooperation forms
4. Ceremonies
  - celebrations, parties, appointments etc
5. Spirit and pride
  - how the atmosphere is
  - if the employees feel proud over their organization
6. Rewards and punishment
  - what is understood as positive, respectively negative



## 7. The soul

- a couple of questions derived from other worlds, for example the family, the vegetable kingdom, the animal kingdom or the carbranch helps us to catch the deep character features of the organization

The points above, are mapped through personal interviews.

### Selection

Since the investigation is qualitative, we try to work with an assortment, as plentiful as possible. Concerning the interviews, we usually finish a fruitful dialogue, by asking the interviewee if he/she can suggest any other employee who is willing to get interviewed. In this way our investigation to a certain extent becomes selfgenerating.

How broad should the choice be? It is very hard to specify the number of interviews needed beforehand. We ought to continue until we are theoretically satisfied, i.e. when further interviews do not give us any essential new information.

Since the collected material hardly can be data-processed, the number should not be larger than you can take in the material and work with it manually. By experience we know that one person can handle around 25 interviews, which means that a group of three persons are able to evaluate 75 interviews. This calls for daily meetings throughout the process where we report the results to each other. More about this under the headline "Interpretation". But before that some words about our interrogation-technique.

### Simulated situations and metaphores

The reason we use questions that deals about simulated situations, is that they create a distance towards the interviewees culture. The goal is to make them step out of their own culture and look at it from a distance. This is possible, since our questions influence people to take a strangers seat to be able to discover their own culture. Compare the reasoning under the title "Interviews".

A question, simulating a situation, can be as follows: Imagine you are reading the newspaper a Sunday morning and suddenly you think you discover a big headline about your company. How does the headline read?

Another example: Imagine it is Saturday night, you are at a party and happen to hear some people you do not know talk badly about your company. How do you react?

We use metaphores to get summing up valuations about the organizational soul, otherwise, this is hard to express. Metaphores helps us to reveal the concealed, hidden sides of the organization, the core itself, but also the opposite - the obvious.

A metaphore aims to characterize a phenomena with the assistance of something totally different. An example of this type of question is: "If the company were a tool, what kind of tool would you choose it to be?" The instant, spontaneous answer is rather uninteresting. The interesting thing is what different qualities the employee associates to the tool. Therefore the first question has to be followed up with for example: "Would you like to describe the tool thoroughly?" The hidden aspects are not revealed until the tool is described more in detail.

### INTERPRETATION

Let us establish the fact that the interpretations have to be related to the primary task to make sense. How to relate the things we hear and see to the organizational task is a standing question. It is the difference between the culture we are studying right now and all the other cultures we have already studied that is the culture.

It is so, we are not aware of our own culture until we are confronted with other cultures. People react on differences. As long as all actions are "normal" and accepted within our culture, we do not react. This is the reason why our questions aims to make the interviewee pretend to be a stranger.

If the data collecting is easy and stimulating, the interpretation is demanding and takes time. We have already mentioned how much preunderstanding means.

Openess is another important aspect. We have to be aware of that our own understanding for cultural phenomena may alter. This includes not the least the dialogues we have with the ones we are "interviewing", and our immediate interpretation of what is said during these dialogues.

We try to find the features and elements in the culture that forcefully influence behaviour. We are looking for cultural patterns when we know how the parts cooperate with the entirety. We focus on central conceptions and manifestations.

As uninitiated, we can mediate a snapshot of the culture. With taperecorders and cameras we "freeze" the culture at a specific point of time, interpret it and reflect it back to the organization. Why a snapshot? Because our view of the reality changes through continuous communication processes. This means we can not lay claim to the picture we mediate of the culture, more than exactly at the point of time we analysed it. Our view of culture alter and the way the organization mediates their own culture also changes.

### PRESENTATION

How to present cultural data is as important as the quality of the result of the study in itself. Our investigation instruments are very effective and sometimes there is a risk to embarrass the organization if we present our data straight up and down. For that reason it is our duty to balance what data we shall feed back respectively refrain from feed back.

Thus there is commonly resistance to presenting all cultural data. If we start to nibble at what people really do, at their fundamental valuations, we really have found strong information, information that the organization's representatives might be inclined to deny. This makes it harder.

Another aspect is that the people of the organization usually try to construct and uphold an image or a front in relation to the outside world.

Good culture studies will penetrate this front and expose both good and bad sides in the organization. By going under the surface we will, as it were, unmask the organization. We will drill ourselves down to the essence in the question, why people act in a special way. It is the unmasking in itself that can appear threatening. To present data without being threatening or condemning is important. How do we do that?

One way is to rewrite the diagnosis in the form of a fairy-tale. The fairy-tale or saga has the advantage not to be threatening. The dominating actors within the organization can be allowed to step forward in the saga. They can, whenever they want to, relate themselves to the characters in the fairy-tale. But they do not have to, they can always say to themselves: "I am just listening to a fairy-tale". But the thing of importance - the message of the fairy-tale - will reach out. Light- and sound-effects could be used to create a fairy-tale atmosphere.

Another "trick" is to use quotations from persons interviewed, typical for this very culture. For example something that describes the message or essence of what most people have given an expression to. In a strongly profit-oriented company, the division-managers statement to one of the profit centers, is an example: "I don't give a damn if you have soap in the bathrooms - the main thing is, you show me some results!"

Pictures, is a third way to vividly describe the culture. It is a stronger way to express oneself than with words. It could be cuts from the organization's own printed matter, winded with the photos we have been taking during the process.

A fourth way is to use sketches. They will not be seen as threatening, either. You need some acting talent if this presentation is to be successful. Five to six short character-plays that humorously describes some typical situations with a clear message, is all what is needed.

Video-technique could also be used to make a short film, preferably with some help from the people in the organization, where you highlight some typical culture scenes. This is a very exciting move, also possible to use in study-circles afterwards.

Unfortunately, we usually experience that it is the organizations at the front line of development, that really dares to confront with their own culture. Well, our message, and the psychological profile of the receivers has to decide what kind of presentation we use.

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## THE COMMANDO MODEL - A WAY TO GATHER AND INTERPRET CULTURAL DATA

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### OPERATION MAGIC FIRE

#### The task

To give the readers a feeling about how a commando group organizes its work, we open up with a realistic description. The interesting thing is the methodology, the way they act, absolutely not the result.

The hijacking of Lufthansas Boeing 737 flight 181 from Palma has lasted for 12 hours when the Westgerman Government decides to put in the terrorist combat-force "Grenz-Schutzgruppe)" (GSG-9). Every man in the group is a champion marksman, knife-expert, karate-expert, diver and an alpinist.

A couple of minutes after the Government decision was taken, the commander of the force, Ulrich Wegener and his 28 hand-picked soldiers are flown away to trace the hijacked plane. The force immediately starts to prepare for their task - a rush attack towards LH 181 as soon as it has landed.

The hijacked 737 finally lands, after a couple of ordered, touch downs, in Somalia on the Mogadishus airport. The murder of the captain that took place during the intermediate landing in Dubai, speeds up the preparations for the German commando force's effort.

Somalias president, Muhammed Siad Barre receives two telephone calls from the Federal Chancellor, Helmut Schmidt. Finally he gives his signal to Schmidt: "Your men can start." The force who are waiting on Crete gets the message per telex.

Right after nightfall the commando-force's Boeing 707 lands, with just the tail light lit, on Mogadishus airport as far away as possible from the hijacked 737. Then it slowly rolls away towards the far end of the runway.

The commando soldiers, dressed in darkblue and green and blackened in their faces, sneaks over to the tail of the hijacked plane without being seen. Now their skills really will be tested. Inside the plane are 82 passengers, crew and four wild terrorists. The storming has to be fast and methodical to avoid a big massacre.

Metallic ladders are soundlessly put against the plane and magnetic explosive charges are placed on the left side around the doors. A moment later the doors are blown out simultaneously. The soldiers that climbed up on the wings sucks out the windows by the emergency exits through a very low pressure equipment from the British army.

Each of the two soldiers throws a handgrenade of phosphorus into the plane. When they explode the cabin is filled with a forceful bang and a blinding white light. The grenades do not produce any splinters. Two commando soldiers with protective goggles enter the plane. The two first hijackers are shot down as they, paralyzed by the blinding light, stagger out of the cockpit. The terroristleader is shot when he insecure a handgrenade that detonates in the front of the plane without damaging more than parts of the interior.

The front toilet door is opened slightly. A gunshot is fired. The bullet hits the bullet-proof vest of one commando soldier. He replies the fire. Two more shots are fired at random by the terrorists, but they just hit the cabin ceiling. Then one of the female terrorists falls to the floor, bleeding from several wounds.

Five hundred meters away, the pilot who transported the commando troupe describes the events to the management in Frankfurt. "The plane doors are open, the guys are getting inside, I can see 6, 7, 8 people of the hostage rushing out... The soldiers have everything under control... It is over. The action is finished."

From Frankfurt it briefly comes: "We would like to know the number of killed and wounded. A few minutes later comes the answer: "Three terrorists killed, the fourth badly injured."

"That is understood, OK" says Frankfurt. "Return to your base."

With the exception from the earlier murdered captain, all of the hostages survives the drama.

The action in Mogadishu is later commented on, in speech of the Federal Chancellor... "The event has made a deep, calming impression on our people."

#### The accomplishment

Let us make a short summary of how the commando raid is carried through.

We can find five significant points:

- \* Accurate planning
- \* Timing
- \* Surprise
- \* Quickly have the situation under control
- \* A quick withdrawal as soon as the surprise element has had desired effect and has not lost its value.

Against this background we continue to describe another commission, operation HOT CAT, that in its methods, resembles the way commando soldiers execute their tasks.

#### OPERATION HOT CAT

##### The task

In the beginning of April, 1983 I am commissioned to perform a sensitive and strongly time-limited task. In three weeks I was to practically lead a culture diagnosis project in a Scandinavian service company with 7000 employees and 2 billion SEK in total turnover. The result was to be presented for the company's Top Executive Committee at their next meeting during the first week in May. Among other things the diagnosis was to form a basis for discussing and specifying the organizational goals and fundamental view or attitude in different important questions.

The project needed to be manned with a couple of discerning, not easily stressed collaborators that could travel together mostly in Scandinavia to collect data. To succeed, we would have to work concentrated, fast and methodically and in a, for the client, somewhat unusual way. We had a very short time to our disposition, totally 15 working days from the start to the presentation of our results.

#### The birth of the Commando model

How would it be possible, in such a short period of time, to carry out a culture diagnosis without drowning in all actions and behaviour that manifests the essence of a culture?

We realized that a detailed study, similar to that of the ethnologists accuracy would require too much time and involve a risk for us to be engulfed by the culture we were to critically interpret. We should run the risk to get lost in details instead of finding over-all pictures.

However we found that a passable way to work, would be to use the same principles as commando soldiers do when they prepare and carry out their actions.

This is how the commando concept was born. A commando force is a group of individuals, specially trained for raids, stormings, and other "lightning actions". The troupe is acting independently under its conductor. The conductor himself is working tactically and independently to reach the strategic goal. To become successful the performance has to be unexpected and surprising to the target group.

Anyway, our "HOT CAT OPERATION" was quickly manned. Three consultants were going to make a series of flying visits at the different units of the company. At the "base camp" we had one back-up consultant who was ultimately responsible for the operation.

Commando soldiers are led by military tactics. The clearer the management has fixed the strategy of an operation, the more independent the force can work. The individuals are also led by a military doctrine, i.e. a set of instructions shared by everyone. Thereby they develop a common moral attitude and behaviour pattern. The troop managers can, with full confidence, give the operational responsibility to the leader of the troop without controlling how the task is accomplished.

We ourselves, had had our first training in something that later became a research program. We learned to work with organizational diagnosis in new, different and more fruitful ways. Through some meetings with the leader of the group we eventually acquired a common frame of references. According to this approach, a culture diagnosis can serve as a starting-point for a development program where strategy and culture is brought into better agreement, i.e. strategy and culture will eventually cooperate to help the organization attain its goals.

In our design, the commando model is in the first place a way to alternately gather and interpret cultural data. Simply a technique to gather and interpret data. It asks for rapidity, intensity and coordination together with a great adaptability in shifting

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situations. We have to be prepared to take time by the forelock when we gather our data. Data that mostly comes from the 7 point model described under the title "The cultural keys".

On the other hand, for us the adjacent concept Comando Consultants (CC) stands for a consulting style which means that you belong to a category of consultants whose professionalism come to advantage in flexible and complex situations.

The collecting and first interpretation is done during a short and intense period of time.

The "Commando group" went out together to the units agreed upon. Our client had already informed the managers about our visit, who had found a contact person at each unit for us. At our arrival we were shortly showed around and thereby our presence was authorized. Every general manager had further prepared our visit by seeing to that employees would be willing to get interviewed during the day. Important "bearers of culture" (public opinion moulders) were booked in advance and at our arrival we received a list with meeting schedules.

### Three steps

Alas, we arrived with cameras and taperecorders. After the first tour of inspection together with our contact person we spread out to work individually during the day.

All the three of us, in the group, used the day for individual data gathering. We worked with private interviews and direct observations. Secondary material was mailed to us. In the evening we made an individual analysis and interpretation of the data we had gathered during the day. After that the group met to compare, control and put our material together to a common interpretation. This three-step pattern of individual and mutual work was used day by day during the collection of data. The positive sides with this technique was that we had three independent bearings from the start.

At night, when the group had made their common interpretation, it reported the results to its "headquarters" and at the same planned for the next day. New places to go, new units to visit.

When the data gathering and the first preliminary interpretation out in the field was done, we continued to look for patterns and characteristic points at home. The interpretation and reportwriting took about twice as much time as the gathering work did. Tapes had to be listened to, photos developed and all the material put together in a report. So we made it all in ten days. Three days for gathering data. Six days for analysis and interpretation and writing the report at home and one day for the typing of it.

What was the difference between the operation HOT CAT and MAGIC FIRE? Of course, the goal for each operation. HOT CAT was done to make the organization stronger through clarifying the culture and thereby being able to influence it. MAGIC FIRE wanted to break down a resistance, to make the enemy harmless.

The Commando model is only one dimension of the cultural diagnosis technique. It is a paradox in the way that it actually makes one

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think of a technical and instrumental view of organizational cultures. On the other hand, we have to remember that up till now the commando model has been tried, modified and refined through a handful of different cultural studies.

The strenght with the Commando model is that it is a fast and lucid technique to find relevant cultural data. The shallowness receives its intrinsic value. We discover the important features and turn the weakness to have little means and lack of time to our advantage. We get the overall picture and do not risk to get stuck in details. The organization obtains a foundation from which it can carry on to work.

The translators

We have given examples how you, as uninitiated, can work when diagnosing an organizational culture. We also have described a concrete technique for gathering and interpreting cultural data. A fast and exacting technique. But may be it is hard to find alternatives. If we investigate for a long time, we risk to become a part of the culture and will not catch the snapshot views we find through the Commando model. We are the translators, translating and interpreting the things we hear and see, as careful as possible. Hopefully, our pictures create a knowledge that leads the organization forward, towards goal clarifying and in the long run, a higher goal accomplishment.

Semantic scales

A complement to the Commando model is to measure different organizational features with for example semantic scales. How the employees themselves understand such a thing as the extent of:

- \* risktaking
- \* feedback
- \* capability to act
- \* individual freedom
- \* openness
- \* capability to solve conflicts
- \* willingness to debate
- \* richness in ideas
- \* learning capacity
- \* challenges
- \* confidence
- \* pride

And then what?

A cultural diagnosis with the help of the Commando model is a powerful intervention with lots of openings. It is important that the managers, before we start the investigation, are interested in continuing the process started. This they do by taking the consequences of the diagnosis. If they are not willing to do this, there is a risk that the positive effects of our work will stay away. It is also important that the people interviewed and those who in other ways have given us help or support during our work, very soon will get the results of the study. The best is probably to let them attend when we present our conclusions.

My "spectacles" are influenced by the following books:

de Board, R., Våga lyssna, Bättre ledarskap, Liber Förlag, Stockholm 1984

Dahlström, E., Intervju- och enkätteknik, Natur och Kultur, Stockholm 1970

Ehn, Billy/Löfgren, Orvar, Kulturanalys, Liber Förlag, Stockholm 1982

Eneroth, B., Hur mäter man "vackert"? Akademilitteratur, Stockholm 1984

Goldberg, D., Förstå och utveckla din intuition, Svenska Dagbladets Förlag

Hermann, K./Kock.P., Assault at Mogadisho, Corgi Books, London 1977

Musashi, M., De fem ringarnas bok, Bonnier Fakta, Stockholm 1984

Peters, Thomas J./Waterman, Robert H. Jr, In Search of Excellence, Harper & Row, New York 1982

THE COUNCIL OF TRENTO AND HOW IT REVEALED NEW SKILLS IN THE ROMAN  
CATHOLIC CHURCH  
Vincent DEGOT

First, I must apologise for not speaking on the subject announced in the programme you received, my excuse being that I felt it only fitting for some tribute to be paid to the ancient City of Trento. I thus improvised this hastily written and barely documented paper.

When discussing to-day's meeting with Antonio Stratti\* while we were at Antibes, I was surprised to see that nobody intended to offer to the Symposium of Trento a paper on the Council of Trento. Although no expert on Church history, I was unable to resist the pleasure of filling that gap by showing how there is a connection between the Council and our subject of management skills. I have two justifications for this:

- firstly, there is the fact that we are meeting in a city which, to my mind, has had a decisive influence on Church history lasting at least three centuries, while the Church itself is a form of organisation whose skill has enabled it to survive for close on two thousand years; developing forms of action which more modern techniques - ranging from the torture chambers of Latin America to the brain-washing clinics of Eastern Europe - might well envy;
- secondly, it happens that one of my ancestors, named Bertrand de Got, took the style of Clement V when he was appointed to the Papacy. History recalls that he was the first Pope of Avignon and plotted with Philip the Fair the extermination of the Knights Templars.

Failing proper academic credentials, I thus have both objective and more personal reasons for wishing to improvise this dissertation (roughed-out only yesterday on the City's magnificent Piazza), relying solely on my memory and hoping not to say anything too foolish - or, that if I do, nobody will

\* the convenor of the Trento Conference on "Skill"

point it out and my tale will hang together.

What are the facts I can summon to mind?

At the start of the 16th Century, the Church structures were still partly those put in place during the exile in Avignon, which marked a period of intense organisational activity.

In 1517, Martin Luther posted on the door of the castle church at Wittenberg his 95 theses. To all appearances, his intention was not to split with the Church, but to denounce a number of wrongs he found particularly disgraceful, pointing amongst other things to the low cultural level of the priesthood, many of whose members were completely illiterate and lived in miserable conditions, often in company with wives and children. He also protested against the dispensation of Indulgence, by which practice salvation was promised in return for cash.

Luther was protected by certain German princes and his protest, coming at a time of great social unrest in a patchwork of small States, rapidly found a wide audience. No attempt at reconciliation to stem the tide was contemplated by the Medicis Pope Leo X. It must be said here that Luther's revolt was then just one more in a long series of such incidents going back to the 12th Century, some of which resulted in internal reforms while others subsided into local heretical communities. Many of the rebels sought a return to the purity of the Early Church: in Italy, the fraticelli and patarini movements were among these.

I will not go into the reasons which enabled Lutherism to spread so widely, nor discuss the Church hierarchy's failure to grasp its implications. It was not until ten to twenty years

later that these were recognised, and the same hierarchy formed the intention to convene a Council which would decide what measures to take in the face of what was now clearly a serious threat. However, at that particular time, Charles V, Holy Roman Emperor and King of Spain, did not want the Church to pass a sentence likely to estrange the Protestants and complicate the political situation in Central Germany.

This was why so much time was lost, with the Council not meeting until 1545, when Paul III was Pope in Rome<sup>(1)</sup>. At first, the Council seemed set on a course of reconciliation, as Protestant observers were invited to attend. Its sittings lasted for eighteen years spanning the reigns of at least three Popes, Paul III, Paul IV and Pius V - not continuously, of course, but with interruptions between what I believe were three main sessions. No concordat was to be reached.

There are four points affected by the main decisions of the Council, as far as we are concerned here:

- firstly, prevention of the most outstanding bad practices denounced by Luther, and reinforcement of the powers of the bishops: prohibition of dispensations of indulgence, obligation placed on bishops to reside in their sees, and forbidding of the holding of more than one Church benefit;
- secondly, improvement of the qualifications of ecclesiastics to arm them for the doctrinal battle against Protestantism. There were two main approaches to achieving this:

(1) This text is a full transcription of the paper read at Trento, but after revision by a specialist. In the meantime, I was able to check a few points: Charles V seems to have supported the Council in its outstanding difference with the Pope as to the respective powers of the two. As I thought, the Council was in fact convened at Mantua (1537) and later at Vicenza, before finally meeting at Trento).

- organisation of seminaries in their present form, i.e. providing a course of study for secular priests prior to their being ordained,
- and recognition of new religious orders (Jesuits, Oratorians, Theatines, etc) - the "worldly" orders as opposed to the older ones cloistered in remote monasteries or convents;
- thirdly, a number of ritual and liturgical changes (the Holy Sacraments increased to seven, instead of only baptism and communion as previously). Here, the Latin Mass was introduced in the form it retained until Vatican II, known as the Pius V Mass after one of the popes coming just after the Council of Trento;
- finally, much work was put into iconographic and architectural innovations designed to strike the imagination and put the fear of Hell's fires into the hearts of the unbelievers. Religious imagery was stripped of all the apocryphal references introduced in the Middle Ages with the Golden Legend tradition (restoration by Baronius and Charles Borromeo). A good example of this is to be found at the tomb of St Ignatius of Loyola in Rome.

Mention must also be made of a large number of decisions of symbolic importance which were taken at the Council, although not directly within its terms of reference, including the very rapid canonisation of the founders of new religious orders: St Philip Neri, St Ignatius and St Gaetan Thiene.

Putting all these initiatives together, we clearly see them as a riposte in answer to a specific threat, hence the name of the Counter-Reformation given the period immediately following the Council of Trento:



- Protestantism was a subtle variation on the Catholic theme. Both agreed on 95 percent of the basic articles of faith and it can be considered - especially looking back from a 20th-Century viewpoint - that there were only shades of difference between them. The Protestant enemies were intermingled (geographically) with the Catholic population, and the ideological separation was a narrow one. In actual fact, the most serious thing was that they denied the authority of the Pope. This meant that the priests of Rome had to be more versed in the dogma if they were effectively to present the argument of God's real presence in the Host;

- then, the Protestant heresy was very different from the early heresies, which were much more localised (such as the Cathares) or came from contacts with enemy religions such as Islam, where political differences entailing the risk of warfare were also involved. Even though, following the principle of cuius regio, ejus religio proclaimed at the time, Protestantism tended to become identified with particular geographical areas, the Christians of different denominations lived in close proximity to each other. Consequently, the evangelical priest not only had to be better trained, he also had to go out into the world, descend into the arena of dissension, and seek out and frequent the heretic. Many of the new religious orders in fact regarded themselves as Soldiers of the Church and owed special allegiance to the Pope.

We may thus speak of a new-found Church skill which came to the fore at that time and which was given formal expression in the canons of the Council of Trento. This new skill was most particularly in evidence with the Counter-Reformation, whose active period lasted up to the end of the 16th Century, but also made itself felt in other ways, such as its influence on religious art. It

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effectiveness was proved by a number of successes (seen from the Catholic standpoint, of course). Some of these were achieved entirely through the spiritual endeavours of the Church, such as the reconversion to the Faith of Bohemia by Peter Canisius (later to become Pope and then canonised), whereas others received the assistance of the temporal powers, like the French Wars of Religion which culminated with the arrival on the throne of Henri IV. It must be remembered that at that time virtually half of the French nobility had joined the Protestant Faith.

To my mind, therefore, the Council of Trento, only a few of whose decisions and effects have been mentioned in this paper, can be very closely associated with the notion of skill: it found the means of reacting to a danger by changing its own behaviour to suit changed conditions. This is all the more significant in that the Counter-Reformation, though it went through some violent phases, nevertheless participated in a movement which condemned violence as a means of settling dogmatic differences and was inspired by the works of Erasmus during the first part of the 16th Century. It thus amounted to an early recognition of the power of argument as accepted in modern times.

\* especially his book "De civilitate morum puerilium" (1530)

In closing, I would like to stress the value I attach to the prospect of encouraging contributions to the study of such matters as "skill" and "image" by reference to examples taken from earlier times, where religious history would be an especially rewarding source.

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Postface - At the request of Antonio, I have "polished up" this highly improvised contribution for publication, but the reader is asked to bear in mind that it started off in front of a large ice-cream in the sun of Trento.



**Family Firms and Families Run  
as Firms or Like Firms**

**Carlo Galimberti\* Antonella Marchetti\*\***

**Anna Maria Rozzi\*\* Giuseppe Scaratti\*\***

"Chaque famille secrète un ennui intérieur et spécifique qui fait fuir chacun de ses membres (quand il lui reste un peu de vie). Mais elle a aussi une antique et puissante vertu, qui réside dans la communion autour de la soup de la soir, dans le sentiment d'être entre soi, et sans manières, tel que l'on est - groupe de gens qui sont entre eux tels que sont. On pourra donc conclure que la famille est un milieu où le minimum de plaisir avec le minimum de gêne font ménage ensemble."

P. Valéry

"Family firms are ... particularly subject to fluctuations in the talents of the members of the dynasty, biological accidents and so on ... Rootlessness against rootedness; anxiety against security; refinement against pride; extroversion against introversion. I believe that at the heart of the continuity (of the family firm) there lies the question of identity and consciousness of the self."

D. Landes

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**Introduction**

This paper collects together the results of the first, exploratory phase of a study of family firms, and we intend to follow it up later on with a study of a more clinical and empirical nature. Our intention is to interview a small sample of entrepreneurs and members of their families who work in the management of the firm. The content of the interviews will then be analysed in order to put the skills typical of the family firm into psychological perspective, with special attention being paid to an understanding of their symbolic values.

By way of introducing the study as a whole, we should say at once that the starting point of the enquiry - for the moment being carried out at three levels: linguistic/semantic, psychosociological and historical - was a dual reading of the concept of the "family firm" which produces two possible meanings: the "family" which specifies the type of firm we are dealing with can be understood either as a subject genitive or an object genitive. In the first case, it indicates that the firm is owned by the family and is constituted of the family itself. In the second case, however, it means that there are family ties in the firm, and that it is not alien (family = that which is not alien, evil, hostile but good/friendly) to those who work in it. This dual reading suggests that there may be a chiasmus here (including at linguistic level). The construction of a circuit between the family and the firm emphasises the interconnectedness of the two by revealing the two-way nature of the relationship. In this sense, and in order to stress the reciprocity of the exchange between the two systems, we feel it would be convenient, as our title suggests, to speak of a "family firm" and a "family run as a firm".

# 1. The family firm and the family run as a firm: the meanings of a chiasmus

Since most symbolic values work at linguistic level, we think it would be best to open our enquiry by looking carefully at some concepts implied by this chiasmus in one way or another.

Families and firms are complex organisations, one concerned with kinship relations over several generations, the other concerned with the production of goods and/or services. From the etymological point of view, the encounter between family and firm, when seen in terms of organisational skills, uncovers a series of different contexts, reveals meanings and directional trends, and establishes relationships and connections of a type which justify the relevance and meaningfulness of an enquiry such as this one.

Our intention is to identify, using the cross-play of the references and meanings of the terms, a common semantic network which can support and consolidate the arguments we shall be considering in the rest of this paper. In an attempt to weave a conceptual framework, let us start, then, by considering organisational skills as instruments for the management of complexity. We already have here a first use of "instrument" which refers to "struere", construct, and so also, in some way, to "technique", which is completed semantically by and has connotations of meaning in the other term "work", as we shall see.

We arrive at the same conclusion if we analyse the etymology<sup>1</sup> of "skill": "ability and suitability to accomplish something satisfactorily", where accomplish (= do, execute, fulfil) refers to a task in the sense of work assigned, duty. Connected with skill we have the adjective "habilis", manageable, also in the active sense of "able to

<sup>1</sup> For etymological references, most use was made of: M. Cortelazzo, P. Zolli, Dizionario etimologico della lingua italiana, Zanichelli, Bologna 1979; G. Devoto, Avvicinamento all'etimologia italiana, Mondadori, Milan 1979; Antimo Negri (ed.), Filosofia del lavoro, Marzorati, Milan 1980.

hold".

Again, the Italian word "azienda" (firm, company, concern), from the Spanish "hacienda" and Latin "facienda", leads us to "things to be done" and "things done" ('da fare' and 'fatto'), connected again with the Latin "facere" which, together with "agere", constitutes the main semantic area of "work".

Even with our first batch of meanings, then, we are referred immediately to "work" as the semantic knot in which the various semantic references intertwine, and whose elements we have to take care to understand. Moreover, "family" also, from "famulus", servant, is part of this set of meanings. A characteristic element of "family" is "diakonía" (= service, bustle, function) which, complementarily with "demiourghia" (=public service, outside the family), derive from the Greek noun "érgea" and the verb "ergázesthai" whose meanings embrace various senses of "work" and "to work". At an initial level, the simple juxtapositioning of family as a place of re-production and the firm (azienda) as a place of production, which introduces wider concepts such as fertility and generation, gives us a glimpse of a semantic relationship linking the various words in question to "work".

Antimo Negri's analysis of the word is both illuminating and clarifying. By means of a circular, associative etymological study, he outlines a close relationship between, on the one hand, "work", the Latin "facere" (from which we get "homo faber"), the Greek "poiein" (work as art, poetry), and on the other, between the French "labourer", "ploughing", the Latin "colere agros" and so, also, culture.

In this establishing of a common identity between work and culture, understood as the departure of man from the natural scheme of things, "work" presents itself in its whole semantic range of poetry, civilisation and culture<sup>2</sup>.

Work humanises nature, then, which becomes, in a broad sense, worked earth, the product of labour as a fundamental deed or gesture of culture (from "colere"). Thanks to culture/cultivation, the earth becomes "arabilis", nature loses its alienness/hostility

<sup>2</sup> A. Negri, op.cit., Vol. 1, p. 26

towards man and becomes, in some way, within reach or manageable (cf. the meaning of "habilis"). So the instrument, as an accumulation of work, and so, also, technique are part of this humanisation/familiarisation of nature, so much so that it "may be possible to extend "nature" in relation to the semantic field of "work" to the point where we become involved with (from the Latin "faber tignarius" and the Greek "tèkton") with "technázein" (to fabricate, construct, shape artificially), "technáestai" (to prepare *skillfully*)<sup>3</sup>, "téchnasma" (work, work of art, instrument) and "théchnè" (art, technique, etc.). In this way, we can consider words like "téknon" (son, from "tíktein", to generate) and "teknopoieîn" (to generate, procreate)<sup>4</sup>.

Again, it should be remembered that the English "labour" also means, as a noun, "birth pains", among other senses, and as a verb, "to have birth pains". Moreover, the latin "labor" as "poena" - "ponos" already suggests "trouble, bother".

As can easily be seen, the word "work" carries real polysemous pro-vocations and e-vocations which connect up semantically the words "skill" (abilità), "firm" (azienda) and "family".

Groddeck arrives at the same conclusion by a different route<sup>5</sup>. Starting with the desire for incest and the "possibility of conceiving life itself as dependent on the instinct for the union of a divided trinity", he defines an intrinsic relationship between work and man-woman-child. The etymology of "labor", labour, "Mûhe" goes back to the Gothic "ga-malvjan" (to grind), linked to the Latin "molo" from which we get "mollis" (soft) and probably "mulier", which indicates analogies with sexual activity in which the stiffness of the male is "ground", made soft by the female. Work, then, is the cultivation of one's own field, the labour of man in ploughing (the field of) his woman, whose outcome is birth (child, growth) followed by the death of maleness (flaccidity). There is an identification, then, of "death" and "work" which seems opposed to that of "work" and "live" (see note 2) described by Negri, but perhaps they are intimately

<sup>3</sup> Our italics.

<sup>4</sup> Op.cit., Vol 1, p. 29.

<sup>5</sup> See Op.cit., Vol. VII, pp. 706-709.

connected in ways which would require further investigation and study to be properly understood.

In any case, these are further indications confirming a circularity of reference between "work" (semantically linked to firm, skill, technique and instrument) and "family", at once a symbolic locus and a symbolisation matrix.

Indeed, if we move in the direction indicated by the identification of work with culture, we cannot help but recognise the family as that special context, where Nature moves into Culture, that Levy-Strauss has described and illustrated in the taboo of incest - the family, then, as a symbolic locus par excellence, in the sense that it juxtaposes (sym-ballein) and holds in union the two dimensions of love-affection and hate-violence (life and death). On the other hand, the humanising effect that work has on Nature finds in the family the symbolic matrix that can signify it: family/familiarity as metaphorical signs carrying the semantic connotations that work assumes in relation to the alienness/hostility of nature. But this semantic indebtedness to family symbology only increases when we note that the internal relationships that constitute the family dynamic itself, *in primis* the Oedipus complex and the process of identification, which justify a structural as well as a semantic correlation. Meltzer<sup>6</sup> stresses that work is an adult form of organisation, compared with infantile play, which places the Ego in a primary relationship with the Id: work as an outlet for the relationship the Ego mediates with the Id through introjective identification, understood as the resolution of the Oedipus complex and the beginning of the adult part of the personality. Adult sexuality is itself guided by introjective identification, so that there is a correlation between work and adult sexuality, even if not of the paradoxical type "which comes first, the chicken or the egg?". Meltzer<sup>7</sup> states: "From the descriptive point of view, it would be only commonsensical to take "work" as the wider term and "sexuality" as a

<sup>6</sup> See Op.cit., Vol. VII, pp. 709-719.

<sup>7</sup> Meltzer distinguishes "obedience to objects as the infantile mode, with its implicit reward goal in love and protection (including the infantile expectation of promotion-to-adulthood), from adult fidelity to methods and principles ("under their aegis"). The latter is the basis of adult work". Cf Meltzer, in A.Negri, Op.cit., p. 714.

particular area within it. Nonetheless, in terms of the meaning of behaviour, which is investigated psychoanalytically, "sexual" seems the broader of the two, especially when its "genital" nature is acknowledged<sup>8</sup>.

The family seems, then, to be a locus for identification which structures both the organisation of the adult personality and the work which derives from it.

We have already noted the highly suggestive polysemy of "work", and we should now examine the metaphorical-structuring symbology of "family" in order to complete the play of cross-reference the two words set up.

The family, the principal object of this enquiry, would seem, then, to contain the two dimensions of work and family whose semantic interrelations have been revealed by etymological study which has again pointed to the possibility of a shift, an exchange of meanings that it would now be as well to look at from other points of view.

## 2. A "classic model". Talcott Parsons and the adventures of the splitting

The problem of identifying not only similarities and differences between, but also superimpositions of the skills typical of this "double exchange" between the family firm and/or the family run as a firm has not yet been tackled directly within the framework of a precise sociological models. Sociologists have usually limited themselves to considering the nature of and the differences between skills remunerated within the professional system and skills remunerated within the family. If we take a diachronic view of the history of sociology, we can see a distinction between two forms of social life which crosses the boundaries between apparently quite different fields of theoretical thinking. In his famous analysis of the two types of solidarity, Durkheim identifies one group of people whose relationships are profound, mediated and all-inclusive, and another group whose relationships are usually indirect and superficial,

<sup>8</sup> *Ibid.*

and which do not usually touch, and if so only marginally, the lives and personalities of its members.

Paraphrasing Tönnies' conceptual categories, we could say that we have here two forms of social life, *Gemeinschaft* and *Gesellschaft*. Parsons takes the dichotomy postulated by Tönnies and introduces it into his general theory of action, with the proviso, however, that the opposition between community and society is not unidimensional, but includes several dimensions that have to be unravelled and explained. Parsons sees these dimensions as the "queries" the social actor is faced with whenever he has to orient his actions. He identifies four patterns, to each of which two responses are possible. But how is the social actor to decide which response to adopt? According to Parsons, who follows Tönnies here, the structural variables of universalism, achievement, affective neutrality and specificity constitute "societary" relationships, while particularism, quality, affectivity and diffusion are responses found in communitary relationships. This splitting between *Gemeinschaft* and *Gesellschaft* seems even clearer if we analyse Parsons' model taking the relationship between formal organisations and social systems into account.

Formal organisations are really just a subsystem of social systems, and their principal feature is the orientation of the social actor towards specific objectives. A system like the family, on the other hand, is not created for and does not proceed towards a specific objective. It grows and shapes itself through "expressive" dimensions which are ends in themselves, such as "togetherness" (affectivity). As regards the firm, one of its aims is, obviously to give profit to its owners, and people who agree to this do not do so simply because they belong to the firm, but for instrumental reasons. From this point of view, the distinction Parsons makes between family and firm in terms of "functions" is extremely clear. In keeping with Freud's model, it is also true that he sees the family as the most important of the socialising agencies for the development of the future "citizen"; he adds, moreover, that the relationship between the family and other socialising agencies should be seen in terms of complementarity rather than

opposition, realised through a balanced division of formative work.

The social Darwinism prevalent in Parsons' thinking leads him to see the construction of the individual's role in terms of various socialising agencies, and this would seem to build a bridge between the family and society, and between the nucleus of belonging and a future profession. Yet when he tackles the question of the relationship between the family and professions, he states that: "... there is no other sector in our society whose principal features contrast more sharply with those of the professional world than the family ... instead of being regarded in personal, emotionally neutral terms, the family is treated specifically as a network of emotionally-charged relationships, because the affection exchanged between its members is considered in our society to be the most important basis of their solidarity and fidelity"<sup>9</sup>.

These statements are the result of Parsons' analyses of the North American, middle-class "conjugal" family, and they show a constant trend towards the isolation and privatisation of the family as capitalistic development proceeds.

When ties with the original family are cut, the structural variable of affectivity becomes important, and when the hereditary system of ownership, which tends to distribute the inheritance in equal parts to all the descendants without regard for sex or order of birth, is changed, kinship ties no longer have any influence on the choice of partner. It is made freely on the basis of effective elements. Parsons seems to mean that there is a process of separation from the original family and strong individuation within the conjugal family. Since there are no "horizontal continuities" of remunerated skills between family and profession, and there is no "vertical tie" in kinship relationships, this might lead us to think that, in Parsons' theory, a model which allows family and professional skills to cross each other has no right to citizenship, and yet this model is of basic importance in understanding the structure and functioning of the

<sup>9</sup> T. Parsons, La struttura sociale della famiglia, in R.N. Anshen, La famiglia, la sua funzione, il suo destino, Bompiani, Milan 1974, pp. 261-262. The apparent contradiction between the two positions is removed if we consider that socialising agencies work for a good "integration" of the individual into the social system.

family firm. Indeed, as he continues with his analysis of the family, he insists on saying that "the direct integration of the professional function with the kinship system" is impossible. He ascribes the occurrence of any such fusion to uneducated, peasant societies with a pre-capitalistic economic structure. Although he admits that the family enterprise, whether large or small, played a fundamental role during the initial phase of western industrialisation, Parsons insists that it can have no right to exist in view of the progressive splitting of work away from ownership. Since it fuses three institutions - kinship, professions and ownership - the family firm appears a more highly integrated family model than the contemporary conjugal model in which affectivity is the only cohesive element. However, it in no way contributes towards the economic development of modern society, which requires more "universalised" forms of administration. On the other hand, Parsons says that the productive professional function has to be performed by the man, while the woman performs the expressive, reproductive function, and this reintroduces a profound splitting in the family which, as we have already seen, corresponds exactly to the distinction between *Gesellschaft* and *Gemeinschaft*. On the one hand, we have what we shall later term the "paternal code", a prevalence of the notion of achievement: relationships between individuals seem to be governed by selectivity and measured on the basis of skills expressly suited to the attainment of given objectives. On the other hand, we have factors associated with affectivity and diffusion and the "maternal code": fusionality, often of a symbiotic nature, a prevalence of needs of **belonging** and **integration** as the criteria on which relationships between individuals are based, independently of their merits and/or particular skills or objectives achieved.

3. Beyond Parsons: from the opposition of "belonging" and "selectivity" to "double symbolic exchange". The symbolic dimension of skills in the family firm

During the sixties and the seventies, Parsons' arguments led to a number of functionalistic simplifications of an ideological nature, as happened in a quite different field with Engel's theory of the family. What these two distortions have in common is a reading of the relations between family and society in terms of opposition. As has been observed, such an opposition "implies the reconstruction in every society of a potentially unitary family model"<sup>10</sup> which does not show up the actual differences there are in the ways the family-society relationship is structured; in consequence, it ignores and censures the symbolic values that these differences take on in the individual, family and social imagination. It is possible to discern behind these distortions an intention on the part of society to dominate the family, the precondition of which is, as we have seen, the separation and opposition of the concepts of **belonging** and **selectivity**. In order to break out of Parsons' frame of reference, we have to re-establish a relationship between the two terms in some way. A number of attempts have been made to do this, and Gordon Poole's seems one of the most interesting of them.

His thesis is important for our argument here because, by doing away with Parsons' artificial splitting up of the two terms, we can postulate the coexistence of aspects of the achievement principle and the pleasure principle in the man/woman relationship, and this means a mutual enrichment of both concepts which, as we have seen, centre around the semantic network based on love and work.

Bourgeois society, says Poole, is able to resolve the dichotomy between the pleasure principle and the achievement principle, but it does so "only by moving it on

<sup>10</sup> A. Manoukian, I vincoli familiari in Italia dal secolo XI al secolo XX, Il Mulino, Bologna 1983, p. 10.

to the figure of the woman who has, at one and the same time, to stimulate her husband's production and be herself a pleasing consumer object - she has both to flee from him and to belong to him. Obviously, there is not one but two roles here, and they can never be reconciled; the art of being feminine is the art of the impossible"<sup>11</sup>. By considering the woman as both "inferior", because in direct contact with material existence, and "superior", because the object of his libido, the bourgeois man finds himself urged to produce the goods which she will consume, "ruining but at the same time increasing his man nobility"<sup>12</sup>. It seems, then, that the opposition between greed/domination/interest and libido/love/passion can be resolved somehow within the bourgeois marriage and that this function is, in some way, the "keystone" of such marriages: "The objective submission of the wife to her husband and his instrumental utilisation of her - says Manoukian - is counterbalanced and mitigated by the affection and sentiment that are one of the most typical manifestations of the bourgeois couple".

For Poole, it is the woman who brings the integration and the synthesis of these mutually contradictory principles to a marriage. We think that his thesis can be carried still further by seeing within the family itself the co-presence of that "belonging" and those "selectivity" criteria associated respectively with the affective dimension and the achievement dimension.

From this point of view, the special feature of the family seems, then, to be the synthesis not only of 1) the maximisation of the love/affection relationship (the family as a "loving context"), 2) the repression/prohibition of patricide, violence between siblings and incest (the marriage family as a "conflictual context"), but also 3) the pleasure principle, and 4) the achievement principle. The play between these four factors and the connections between them establish the organisational identity of the family, making it both a **loving context** and a **conflictual context**, according to the findings of the most recent research in the social psychology of the family.

<sup>11</sup> G. Poole, Alle origini della concezione borghese della donna, p.163, in A. Manoukian, Op.cit., pp. 139-163.

<sup>12</sup> G. Poole, Op.cit., p. 162.

An integration of this kind is particularly significant and interesting when applied to the situation of a family involved in the running of a firm. In this case, it is no longer only the woman who has to resolve the paradoxical situation imposed by the dichotomy between the pleasure principle and the achievement principle, where, she has both to stimulate her husband's production and offer herself to him as a pleasing consumer object. In a family involved in the running of a firm, the paradox is squared since in the firm too - i.e. in an organisation whose aim is the production of goods and services - there is always exposure to the opposition between belonging/expressiveness/integration and selectivity/achievement/attainment of objectives, with frequent expulsions from one or the other poles in the opposition.

It is no accident that, even at the very beginning of the study of sociology and organisational psychology, there was "doubt" about the impossibility of separating the rational from the non-rational (a-rational, ir-rational, supra-rational or infra-rational). Indeed, what we are considering in this paper is no more than one of the many consequences of this dualism. During the period covering the end of the last centuries and the early years of this century, when western culture was characterised by a growing irrationalism and Neo-Romantic pragmatism and vitalism were extolling the virtues of the non-rational, Taylor (engineer and productivity expert) made serious efforts to extend the limits of rationality. He did away with the boundaries separating myth (the non-rational) from reason in the factory and attempted to transform myth into reason. This attempt - which we are taking here as a paradigm of the way in which organisational theories are frequently constructed - proved to be the cause of so much anguish in society that Taylor ended up in court as a result. Later, as is well known, the sequence "taylorism-human relations-organisational development-analytical models-systemic models (socio-technical systems)..." led to the prevalence of either reason or non-reason in solutions to the dilemma.

The extremely "(un)happy synthesis" of the pleasure principle and the achievement principle, and of the rational and the non-rational, would seem to be at work, then, in

the family and the firm. The co-presence of these elements creates a certain degree of compatibility and, we might say, makes possible the creation of an interface between the two systems. In other words, a sort of circuit is established between love and work within the two systems. Those who work in a family firm are less exposed to being expropriated by their work, and so are saved to an extent from the process of alienation that dominates work in technologically advanced societies. We do not wish to tackle the economic side of the problem here by discussing what happens to the profits produced by members of the family business or their employees. We feel that it is important, rather, to stress how, in these situations, the significance of work returns to the family in the form of emotional, value and skills replenishment of a highly symbolic nature, as we shall try to show later on with two historical examples. In this sense, we can state that, by living out the conflict between the pleasure principle and the achievement principle both at work and at home, the members of family firms are much less aware of that "fundamental opposition to society or the professional system" long postulated by many sociological theories.

This increased "compatibility" of the family and society bring about a good degree of integration. A certain "exchange" of integration between family and firm is produced, then: **the two systems "export" integration to each other**. This "trade" occurs through two channels: from the family to the firm through intergenerational and intragenerational kinship ties<sup>13</sup> (-> reproduction of the system), and from the firm to the family through the coagulation/finalisation of action around the attainment of shared objectives (-> the production of the system). Of course, it is a question of the prevalence rather than the absolute dominance of one or the other of the processes. Indeed, it is obvious that aspects associated with production (of services, perhaps, rather than goods) must also be attributed to the family (as sociological research over the past fifteen years has fully shown) while the firm

<sup>13</sup> Cf. M. McGoldrick, E. Carter, The Family Life Cycle, in F. Walsh, ed., Normal Family Processes, N.Y. 1982; E. Scabini, ed., L'organizzazione famiglia tra crisi e sviluppo, Milano 1985, 95-126.

presents features associated with reproduction, or at least, with maintenance functions. In this sense, both kinds of "integration" have to do with the kinds of "fertility" typical of each system. We can now say that the exchange or chiasmus we spoke of at the beginning of this paper occurs at two levels:

- 1) integration —————> organisation models
- 2) fertility —————> re-production strategies

The constant flow of values replenishment in both directions between the two systems occurs also, then, in the fertility dimension common to both systems. The family is constituted and structured for "bringing into the world" (the couple, children, etc.) while for the firm, productivity is equivalent, symbolically, to "bringing into the world". It is interesting to see here how the two kinds of fertility intermingle. We have a contrast between two kinds of integration which can either be integrated with each other (replenishment, growth, development) or enter into conflict (if the conflict is destructive, the result is impoverishment, drying up and mutual sterility)<sup>14</sup>.

This double exchange seems to be the most important contribution the family makes to the running of a productive organisation, and so it is also, to a certain extent, its special skill, a skill which enables not only the "family firm" but also the "family run as a firm" to handle the double organisational complexity they both contain.

It would be as well to look at how this double exchange occurs by seeing what common ground there is between a number of theories which, although quite different, are important in understanding how it works.

We believe that there is a logical link between Jaques's symbolic significance of work, Weber's reading of the connection between the Protestant ethics and capitalistic enterprise and Fornari's account of institutions<sup>15</sup>. The element they all have in common

<sup>14</sup> We think it is interesting to observe what happens when one of the two fertilities "breaks": to what extent the others intervene to substitute vicariously for it and what this vicarious substitution implies.

<sup>15</sup> The reference here is specifically to E. Jaques, *Work, Creativity and Social Justice*, Heinemann, London, 1970; F. Fornari, *I codici affettivi nel rapporto soggetto-istituzioni*, in A. Voltolin, M. Cirlà, *Il gioco impari*, F. Angeli, Milan 1982.

is their use of the concepts of the loss, reparation and acceptance of dependence.

According to Jaques, the symbolic value of any kind of work lies in its discretionary content, which is the antithesis of its prescribed content. His basic hypothesis concerns the reparative aims of work: through his relationship with this aim, the assignation of mental skill and other later phases theorised by him as typical of any productive act seen from the psychological point of view, the subject, when he has successfully accomplished his task, is able to examine how "good" his interior resources have been at repairing the primary object which was attacked and destroyed. If reparation does not become a maniacal defence, the discretionary side of his work enables him to come to terms with the anxiety deriving from the uncertainty that its outcome will be successful, anxiety which, as is known, is the stronger the more protracted the temporal dimension of the work process is. It is obvious, then, that loss of the primary object (due to attacks made on it by the subject) should not be denied, but accepted and mourned for.

Equally obvious is the central importance of the dependence relationship with external reality: only verification of one's success - understood as the production of an external object - makes possible the reassurance that one's destructiveness is not omnipotent and confirms the "power" of one's reparative skills.

Reparative urges in turn presuppose, before recognition of and gratitude for the external world, a symbolisation which is no longer confused but rather distinguishes clearly between the self and the other i.e. the construction both of the self as distinct from (and dependent on) the other, and of the primary object as a total, not partial entity. Thus, reparation presupposes a withdrawal from symbiosis, separation and the construction of an object-relationship.

In what sense, then, can we bring together Jaques' productive process and Weber's theory of entrepreneurship?

For entrepreneurship to be described as a vocation (*Beruf*), the entrepreneur has to sublimate his immediate greed for money and transform his accumulated money into



an instrument for continuous future productive investment. We have seen, on the other hand, how from a Kleinian point of view Jaques fits symbolic activity, reparative impulses and sublimatory impulses, understood as basis of all other creative activity, into a similar conceptual reference scheme.

The use of the temporal dimension suggests another parallel: for Jaques, time affects the anxiety associated with the discretionary side of work; according to Weber, time for the entrepreneur is a continuously repeated sequence of decisions containing a calculated risk. For Jaques, however, the moment of decision is the phase which produces the most anxiety in the work process, since the "decision" (from "de-caedere", to cut away) symbolises birth, cutting away, separation from all possible alternatives.

The Protestant ethics has, moreover, an important psychological side. It reassures the subject about the power of his interior resources; he knows that the course of his life is already predestined by will of his inscrutable God, and so he commits himself, paradoxically (although not too paradoxically, since the unconscious, as is well known, ignores formal logic) to the existential challenge of making the results of his work external, wordly "signs" of the benevolence of God. In other words, the Protestant ethics is a psychologically gratifying way of managing one's existence, "given certain religious dogmas", and it creates a life model which can mitigate the anxiety of existence. The Catholic lives in a sort of symbiosis with his Mother-Church, in a terrestrial world which is a mirror of the supernatural world whose hierarchy it reflects through participation in it. The Calvinist lives in a state of total separation from an all-powerful, inscrutable God Father in a much more secular world than the one the Catholic inhabits. However, this distance and separation come with total and extremely strong dependence on a will that cannot be influenced by discrete events such as, for example, the sacrament of confession (unlike the Catholic). All he has is the possibility of committing himself to a life of sterling moral worth, which is an almost "magical" instrument of reassurance for him.

On the basis of all this it would seem possible to discern a common element

linking what has been said so far and Fornari's account of institutions, the type of relationship established with the outside world in the work process. According to Jaques, this relationship is the primary object - previously attacked by the subject - attained through reparation; for Weber, it is parental figures in supernatural guise. In this sense, it would seem useful to look now at Fornari and his "family transference" in institutions which are screens on which the dynamics of internal objects are projected.

In terms of our argument here, Fornari's view that individuals and groups found institutions in order to dream of being at home in their own families (this is the *dream-nocturnal* side of the institutions as opposed to the *daytime side*). "Das Unbehagen in der Kultur", to use Freud's phrase, is due to the feeling of not belonging to our institutions, and this is because a projected ideal family is sought in them; the male code prevails in the social and public institutions in which we work, and the maternal code in private institutions such as, precisely, the family.

At this point, we could hypothesise that the family firm is a "**primary scene**" where primary relations are constantly performed with the original protagonists themselves. The fact that the family firm has been favoured by the natural selection of the free market is a concrete fact. The family firm is a happy mix of various elements, one of which appears to be transgression - institutionally legitimised - of the incest taboo (at an imaginary level, naturally).

In this context members (re)produced themselves in an endogamic situation thanks to institutional/organisational justification which is highly effective in reducing the sense of guilt produced by incestuous desires.

The further fact that, in Jaques' terms, more "immediate" verification of reparation having been made is possible in a family firm is a further reason for the success of this way of organising the productive process. To paraphrase Jaques, in the family firm the burden of anxiety deriving from discretionality depends not so much on the temporal dimension as on the physical, spatial, existential or role-playing dimensions or however we want to define them. In other words, this anxiety is a highly

adaptive function of the reduced distance between the protagonists of the "work novel" since the "here and now" of institutional transference is of greater importance to the relationship the subject has with his internal object than in other kinds of productive organisations.

One of the particular skills of the family firm seems, then, to be **the special way it defines the relationships between the members of the family/firm**. The interdependencies of the various members makes possible the individuation and differentiation of individual people (division of roles and tasks) within the system, and the system expects, as a function essential to its very survival, the acceptance of twofold dependence (based on achievement and affection, as we tried to show earlier) between the family members, and the joint management of the conflicts which may occur precisely because of this twofold belonging.

A brief summary of our series of hypotheses regarding the dynamics of entrepreneurial activity in the family firm could take the form of three headings describing the basic elements needed to understand the process of double symbolic exchange we have introduced in this paper.

- 1) The family may be regarded as a context in which the splitting between biology and culture is reconstituted, or rather, a context in which biology and culture open themselves to each other. In this sense, the **family is a symbol**. It should also be noted that family experience (internal/external) provides the material for man's symbolising activity through the roles and relationships linked to the family and early childhood.
- 2) From the psychological point of view, work (Jaques) is seen as an opportunity for the reparation of the loss of the primal object; **product and transformative process become the symbol of the primary object**.
- 3) The **exchange** occurs at the level of **values and skills**.

We can speak of a symbolic exchange because it occurs between (1) and (2) and so **between two realities which have symbolic value**. As we saw at the beginning

of this paper, "symbol" refers us etymologically to a process of re-union, in-tegration; all symbolisation, whether private or public, or "daytime" or "nocturnal" - as Fornari says - expresses the tension of the search for something that we have lost or consider lost. This process, which implies "a real transposition of affective investment"<sup>16</sup>, can be resolved in two ways.

If, when faced with the need to symbolise, the subject shows himself incapable of distinguishing between the symbol and the thing symbolised, we must speak, with Segal, of "symbolic equation"<sup>17</sup>. This happens when the subject is a child, or, if adult, mentally disturbed. Normally, however, there is an awareness of deviation, of the fact that the object, the symbol and the lost object are not the same. In this sense, the symbol, as is well known, both is and is not what it stands for. Loss is not denied, but through its elaboration the symbol is arrived at thanks to a balanced relationship between the three principal components of all psychic activity, the adaptive, the symbolic and the concrete<sup>18</sup>.

In our case, the symbolic exchange occurs between the systems of the family and the firm. Located as it is at the crossroads between biology and culture, the family is the first place in which conflict between drives and the reality principle come to light. In a space definable as something between "bios" and "societas", we see in operation those differences which organise the family as such and enable its members to formulate their comprehension of their experience and of reality itself: male/female, adult/child, parents/children, life/death, respect for/transgression of the law. The play of these differences, of the meanings they carry and of the skills which are in some way specific to each of the terms implicit in them, passes from the family to the firm.

<sup>16</sup> G. Zanarini, *L'emozione di pensare*, Clueb, Bologna 1985, note 35, p. 117.

<sup>17</sup> H. Segal, *Note sulla formazione del simbolo*, in *Casi clinici*, Il pensiero scientifico, Rome, 1980, pp. 65-91.

<sup>18</sup> The symbolic content of psychic activity depends, in turn, on projective identification whose prodromes lie in the good-bad splitting. It may be interesting to observe that one of the possible uses of projective identification is to avoid separation and that, as we mentioned previously, the symbol, fruit of projective identification, is "that which binds together".

Similarly, there is an opposite movement of return from the firm to the family. In this sense, it would seem appropriate to speak of a "family run as a firm", and the movement is present in some way in what has already been said in this paper. If the firm becomes a place where family conflicts are aired (relational conflicts, but also more "serious" ones) it is obvious that this will lead to reactions and so also to changes within the family itself. Since the family is a place where cultural, social, etc. models are reproduced, it is possible, then, to envisage the emergence of an organisational model of family relationships which is specific to and typical of the family involved in running a particular firm. We have seen, for example, the higher degree of integration. But there is more.

For example, the skill of family members when they are working in the firm is often measured on the basis of their belonging to the family itself: the surname becomes in itself, then, a real skill/qualification bestowing skill. Belonging to the family certified by the "magic" surname legitimises the position of the individual within the hierarchy of the firm (position, status, role), his power and his discretionality. This is the reason why, for example, there is always the attempt to put "someone from the family in key positions in the organisation chart: someone in distribution, someone in administration, someone in production, etc. This poses not a few problems when "acquired" relatives (sons- and daughters-in-law, for example) have to be found places.

#### 4. The Bleichröders and the Rothschilds. An interesting case of "double symbolic exchange" between family and firm

It would now be as well to look at some historical examples to substantiate what has been said so far about double symbolic exchange between families and firms. The history of two German-Jewish banking families is particularly illuminating here, the Bleichröders and the Rothschilds, whose intermingled affairs over the last two

centuries have been studied by Landes<sup>19</sup>.

With regard to the importance given to the name as a qualification for working in the family firm, Landes quotes Jacob de Rothschild's answer to the question, "What shows that a person is a Rothschild?" "I don't think," he replied, "that he is very different from anyone else. Of course, he is very conscious of bearing the name. My upbringing taught me to respect it, and one has an intense desire to carry on and improve its traditions"<sup>20</sup>. Obviously, it is the symbolic importance of the name that sanctions belonging to and being counted one of the family: the name and surname define the awareness that individual members and the family group have of themselves, the first name distinguishing the individual within the family, and the surname, the family from the rest of the community. In this sense, "the name is a symbol, but it is also capital: something that should be defended and cultivated, and in which money and effort have, in many cases, to be invested to prevent it from going downhill"<sup>21</sup>. That the name certifies belonging and so also total loyalty to the family is confirmed by the provision left by Meyer Amshel Rothschild prohibiting sons- and daughters-in-law from participating in the firm which, upon the death of every Rothschild, had to pass entirely to brothers; others were not even granted the right to be informed about how business was going. When a son-in-law requested to enter the firm, the condition was that, precisely, he gave up his own name - even if it was of a Jewish family even more ancient and venerable than the Rothschilds - and assumed the family name<sup>22</sup>. In this respect, it should be pointed out that the endogamic practices of the Rothschilds are certainly linked, on the one hand, to the need to keep the family "heritage" intact and, on the other, to the conviction that certain skills are transmitted genetically. As Manoukian says: "... to marry blood-relatives or relative-in-law is not just a choice

<sup>19</sup> D. Landes, I Bleichröder e i Rothschild: il problema della continuità nell'azienda familiare, in C.E. Rosenberg (ed.), La famiglia nella storia, Einaudi, Turin 1979, pp. 121-145.

<sup>20</sup> *Ibid.*, note 19, p. 137.

<sup>21</sup> *Ibid.*

<sup>22</sup> D. Landes, Op.cit., p. 138.

made obligatory in situations where there are few non-relatives available. More often, it is a reasoned choice made in order to minimise the risk of new alliances with outsiders. To marry a relative (at least for families with property) in many cases means not just strengthening the family inheritance by avoiding dispersal, but also, and above all, forestalling the risk of an alliance with someone unknown, remaining in an area of security and equality, and evading social control"<sup>23</sup>. We find here all the elements mentioned earlier: the name as a skill/qualification bestowing skill, the high degree of internal integration, a constant search for strategies for controlling society, the transmissibility of skills specifically suited to the running of the family firm, etc. With regard to this "transmissibility", Landes mentions another declaration by a Rothschild: "We are proud that the bank has remained in the family for six generations. The Rothschild must have had great cleverness - and good fortune - to have been able to produce a crop of first-class bankers every generation. The success any merchant bank achieves cannot, in the long run, exceed the success of the people in charge of it"<sup>24</sup>.

However, it is not always brothers or first-born who inherit the firm from its founding father. In the case of the Bleichröders, the other family discussed by Landes, the guardian of the family fortune, Gerson (later ennobled in recognition of his work, and so "Von") Bleichröder, realised that the family's fortunes were declining and so, aware of the incapacity of his own children, put his trust in a young cousin, Leopold Schwabach "a stock-broking expert", as Landes describes him". This means that the "double exchange" between family and firm (a symbolic exchange, but one undoubtedly pregnant also with practical consequences) exploits, on the one hand, the fact of belonging to the family group - the central importance of the name - but, on the other, does not exclude the search for and exploitation of individuals possessing skills which, although not necessarily transmitted from father to son, are regarded as being present in the genetic pool of the family. The search for such individuals is permissible given

<sup>23</sup> *Op. cit.*, p. 53.

<sup>24</sup> Jacob de Rothschild, quoted by D. Landes, *Op. cit.*, p. 140.

that the survival and development of the firm itself are at stake. The name becomes, then, a sort of pre-condition for being admitted to the selection process. In fact, the choice is only made among those who bear (or who agree to bear, in a sort of bargain between biology and culture) the "symbol" of being part of the family's genetic "heritage". Biology and culture meet once again: in order to keep intact the economic heritage, trust is placed in individuals who hold intact the genetic heritage of the family. **Re-production and production intersect**: the former becomes a necessary condition for the latter, and the latter encourages the formation of precise strategies for controlling the former. As has been shown, the practice of birth control was developed and used mainly by aristocrats and economic power groups: "Families belonging to these élites were ... the first to use systematic and effective birth control in the modern age"<sup>25</sup>. By certifying the origins of an individual and defining his biological and cultural nature, the family name becomes, then, an important factor for non-aristocrats too, a sort of certification of one's basic credentials, something like a professional or academic title, something which, in cultures such as the Italian one, exempts an individual from any supplementary check on his skills. It becomes, then, a "symbol" of his skills.

However, it is only through a complete survey of the affairs of these two families that we can fully understand the meaning of "double exchange". The final outcome of the history of the two firms and families shows, in fact, how the two systems replenish each other constantly. It is not just a question of observing simply that the fortune of the family and the firm, and equally, their ruin, are in the hands of individual members of the family and firm. There is something else which goes beyond the individuals and invests the entire family group as such.

Having attained and then fallen from the apex of their company fortune in the space of three generations, the Bleichröder family showed, over the same period, a

<sup>25</sup> S. Capranico, Riflessioni storiche e sociologiche sul controllo della fecondità, in "Crescita", 1, 1983, p. 40.

parallel decline, both trends being due, according to Landes, to a kind of "self-castration". By renouncing their Jewish blood in order to gain rapid entry into the German aristocracy, and thereby initiating a process of non-differentiation quite the opposite of the one that had carried them - along with the Rothschilds - to financial peak of the Empire, they "repudiated themselves ... in the hope of being accepted by enemy; by the thirties (they had lost) all dignity" (ibidem) to the extent that they declared themselves loyal to the Third Reich in order to save themselves. The Rothschild's affairs went rather differently, as is well known. They are an example of cohesion and continuity made possible by an awareness of their origins, of their solidarity as a family and the path they should always follow. By differentiating themselves to the limits of isolation (cf. what was said about their endogamic practices), they maintained their own identity in the surrounding environment and were strong in an identity acquired in previous centuries, the identity of a group belonging to a religious minority which slowly shaped itself into a privileged group with special links with the state.

With the guidance of these historical examples, it is now possible to go back and consider the "separation-individuation (or differentiation)-entrepreneurship (or fertility)" nexus we identified earlier.

In cases of complex interaction between the family and the firm, this nexus can, in theory, produce a sort of "double entry" table such as the one shown below.

Table 1

	UNIFORMITY	DIFFERENTIATION
FERTILITY	(a)	(c) Rothschild
STERILITY	(b) Bleichroder	(d)

We have posited the Bleichröders and the Rothschilds as paradigmatic cases of two of the four extremes in the real continuum connecting the four variables. The "empty" boxes represent cases often found in family firms after the first generation:

(a) on the one hand, it may happen that it is, precisely, the fidelity and adherence of the family to the pattern of its pioneers that guarantees continuity i.e. the successful transmission of skills over the generations (uniformity-fertility);

(d) on the other, we not infrequently find cases of what we could describe as mutations penalised by "bio-cultural selection" which sieves out that peculiar organism, the family firm (differentiation-sterility).

Obviously, specific cases will be placed in one or another of the hypothetical boxes in the table according to the criteria underlying the choice between differentiation and uniformity. Thus, the "Rothschild" case would appear in box (a) (uniformity-fertility) if analysed in terms of its second generation. It is the uniformity of the family differentiation model in relation to its surrounding environment that permits intergenerational continuity, as we have seen.

Similarly, the "Bleichröder" case would appear in box (c) (differentiation-fertility) if analysed in terms of its first generation, while in our scheme it appears in box (b) (uniformity-sterility) since it is analysed in terms of later generations which move towards involution and re-integration or non-differentiation, the opposite of the initial phase of expansion (which would have been under differentiation).

These variations in placement in our scheme are due, then, to the viewpoint adopted, which may be external to the phenomena under analysis, or internal i.e. either the external environment of the family, or its preceding generations, depending on the case. In reality, this produces two "double entry" tables which can be filled in with appropriate deviations according to the situations under consideration.

Moreover, if we look at the life-cycle of the family firm, and even remaining within the space of one generation, we notice shifts from each of the four hypothetical

extremes towards each of the others, shifts which are in turn connected to the confluence or divergence of the paths followed by the family and firm.

# IS CORPORATE CULTURE MYTH OR REALITY ?

Can the concept of corporate culture  
be dissociated from an overall theory  
of corporate organisation ?

by V. DEGOT

May 1984

## SUMMARY INTRODUCTION

Generally speaking, the corporate culture concept attracts attention as an alternative to the conventional approach to corporate organisation theory, which focuses solely on structural variables as the factor of environmental adaptation. I will not re-state the latter type of criticism, no doubt adequately discussed in many papers presented in this assembly and elsewhere(1). Even though it may diverge from this line of criticism on a few points of detail, the following paper recognises that most earlier theories have failed to develop a corporate model which is capable of generating answers to all the basic questions addressed by their authors.

In recent years, the exponents of a cultural and symbolist approach to the corporate organisation have introduced to this field certain concepts borrowed from other disciplines, such as History, Linguistics, Ethnography, and so on, while deploring the emphasis of rival theories on structural and contingent factors to the detriment of others which, although less tangible, are deemed nonetheless essential to the subject. Many such papers raise the question as to whether their authors are not leaning over backwards in their anxiety to discount the effects of structure and contingency.

In the final analysis, two lines of approach lie before us:

- either, we decide that the questions formerly being asked were not relevant, and go on to consider a radically different set of issues (a line which does not seem to have been adopted, at least not explicitly);

- or, we continue to work within the same paradigm, assuming it to be adequately defined by the earlier questions, but recognise

that the earlier theories failed to meet the issues, so that more satisfactory solutions must be sought.

The focal points of these questions are familiar to all of us: what are the laws which govern corporate activity? what determines a given corporate structure at a given time? how does that structure come to develop? what are the links between the structure and the efficiency of a corporation? and so on.

When criticising a theory whilst retaining the same paradigm, we must produce alternative and better answers to the questions it raises. However, I seem to discern a tendency to singularise the cultural and symbolic dimension of the issues, and to neglect their more organisational and sociological aspects. This being so, one is inclined to wonder whether the new theories likely to emerge will be capable of affording answers to the following three questions:

- is a corporate culture theory an overall theory of corporate organisation?
- will it be capable of explaining the future development of a corporate entity, including the decisions which shape it?
- how is it related to certain aspects of earlier theories of which it can be said that, even if not sufficient in themselves, they are unquestionably necessary to answering the previous question?

The above is a brief outline of the context surrounding the corporate model developed in this paper. A model integrating the cultural dimension with the other two considered as relevant to a proper understanding of corporate life: the sociological dimension and the organisational dimension.

This model, which I am about to describe in a condensed form (hoping to keep it comprehensible), is a tool adapted to two points

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considered to be important: the long-term development of the corporation; and the insertion of the corporation in its social environment. How the model contributes to investigating these two points will be discussed in Part Two of the paper.

Next, two case-histories are used to illustrate how the introduction of the cultural factor leads to better understanding of some corporate phenomena.

Finally, Part Four of the paper reviews some considerations more specifically associated with the cultural factor and draws attention to the fact that, although it may sometimes be regarded as an explanatory variable, or set of variables, we can hardly hope to reconstitute the culture of a corporation (in the way that some anthropologists claim to have done with the culture of primitive societies).

#### 1 - A Corporate Culture Model

Given that this model is the provisional outcome of a series of investigations going back more than ten years, in some cases, it may be more relevant to describe how its various components gradually fell into place, rather than to attempt to establish systematic links between them and the somewhat similar findings reported elsewhere. In fact, the relevancy of the concepts we put forward emerged more from practical field experience than from any particular connections they may have with one or other school of thought (2). This gradual development of the model explains how we were brought, after a ten-year interval, to reappraise the findings of a past assignment. The approach derives from the method of observation initially adopted, akin to a clinical examination, so that it is appropriate to first describe the characteristics of that method and to show how its implementation, in three consecutive stages, was to culminate in the model now presented.

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### 1.1 - The clinical approach

A summary description of the aspects of this method we consider relevant to present purposes cannot go into the underlying epistemological assumptions involved. They are probably endemic to behavioural study, and foreign to the natural sciences.

The first stage in the approach consists in deciding to look at a problem affecting a corporation as it is seen and formulated by the management and staff of that corporation, rather than as it is defined in the management textbooks. The difficulty being encountered may be a symptom pointing to an underlying condition. Also, the fact that the corporation calls in a research team, as opposed to a firm of business consultants, indicates both that the standard form of treatment is felt to be inappropriate, and that the corporation is prepared to pay for the researcher's intervention not only in cash terms (there being no comparison with high consultancy fees), but also in terms of permitting a searching investigation of its inner workings.

One of the basic principles of the method is thus the prior conclusion of a moral contract, under whose terms the researcher is left to judge the length of time needed for his diagnosis to be made, and then for solutions to be formulated and implemented (here, being required to indicate the means, rather than to produce the final results himself), while the corporation refrains from placing any prior limits on the scope of his investigation. As will be seen, each researcher is left free to apply his own theoretical references within the paradigm assigned to him, which may restrict his ability to discern the deeper and wider causes of the trouble. However, he may try out different types of solution in turn, and have lengthy discussions with members of the staff whose functions are apparently removed from the particular area of the assignment.

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The material thus collated constitutes a vastly greater mass of information than that which is actually used to support the arguments developed in arriving at the final study recommendations. Also, the interference between the researcher and the corporation can be very marked: when certain difficulties arise out of conflicts between individuals or groups within the corporation, these may seek to use lobbying techniques to influence the course of the investigation. It is for this reason that each researcher given an assignment of this kind is overseen by a monitoring group to which he makes progress reports from time to time, thus maintaining the necessary detachment from those contacted (3).

### 1.2 - The organisational aspect

The author himself gained his early experience by conducting investigations on the lines described above, but within the context of a fairly conventional organisational paradigm. After graduating from a management school, he started by developing operations research models in the marketing field, while at the same time teaching business economics and accounting, etc, at an engineering college. However, the framework of these early studies had some rather special features: the approach was quite removed from the Anglo-Saxon school of management thought, and highly influenced by an engineering background. The problems involved were within the routine province of operations research at the time: routing studies, stock control, transportation schedules, and so on. But the true object of study was in fact the inadequacies of operations research as such: either situations could not be expressed merely in terms of the standard algorithms, or the production of an "optimal" solution was not enough to ensure its effective implementation.

A whole series of observations covering a wide range of industrial and business areas thus led to the conclusion that the corporation was a place where most conflicts had no rational solution, and where identification of the best solution (which in some cases actually exists !) was not enough to convince all those involved. This kind

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of remark may now seem rather naive, but would by no means have been so in the exuberant climate of fifteen years ago, when quantitative management methods were raising hopes to the sky.

In actual fact, a more subtle deduction emerged, concluding that the investigational difficulty resulted from a shift in the balance of compromise. When an outside "expert" is called in to resolve an organisation problem, this means that one of the people or groups holding that balance has decided to upset it, whereas most of the others would prefer to maintain the status quo.

### 1.3 - The sociological dimension

The research assignments just referred to no doubt made little contribution to the organisational aspect of the study of corporations. However, they enabled the author to make a true-life assessment of many prevailing hypotheses, and in some cases to discern their limitations. An opportunity to make further advances concerning a particular aspect was however provided by a series of assignments with a common characteristic: the need to examine a large number of decisions whose business value was not clearly evident. In more precise terms, the decisions of factory managers in two industrial groups (in different sectors) to promote or neglect measures improving working conditions in workshops, departments, or whole factories.

The fact that the immediate financial value of the decisions was not evident - being obscured by many variable factors related to the social climate and its implications, is significant to the extent that it leads to the highlighting of decision criteria of different kinds. An important difference between the two groups

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existed in this respect:

- in one case, there was the straightforward alternative between taking action and letting things lie;
- in the other, an investment in improvements had to be made at all events, but the kind of investment depended on whether or not improved working conditions (replacing assembly lines by production units) were to be an aim.

It emerged quite clearly that the managers who favoured the most "innovationary" solutions were those with the highest qualifications and social backgrounds (in France, according to the findings of P. Bourdieu (4), these two factors are usually associated).

This finding constituted (although possibly specific to French society) an improvement on the hypotheses formulated by some authors, including March and Simon (5). When describing the processes leading up to "satisfactory" decisions, they attribute the nature of those decisions partly to the degree of experience of the people responsible for developing them. On the basis of the field observations just mentioned, however, the behavioural model of decision-formers explicitly advocated by these authors can be replaced by a sociological model referring to a broader series of variables: degree of qualification, father's occupation, etc. This therefore relates types of decisions to types of deciders by means of objective criteria, deemed to be preferable to a psychological evaluation as the prime factor - although continuing to recognise the latter's relevancy.

A further step in the same direction consisted in determining the social structure of the corporation, a kind of distribution diagram for the objective sociological data which typify the deciders and point to their career prospects (defined as the highest level already achieved by an individual possessing the same characteristics). This diagram can be described as representing the intersection (in the

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sets theory meaning of this word) of the corporation with the overall <sup>social</sup> ~~xxxxxx~~ structure.

Each individual is thus typified by factors whose distribution (and relative value) is known for the corporation as a whole. These factors are a cause of variation in attitudes, since they account for the different decisions reached by people in similar positions and confronted by the same problem. The fact that the variation was found to be smaller than had been expected within the corporation and, at all events, smaller than in society as a whole, led to the introduction of the notion of "corporate culture".

#### 1.4 - Corporate culture

If we had to find an anthropological reference to support our use of this concept, Bateson's Naven (2) would serve our purpose. From a certain standpoint, culture can be considered as a behavioural regulation factor which tends to limit variations and enable end-behaviour to be foreseen.

The culture concept represents a breakaway from conventional organisation theory, since it ceases to focus on the differences between individuals (position, conflicts, ways of resolving these) and transfers attention to the shared values and perceptions which enable individuals to work together. It could fairly be said that it is concerned, not with the 5 percent of variables which differentiate individuals, but with the 95 percent which unite them. From this standpoint, culture may be defined as a system composed of shared perceptions, although unconsciously shared for the most part.

In the context of decision theory, culture may be seen as

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a pseudo-rationalistic phenomenon, to the extent that these shared perceptions are regarded as genuine truths, although they are in fact no more than collective images. This explains the fairly strong inertia of the cultural system, one of whose most common effects is to create a gap between the corporate body and its environment, the latter being filtered, so to speak, through the glass of corporate perception. Whence some distortions leading to decisions which later prove to be very far from ideal.

The empirical basis supporting these different but complementary ways of describing the culture concept is of course derived from the comparative study mentioned earlier, directed to social structures and decisions concerning improved working conditions. The matching of comparable decisions as between the two groups brought out the specific features of each system of perception brought to bear: a manager in one of the corporations would have seemed "out of place" in the other. The same observations enable us to qualify the cultural system as being pseudo-rationalistic, by reference to its relationships with the organisational and technical structures involved. Without evoking a causal effect, one can nevertheless identify two chains of factors:

- on the one hand, the nature of the product, centralisation of technical competence, approach to selecting investment options, consecration of local optimisation, and functionalised worker concept;

- on the other hand, heavy and non-specialised investment programme, decentralised technical competence, dissociation of investment policy from working conditions, consecration of the company as a team, and humanistic worker concept.

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### 1.5 - The corporate model

This very sketchy outline of what we mean by corporate culture - to which the final part of this paper returns - shows that it forms part of a whole in that it develops actively within the organisational and social structures of the corporation. We will now go on to consider certain features of the model which emerge when it is applied not merely to a particular corporation, but to the historical development of the corporation and its role in relation to society as a whole.

As concerns the theory of the corporation as such, it is necessary to draw attention to the dynamic nature, in both the short and the medium terms, of the relationships between the three dimensions considered. Taking the example of the comparative study already mentioned, we stressed the fact that the incidence of the sociological factors was evident merely insofar as that of the economic factors had been neutralised. Whenever the optimum economic decision ceases to become the priority aim, there occurs a dispersal of the options put forward. This reveals two things: firstly, and expectedly, the drive for economic efficiency is a basic value of the modern culture; secondly, and less evident, given that the same causes produce the same effects, the sociological variables can have a secondary incidence even when the economic focus is re-introduced. They then bear not on the economic validity of the options taken, but on the concrete expression of these.

The empirical approach brings us back to the elements of a theory of corporate innovation. Furthermore, by pursuing the investigation of the relationships between the three dimensions considered, we arrive at a form of decision theory in which the innovation issue is seen as a particular aspect. Condensing things to an extreme, it can be said that:

- organisational contingencies determine the range of the

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theoretically feasible options (the full extent of which is never known in actual practice, but which follows the classical micro-economic theory by assuming information to be total);

- the "habitus" of the individual manager (his sociological personality, expressed by the objective variables determining his career prospects) affects the sub-set of options he will actually perceive and then consider out of the full range (on the principle of making necessity a virtue, the individual tends to perceive only those alternatives which he is likely to attain);

- the corporate culture bears on all these options through the value differential applied to each by the corporation at the particular time (maintaining product quality, selling at all costs, avoiding industrial disputes, etc);

- according to his habitus and to the nature of the options perceived, the individual is more or less influenced by the regulating effects of the culture, and evaluates the benefits he can personally derive from each alternative available.

Although starkly set out for the purpose, the above processes generally evolve only on the fringes of the plane of consciousness. As will have been noted, we have a variation on the theme of limited rationalism.

The integration of the cultural factor in a dynamic model of the corporation is considered to have a number of advantages:

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- firstly, the concept ceases to be purely academic and becomes an operational adjunct to field assignments;
- secondly, the regulatory function of culture awards it a theoretical role in establishing the relationship between individual aspirations and corporate values and objectives. As shown in another paper (7), most corporate theories opt either for an individualistic approach or for a holistic approach, and have difficulty in combining these two levels of individual and corporation to form a single tool.

The social structure, as described above, also accommodates a reconciliation between the individual and corporate aspects, to the extent that the "efficiency" of the criteria pertaining to each individual (such as degree of qualification) depends on the distribution of those criteria within the corporation and in society as a whole.

However, only the cultural factor is able to fill the gap separating the main schools of corporate theory: decision theory (individualistic) and corporate behaviour theory (holistic). As has been stressed, the dimensions identified here fit in with the theory developed by Cyert, March and Simon. However, where the latter establish a formal homology between the individual and the corporation on the basis of a single behavioural reference, we substitute an empirical homology which amounts to describing culture as a kind of "habitus" of the corporation.

The next part of the paper, especially the section dealing with corporate identity over time, emphasises the advantages of a formulation of this type, which enables us to define the status of

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a given corporation at a given time as being the sum of the decisions previously made: where decision  $D_t$  takes the corporation  $C$  from  $t$  to  $t + dt$ , we have  $C(T) = \int_{t=0}^T D_t dt$ . This mathematical formulation and the identification of the status of the corporation to a differential manifold locally homeomorphic to our 3-dimensional space, could lead to some interesting developments if we were not brought up short by the inherent complexity of differential geometry. (A similar kind of obstacle will be encountered later, when we come to discuss the scope of the cultural concept.)

## 2 - Corporation, History, and Society

Many compilations whose authors analyse, classify and compare the various schools of corporate theory are remarkable by an absence of any historical perspective (to some extent, this is consistent with their reference to the portmanteau concept of organisation). This is not to say that these authors leave out the chronological factor, but they seem to consider that the corporation as seen by Taylor, by Mayo and Barnard, by Simon and then by Peters and Waterman, is a single entity form which can be the object of a static theory.

This assumption is a questionable one, however, and it seems necessary to explicit the distance (degree of refinement of the observation data) and the theoretical standpoint from which the corporation is viewed as a subject of study. Let us take an illustration in a different field: a church is a place of worship in which a minister conducts services attended by believers. In the Catholic faith, the church must comprise a holy altar and a space to accommodate the worshippers, and so on. But the church is also a building whose architectural design has evolved over time, not only in step with changing artistic tastes, but also with varying

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attitudes to the act of worship itself (for example, a return at certain times to the old basilican design). Consequently, the church-building has taken on different styles (Roman, Gothic, etc) and different lay-outs (basilical, cruciform, etc). In our analogy, the corporation is a social structure which appeared at a point in time (as the church-place-of-worship), but whose organisation has since known different styles (like the church-building). Whereas the study of organisations has not been concerned to identify periods within which the objects of comparison were indeed comparable (with the possible exception of some work by Chandler (8), and even then through a marginal approach taking only implicit note of this problem).

Investigation of this particular point requires the deployment of a corporate model identifying those factors which change significantly over time and remain relevant to even short-term study aims. We will now show that the model described herein fulfils this need.

## 2.1 - The corporation considered as an historical object

Looking at each of the elements comprising our model, we find that they vary along two axes, synchronic and diachronic respectively. But the basis of variation is not the same in both cases.

Along the time axis, the changes affect society as a whole, including the standard corporate model considered as a social structure at a given point in time (discussed further in the next section of this paper). In relation to the historical trend, the variations of corporations from the standard model are of small amplitude.

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The cultural status of each corporation stands against the backdrop of an overall trend which we will call that of "industrial civility", in reference to the concept and findings of N. Elias (9) in relation to a different era. This is defined as the process by which increasingly wide areas of society have learned and assimilated the collective values enabling industrial corporations to operate as they do now. It is not a steady process, being affected by developments outside it: new technologies (e.g. the computer), emergence of new social groups (engineers and cadres), and so on.

The social structure of the corporation also reflects an overall trend. For instance, there has been a fairly regular evolution ever since the start of the 19th Century as concerns the multiplication and diversification of job profiles in the business world: accountants, data processors, personnel managers, technical directors, etc. These new types of corporate staff, coinciding with organisational changes within corporations, gradually integrate with the social hierarchy (which to some extent reflects the business hierarchy) by forming socially homogeneous groups (clerks, technicians, cadres or executives), each with its own way of life and set of values.

The organisational structure itself undergoes changes with the appearance of new organisation charts responding, not only to the increasingly complex needs arising out of job diversification (functional and hierarchic expansion) within the corporation, but also to the effects of the industrial civility trend, which produces groups of individuals able to take positions in the chain of command, such as via delegation of authority and functions. In this direction we note the effects of technological progress combined with those of more sophisticated management practices.

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Two fundamental questions arise out of the above observations:

- firstly, which is the dimension which dominates, so to speak, the others ?
- secondly, what are the outside forces leading to the emergence of the corporation and dictating its development trends ?

As concerns the first point, specific case histories show that the dimension playing the leading part in the transformation process is not always the same. For example, the complexification of organisational structure due to the creation of new job profiles takes place prior to the transformation of the latter into new and recognisable social groups (although social groups cannot be defined merely in occupational terms) (10). Conversely, to some extent, changes in the social structure have led - in France, at least - to the emergence as business leaders of people from these new social groups, usually with higher academic qualifications, who have introduced rationalised management practices and concepts. This in turn has led to a renewal of the cultural basis underlying decision-making (the "engineer mentality") and sometimes to organisational restructuring (concentration of French industry following World War Two).

From the fact that the dimension dominating the others changes over both the long and the short terms - giving a pattern akin to a harmonic score - it can be inferred that the outside force sparking off change also differs from time to time. In France, the drive to improve efficiency by remodelling organisational structures did not clearly emerge until the end of the 19th Century (for the United

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States, Chandler gives this as occurring from the second quarter of that century), probably under the pressure of increased competition in some sectors of activity. For the time being, however, in the absence of adequate research findings by social historians concerning the nature and function of the corporation, it is difficult to carry this assumption much further.

There is however a discernable overall trend marked by specific developments: the gradual emergence of the corporation as the central focus of our society or - to quote Elias once more - as the place where the complementary and competing aims of the different social groups are given organised expression. This trend maintains a constant course for so long as the business and economic factors remain the dominant pressures governing society. For some years past, however, the question has been raised as to whether this will continue unendingly. Although the trend of the different dimensions we have considered is similarly univocal (increasing complexity of social and organisational structures alike, increasing weight of corporate values in the industrial civility), they may well have developed in recent times a reverse component whose incidence will be increasingly felt. In the field of factory organisation, for example, there has been a return to less rationalised systems than the production line (integrated production units). And, in the cultural field, industrial aims are being opposed by aspirations to a better quality of life.

At a given time, there is the possibility of a divergence from the general trend. Not on account of the synchronic distortion discussed in the next section of this paper, but due to the fact that some businesses, from technological

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considerations or because they are in a highly competitive sector, are experimenting with solutions which others will not adopt until later, and even then in possibly a different form.

## 2.2 - Relations between the corporation and society

The overall status of each of the dimensions considered within the society can be defined at any given time. In relation to that status, each corporation exhibits some inconsistencies, but the internal characteristics of each dimension remain constant - so that we can say that there is a homological relationship between all corporations in respect of these.

The truth of this can perhaps best be seen when we consider the aspect of social structure. Society is divided into fractions ranked hierarchically by reference to certain criteria. The relative position of each fraction depends on the kind of criteria awarded priority, which in turn depend on the place or type of social activity. For example, within the corporation, there are some levels where competence is recognised as the essential quality, so that the level of qualification is the structural lever; elsewhere, good social contact may be a prime consideration, so that social background counts most; and so on. For companies engaged in the same technological sector and having organisational similarities (size, capital structure, etc), the same criteria correspond to the same levels. It so happens - and here again the cultural factor compounds the effects of the sociological factor - that society dynamics result in correlations and amalgamations: the highest-ranking social fractions are those formed by the people with the best diplomas; at the same level of formal qualification, an individual with a lower social background will tend to compensate for his smaller

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offering in this respect by a greater display of competence and work output; and competence is more positively recognised as a community asset, in that it can be achieved - or so it seems - through hard work and application which are in themselves deemed meritorious. The social background asset being partly inherited, it has a less democratic aura.

As concerns organisational structure, we have seen that each period is characterised by the range of possibilities available - in the sense of already tried out and widely known - to decision makers. A choice between alternatives becomes possible when a corporation has its entries into a number of information networks: consultants, specialist journals, universities, and post-graduate fraternities. All these relays ensure some degree of structural and technical (manufacturing or management techniques alike) balance between corporations and contribute, to an extent again depending on sector, size, and other parameters, to the development of standard outlines - rather like weberian ideotypes - around which the actual structures revolve individually. For instance, the social contacts of some business leaders enable their corporations to keep more smartly abreast of the latest innovations.

The culture of a corporation also refers to values and perceptions shared by many people outside it. It can be said, indeed, that many of the principles nurtured in business undertakings have been later adopted in other kinds of institutions: nowadays, a hospital is managed on the same lines as a company (although, in France at least, it does not close down when found to be unprofitable). At the same time, we must not imagine that values which seem as natural as competence, order and progress have always been so prized as they are now: in other days, courage and birth took pride of place.

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When examining our three dimensions, we see that the factors considered relevant to understanding corporations are also meaningful - or take on meaning - when applied to a system referring to the overall structure of society. The range of initiative left to a company executive depends not only on his abilities and his rank in the company, but also on the relative rarity of his diploma, on the state of the employment market, and so on. This is not to say that, conversely, our three dimensions are adequate to explaining the whole social system: for example, they discount all matters concerning political, artistic and scientific life. The State has other fibres than those of a corporation. Nevertheless, I am once more inclined to agree with Elias's view of the corporation as the institution which has taken over the functions performed by "Court Society" in older times, to the extent that it provides the ground on which the different social fractions achieve some degree of balance among themselves and where the "pecking order" is resolved.

### 2.3 - Three questions about the corporation

When we note the successive corporation theories put forward since the beginning of the Century, we are immediately struck by their pendular swing between two poles:

- firstly, the individualistic approach, tending to focus on a representation of the corporate worker or manager, and seeking to infer from this the characteristics required of the overall structure if it is to attract individual subscription to the common aims;
- secondly, the holist approach, looking at the corporation as a whole and seeking to establish a relationship

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between environmental characteristics and those of the organisational structure. Only as a second step does this approach consider the characteristics needed by an individual to integrate with that structure.

Few theories have directly attempted to bring these two extremes onto the same plane. However, typical examples coming to mind are the work of the Tavistock Institute, that based on Simon's theories, and that currently pursued in France by the Management Sciences Unit of Ecole des Mines and the Management Research Unit of Ecole Polytechnique.

To my own mind, the only way of ensuring that the symbolist-cultural paradigm becomes more than just another swing of the theory pendulum is to integrate culture with an overall corporate model, as we have tried to describe, and then to apply that model to resolving some fundamental questions regarding the underlying nature of the corporation, our present ignorance of which may be the cause of the back-and-to movement in question. Thus far, an excessive striving for short-term operational performance has probably led to the neglect of these issues, resulting in the succession of theories which remain unrelated except in the major consolidated reviews (1). At the same time, there is the risk that an all-embracing approach could lead to creating a gulf between the theoreticians taking an increasingly long-term view of the corporation, and the field researchers who are necessarily limited to short-term but practical assignments.

It is with this risk in mind that we came to formulate three questions which are in fact three facets of a generic problem: "What is a corporation?"

- the first of these questions concerns the historical

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development of the corporation: "What is the nature of the forces which brought the corporation into being and which now shape its main evolutionary trends?"

- the second concerns the identity of the corporation: "What is the theoretical or other justification for assuming that the C corporation being looked at to-day is the same as the corporation also named C ten years ago?"
- the third relates to the nature of the corporation: "How and why is the corporation the seat of specific phenomena and processes which are different in their nature, or attract different explanations, from those observed in other social institutions?"

Little research has thus far been expressly and directly devoted to investigating these questions, although a considerable amount of field data relevant to them must have been collected. It is not the purpose of this paper to suggest any plausible answers, but merely to show how the model described herein can provide a relevant and efficient tool to that end.

### 2.3.1 - Historical development

Here, it is not necessary to return to our earlier demonstration, showing that the dimensions built into the model have evolved over time. On the other hand, it is appropriate to consider whether the various trends within what we call the corporation are related to a single and identical entity. The starting point of our investigation of this theme came from a threefold observation: the corporation has not always existed (an affirmation which to some extent assumes that we can refer to criteria differentiating it from its non-existence); this is not to say that it was once invented (as were department stores and mail-order companies); and it is a natural entity (as opposed to a conceptual entity like the organisation,

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for example).

The problems of origin and of subsequent development thus arise together. In all logic, the features identified as constituting its original being must be the same as those which illustrate its further development - although this does not necessarily mean that the forces which, so to speak, brought the corporation into the world are of the same kind as those responsible for its later growth and transformation. For instance, to extrapolate slightly from Elias, it can be legitimate to consider that, in France, a decisive change took place when the logic of prestige which prevailed over competition between rival social fractions during the Monarchy, gave way among some of those fractions to a new logic based on economic competitiveness. This phenomenon, very well brought out in Balzac, can be related to the proliferation of corporations seen as institutions, and differs quite significantly from what was described by Weber in "The Protestant Ethic". This change in the dominant logic, or change of logic among the dominant classes, led to the emergence of some of our modern cultural values. As was well demonstrated by Elias, the ancient nobility saw no connection between income and expenditure when ordering their lives; but economic rivalry brought the notions of providing for the future, keeping down costs, and so on, which are exemplary bourgeois values.

A second hypothesis we can formulate is that the corporation subsequently and gradually increased its autonomy as it became a shaping influence on its environment, as we suggested earlier on.

### 2.3.2 - The identity of the corporation

As compared with the previous point, which we can say with Braudel (12) concerns mainly the long term and the overall concept of the corporation, this section investigates some

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processes of medium-term interest. The true problem is that of defining criteria which, for corporations as a whole, can be the basis for deciding what is identical and what is different, and which justify us in saying that a given corporation is the same as of  $t$  and  $t + dt$ , although its structure, staff and strategy may have changed.

Referring to the model considered, we can postulate a quasi-mathematical definition of identity: "identity exists whenever two successive states of the corporation are connected by a path, within the area circumscribed by the three dimensions considered, which remains continuous (still in the mathematical sense of the term)". Keeping to a framework of simple ideas, the notion of continuity in the concept of a corporation can be assimilated to the compounded aggregate of all previous decisions. This means that the definition of the decision intervening between  $t$  and  $t + dt$  must contain an element of continuity.

The now-famous decision model developed from Simon, under the name of "limited rationality" or "satisfactory decision" throws some light on this issue. According to Simon, a decision should be analysed with regard to its results for the corporation. Over time, the latter has developed standard procedures to circumscribe the decisions that can be examined (these procedures to some extent constitute the collective memory of the corporation, but not the corporate culture as formulated by us). The individual in a decision-making function studies all the possible options in turn, as they occur to him in random order, finally selecting one which, in terms of the standards of judgment current in the corporation (usually of an accounting nature), promises "satisfactory" performance. Here, when defining continuity in terms of the decision taken, we have considered only the organisational dimension. It is

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highly relevant in cases where economic criteria weigh heavily in the balance, but is not usually sufficient, in view of the highly behaviourist role awarded to the decider and of the random order followed by the options he considers, to a full explanation of the nature of decision-making.

The inclusion in the decision model of the decider's sociological characteristics and the cultural system factor makes it possible to identify certain types of deciders in relation to a ranking order covering all the options they are likely to have to consider (leaning towards either conservative or more novel solutions as the case may be), and to allow for their position in relation to the cultural values which sometimes magnify the importance of subsidiary variables (whose economic role is not clear), thus influencing the form of decisions (but not their performance).

### 2.3.3 - The nature of the corporation proper

Here, we seek to determine the extent to which the corporation is the scene of specific phenomena which do not occur in other social organisations. To take the case of corporate staff members, this means the extent to which their behaviour within the corporation differs from that outside it. At first sight, in this connection, it might be expected that the extension to society in general of standards and ways of seeing things originally linked with the corporation tends to smudge the distinctive features of the latter.

Our idea is that the specific characteristic of the corporation consists in the variety of cultures and sub-cultures to be found there, a variety which stems from the fact that the cultures are function-related. By contrast, it is fairly

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easy to distinguish the arbitrary nature of the cultures specific to administrations and medical establishments, for example. Culture performs the function of making predictable the behaviour of individuals both in absolute terms and in relation to one another, thus enabling the formation of increasingly long chains of basic operations such as are a feature of modern industrial undertakings. These chains, despite their length and increasing complexity, are becoming ever more dependable. This characteristic is consistent both with the idea of standardisation taken from Bateson and with the role of civility in general as seen by Elias.

From this point of view, the cultural dimension fits in with the organisational structure and the social system on two accounts:

- firstly, it is adapted within each corporation to suit the practical needs of the latter's purposes;
- secondly, it interacts with the sociological characteristics of individuals in such a way that each of the latter accepts it to a greater or lesser degree depending on his or her social background and origins.

We will now illustrate the importance of our three questions by reference to two case-histories from practice.

### 3 - Two Case-Histories

The corporation model integrating the cultural dimension we have outlined above must, if it is to be an improvement on earlier theoretical approaches, possess two characteristics:

- firstly, it must provide a connection between the "outside" attitudes - historical and sociological - to the corporation as just described, and the "internal" attitudes focusing on the latter's functional purposes;

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- secondly, it must expound on the same set of phenomena and observations as was studied using the earlier theories, at the same time bringing together two points of view hitherto either unconnected or actually conflicting with each other: on the one hand, the study of internal corporate regulating processes which can be placed under the general heading of "decision theory"; and on the other hand, the study of the adaptation of organisational structures to their surrounding environments.

Concerning the first point, the current literature is divided under two main headings: economic history studies, which employ merely a very sketchy idea of the corporation and neglect - among other aspects - the question of its internal organisation; studies which, on the contrary, attempt a long-term transposition of a rather conventional organisational concept strongly marked by the notion of technological determinism (the work of Chandler is a good example of these).

In both cases, these studies address a much more limited prospect than the one which our model enables us to approach, as we explained in the previous part of this paper.

Concerning the second point, a considerable number of papers and books have been published. Rather than follow the established rule of arguing that the concepts deployed by our model have a greater force than those used in earlier theories, we will now go on to describe the kind of analysis the model makes possible, by reference to two case-histories from practice. In one of the two cases, even, we are able to compare the findings from a conventional organisational approach against those resulting from a more "cultural" approach, although noting that the two different forms of argument gave the same result from the standpoint of organisation of the researcher's intervention. The case-histories illustrate both the method of

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observation described above and the application of the framework of interpretation outlined in Part One of this paper, and our account of them separates as far as possible the respective roles of the three contributory dimensions considered.

### 3.1 - The case of the Nestlé Company (13)

This assignment originated with a request addressed by SOPAD (the French subsidiary of Nestlé International) to the research institute where the author was employed at the time. The management of the company felt that the mileage recorded by their sales representatives during their daily rounds had become too high, and that the itineraries being followed were not rationally planned. Each salesman was allocated a territory of several hundred square miles.

When the study commenced, nothing of the activities of such salesmen was known to me, apart from the general ideas that can be picked up on a marketing course. The problem described merely reminded me of Little's well-known algorithm which enables a commercial traveller to optimise the travelling distance between different towns. My co-researcher and myself thus familiarised ourselves with the organisation and procedures governing the work of the salesmen in the Division concerned, before calling for the daily reports on which each salesman recorded the shops and stores visited, the action taken and the time spent in each, and so on. Then, after locating the points of call on an accurate map, we reconstituted some of the itineraries followed and found that they were not optimal in terms of Little's algorithm.

In possession of these route maps, we next asked the

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salesmen concerned to explain how their routines had been planned. For each action performed during the visits, we attempted to list all the constraints which could have affected the choice of the particular day and time. For a clearer understanding of this point, it may be advisable to describe the work of these salesmen who were travelling for a company selling high-turnover food items. Their job was not so much to take in orders, since even the smaller stores tended to be supplied from central purchasing agencies, as to carry out, especially in the supermarkets, product-promotion activities. The implementation of these activities requires a combination of circumstances which precludes arbitrary timing; for example, a given campaign may be organised at the level of a chain of stores with sales outlets all over France, meaning that the salesman has to make appointments with all those in his sales territory, check that they have ordered a sufficient quantity of the items being promoted, make sure that the display material will be on hand, and so on. This example illustrates just one of the aspects of a job which has become extremely varied.

Taking account of the salesmen's explanations, sometimes corroborated by information obtained from the Head Office in Paris, we performed a simulation of their working activity with a view to determining the possibilities of improving their travelling schedules. The simulation exercise should more properly have been conducted on heuristic selection lines, but for a small number of events it was legitimate to rely on visualisation using a map. In any event, the heuristic approach would have been superfluous, as it soon emerged that incorporation of the imperative constraints led to exactly the same itineraries as were being followed by the salesmen up to then. In other words, and contrary to prior assumptions, the salesmen's decisions had had an optimising effect.

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The first conclusion to be drawn from this observation was that, if certain constraints were modified, the optimising ability of the salesmen might cause them to settle into even more satisfactory habits.

A further conclusion was that the slackening of constraints could not be brought about at the local level, even if this was the level at which their adverse effects occurred.

Nevertheless, it was necessary to make an inventory of the constraints which appeared the most harmful. We, the two researchers, thus each spent a period of two months in observing the daily work of the salesmen; usually introduced to them as newly-recruited trainees, we participated in a number of the activities performed by them. This observation period, together with contacts at a higher level of the company hierarchy, brought us to suggest that some of the main constraints could be mitigated by a better flow of information along the chain of command; such as by giving the salesmen earlier warning of future plans of action. At the same time, it was possible that salesmen who could optimise their travelling schedules when faced with a set of constraints leaving little room for choice, would find difficulty in doing so if the number of options open to them increased. To assist them in achieving this, we developed a procedure based on the use of documents enabling the gradual planning of their future rounds in step with the receipt of the relevant information. This brought us back to a simplified heuristic approach based on the visual assessment of distances on the map.

The system was given a pilot run employing only a few of the salesmen, and amended in the light of results. Next,

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we gradually taught the other salesmen to apply the method. Finally, at a manor house used by the company as a training school, the method was formally presented to the two hundred sales staff involved, in the presence of the top management. After a few months of full-scale implementation, we drew up an account of the savings achieved by the method: depending on the particular sales territory, the reduction mileage was between 15 and 20 percent. The study was performed in 1971/72, and twelve years later is still being used, following the same principles and with some slight computer intervention added at appropriate stages.

At this point, it might be considered that we have seen no more than an example of a classical organisation study, carefully performed and having proved its effectiveness. It was only several years later, in fact, that I came to formulate a more "culturalistic" interpretation of what had really been implicit in the study. It should be noted that this post-mortem analysis in no way detracts from the method developed, and that it would probably not have affected things if it had been produced at the time. The approach adopted for the assignment - lengthy observation of working habits, dialogue with those involved, free access to all levels of the organisation, and so on - no doubt facilitated the revised interpretation, to the extent that the study was designed without reference to any preconceived ideas concerning such things as the profiles of the salesmen or of the company employing them, so that the data collected opened the way to several avenues of investigation.

My "culturalistic" analysis is based on two main points:

- firstly, the salesman profile viewed from within the company became adapted to the changes in the nature of their job, themselves due to changes in the retail marketing sector;

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- secondly, the functional implications of this relationship between salesman profile and job profile made it necessary apply a concrete process when seeking to effect the adjustment required.

At the start of the exercise, the dominant image of the salesman as derived from an analysis of the way his work was organised (particularly information flow), reflected an earlier status of the company's environment: the time when its products were retailed through small and unconnected shops, where the travelling salesman's job was limited to taking inventories and jotting down orders. As we have already noted, the retail food sector has undergone radical transformation during the past fifteen years or so. The small shops have joined up to form chain stores, and supermarkets have made their appearance. This trend has been accompanied by a need for new forms of action at the points of sale, with order-taking becoming only a marginal feature. The company in question had developed techniques and facilities for handling these new forms of action, but had not made all the organisational adjustments required by the underlying trend. In particular, it had failed to allow for the fact that the new assignment of its salesmen involved many more non-scheduled tasks, so that a major part of their job consisted in coping with ad hoc situations. The culturally effective profile of a salesman is thus that of an organiser and promoter of point-of-sale activities. Consecration of this new image implies new information-flow systems which recognise these new attributions and allow them to be expressed.

In my view, however, this adjustment of attitude would not have been truly effective without the material contribution we developed to accompany it. One reason for this is of a fairly symbolic nature: by giving salesmen the means of organising

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their work themselves, we consolidated the idea that this activity had become an integral part of their jobs. Another reason derives from the fact that the former salesman profile had performed a functional purpose, in that it corresponded to the salesman's job profile. The discrepancy between the old salesman profile and the revised job profile was revealed by a particular symptom: the increased mileage marked up by the sales force. But, because of the relationship between "man-profile and job-content, it was felt necessary to seek to modify the former with the help of a method which was as concrete as possible and which also implicated the higher levels of management, these being the main target of change.

The above case-history would seem to be a fairly clear illustration of the relationship between the organisational and the cultural dimensions of the problem. An additional point may be brought out: the salesmen who volunteered to have their working habits investigated, together with the main advocate of the study at general management level, possessed certain individual sociological characteristics differentiating them from their colleagues (level of qualification, age, previous career, etc), and we later observed that their personal investment in the exercise had rather tended to enhance their careers.

### 3.2 - The case of an automobile company (14) (15)

This study was initiated following a proposal made by the Personnel Department of the firm in question, and more precisely by the unit responsible for improving working conditions. The purpose was to perform a post-facto assessment

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of the processes leading to the introduction to a particular factory shop of a production technique quite different from those previously employed, and of a kind likely to improve the conditions of work there.

On the grounds of safety, coupled with the obsolescent state of the equipment, it had been decided that the shop would be completely modernised. Hitherto, there had been a production-line system employing fifty workers, the unit job-time per station being less than one minute. It is well known that this type of arrangement encourages absenteeism, a danger increased on this particular line by the fact that the work performed there was notoriously unattractive: the actual mean output ratio, in terms of real output versus theoretical output, was in the region of 65 percent.

The department responsible for designing the new shop had merely proposed that a broadly identical production line, but with new machinery, should be set up. However, the shop production manager countered this by advocating replacement by integrated production units, each comprising four workers who together performed all the operations previously divided along the production line. The job cycle (time between two identical operations) was fifteen minutes, with the operatives choosing the distribution of the work. With this kind of system, the output ratio is almost directly proportional to the attendance ratio.

The second solution was finally adopted, as being more in line with the established investment cost criteria, but not without difficulty: in fact, and this was unusual for such a routine decision, the firm's Chief Executive had to adjudicate personally.

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To have a proper understanding of the problems which this decision raised within the company, it is necessary to know something about the local management practices, especially concerning capital investment options. A description of these shows how a belief in the supreme advantages of the production line (which may have been justified at one time) became rooted in the organisational structure, so that the members of that structure became the ardent defenders of what was no longer more than a debatable system.

Since the Taylor ethic came to France, accompanied by its train of organisational principles (separation of the design and production functions, increasingly complex time-and-motion study methods, assembly lines, and so on), the nature of certain products has changed and their markets have become more competitive. Automobile manufacturers, for instance, offer wider ranges and bring out new models more frequently. They have been forced to rationalise their investment choice procedures by concentrating them in increasingly heavily-staffed departments, such as what is known in the case in point as the Central Methods Directorate. The basic task of this directorate is, referring to prototypes developed by the R & D department, to lay down production schedules: order of operations, shop-floor layout, job times, and so on. It is thus acknowledged as the legitimate power behind all new productive investment decisions.

This legitimacy stems from the fact that the directorate wields the tools needed for the "scientific" preparation of those decisions: time-charts, work-splitting principles, specialists in the materials employed, and the like. Although the Central Methods Directorate took on its present form only about twenty years ago - well after the widespread introduction of the production-line system -, its main experience has been

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with this type of plant organisation; and, through a kind of mimicry, it has itself gradually developed into a production line for making production lines. This has tended to limit the range of solutions which could be considered whenever a new investment project came forward. However, this organisational explanation leaves room for a more "cultural" component of behaviour, as we shall now see.

An automobile is made up of a large number of components. The production cost of the whole vehicle is related to its selling price to the public, but this does not really apply to the components - for which there is no wide market. Thus, it is never known whether the production cost of a given component, taken separately, is sufficiently low (in the terms stated by Simon). There has thus grown up an obsessive drive to cut costs as far as possible, based on the logic of perfectionism, which is still further aggravated on account of the large number of units turned out. This is why hundreds, or even thousands, of people employed in the Methods Directorate spend their time on shaving off a few millimetres of metal.

It is this maximalist approach which has so far dominated the evaluation of investment projects and led to a constant repetition of the same organisational solutions. This influence bears not on the method of evaluation proper, but on the range of options to which that method is applied. Production lines leave room for many combinations of well-established technical solutions, so that they give opportunities for easy and systematic comparisons between many sets of options. There is thus a good chance of ending up with the best possible production line for the given purpose. We can thus refer to an optimum standard which, owing to the maximalist obsession already mentioned, is not recognised as merely a local (in the mathematical sense) phenomenon. The function of the cultural

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perceptions shared by the staff of the Directorate is to mask the distinction between the said local optimum and what may be a better solution but which lies in an area not accessible to the systematic determination of the optimum result. In other words, those shared perceptions serve to provide reassurance as to the quality of the work performed on the problem as perceived.

This being so, an engineer who is not a true Methods man, and who draws attention to - even by inference - the existence of this organisational terra incognita, is bound to provoke tension and conflict. We will try to show that, here again, the cultural dimension is of functional incidence, to the extent that its pseudo-rationalistic effects take root in an organisational concept; the engineer and the Directorate are both right, but from different logical standpoints:

- in terms of economic logic, the engineer is right in that his solution is better within the framework of the investment criteria applicable,
- in terms of "organisational" logic, the Methods Directorate is right in preferring a local optimum that is sure to be attained, rather than a solution only hypothetically "better" than that optimum.

When the shopfloor engineer produces an organisation blueprint more cost-effective than that produced by the Methods Directorate, and based on totally different principles, he provokes a deeply traumatic situation affecting not only the particular directorate involved, but also the rest of the corporation. Firstly, because he has flouted a culturally important value: that of legitimacy, which dictates who has the right to speak of what (in the absence of specific rules to that effect), in the name of a higher value - rationality.

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Secondly, because by producing a better solution than the one generally accepted as the best, he raises doubts concerning all the other findings of the Methods Directorate - and even more so to the extent that no-one can say that still better solutions do not exist.

The weakness of the engineer's position is revealed by the latter consideration. His approach is neither systematic nor capable of being generalised. Insofar as the system he proposes is not the product of an exploration of a structural set of facts, its quality derives from the imaginative ability of its author. Furthermore, an economic evaluation of that system requires the existence of a reference basis such as that provided by the best production line. For these reasons, the proposed solution implies the existence of the Methods Directorate, and does not point to a new way of designing workshop layouts in general.

The production line is not merely a reference basis. It is founded on a whole system for calculating production times which are not used just in evaluating investment projects, but also for monitoring output rates, for determining personnel needs, and for other purposes involved in the day-to-day management and future planning operations of the company. The advantage of this system is that it is the same for all the plant's workshops. If the kind of solution proposed by the shopfloor engineer were encouraged, it might give rise to the emergence of a multitude of organisational principles, possibly contrary to each other in some cases, and at all events hard to encompass within an overall view of things. It is for these reasons that we pointed to the difference between the economic logic espoused by the workshop manager (which makes sense on the local level) and the organisational logic embodied in the

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Methods Directorate (which tends to promote uniform methods of management).

As in the previous case-history, the shopfloor engineer advocating the new organisation possessed a higher technical qualification than most of the other staff holding the same position (which, strictly speaking, is a supervisory post rather than one entailing technical responsibility). This qualification enabled him to see his project through (in fact, nine successive versions had to be produced, illustrating the stern battle he fought with the Methods Directorate). Furthermore, the assurance with which he conducted the task may be attributed to the fact that he was from a higher social class than the other workshop managers, most of whom were former foremen.

The above brief account illustrates the relationships between cultural values (belief that a solution is optimal), management procedures (the cost-accounting system employed), and organisational structure (that of the Methods Directorate). Their involvement explains why the corporation sometimes reacts violently to initiatives which are objectively sound, even if unorthodox in organisation terms, in that they may be a threat to the corporate design. It would require a considerable amount of effort for the corporation to draw the organisational consequences (in terms of the overall structure) of the solution provided by the shopfloor engineer, especially in view of the size of the corporation concerned. This may explain the ambiguous ending to the story: shortly afterwards, this engineer was transferred to a higher position, but one which took him out of the production side of the company.

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#### 4 - Approach to a Theory of Corporate Culture

##### 4.1 - Culture and the corporate identity

When defining what we mean by culture at the start of this paper, we referred to Bateson's description of the concept in "Naven" (16). Without disowning this early work (he in fact added a preface twenty years later), Bateson went on to study human communications with the Palo Alto school, from the joint approach of psychiatry and anthropology. In "Naven", culture was described as a factor of behavioural standardisation which had different effects depending on the social status of the individual:

- by defining what the individual can legitimately express concerning social life,
- by defining the possible behaviours associated with each social status position.

Subsequently, the Palo Alto school was influenced by developments in linguistics, and came to define as being cultural, the sub-set of behaviours (among those expressible by the body or the voice) which a society (in the sense of a social group) regards as significant (17).

Refusal of the right to speak on certain subjects, to certain categories of individuals, performs the function - according to the early Bateson - of preventing what he calls "schismogenesis", meaning the process by which a society can explode under the effect of the internal stresses caused by the attitudes of some of its members. This work on culture and communications was based on the observation of primitive

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societies (New Guinea and Bali), of the social behaviour of the otter, and of psychotics, all of which are fields very remote from that of the corporation. It was for this reason that we felt it appropriate to show that the cultural model we were developing was a component of a corporate theory aimed at explaining the evolution of the corporation. We were concerned to demonstrate that the fact of including a cultural element in such a theory was a decisive contribution to the investigation of corporate transformations over time: it enables understanding of the factors of inertia and intercourse which are foreign to a corporate model that totally discounts the socio-economic incidence, whereas the corporation is in fact gaining ever greater autonomy. If we can establish the relationships between the cultural perceptions and social groups behind this autonomistic trend, and the homological features of the social structure, then we can also establish the limits of autonomy at any given point in time.

Culture is thus part of a self-perpetuating process which is fed by the dynamic interaction between the corporation and the society, and which acts by differentiation and integration owing to the gradual assimilation of codes of conduct and legitimisation procedures by increasingly widespread groups of individuals. As already mentioned, this gradual selection process led us to envisage defining stages and styles of corporate development in which the cultural factor is especially prominent.

From the methodological standpoint, a precise study of this process requires us to take certain precautions that

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could be described as elementary, if only they had already gained currency:

- avoid transposing, unreservedly, concepts such as those derived from the study of primitive societies, which differ from the corporation on at least two important scores: their immobility and their relative simplicity;
- avoid stifling the corporation within a mass of miscellaneous entities, collectively lumped together under some such heading as "organisations", whereby it is studied in relation to the same variables as are theatre companies, hospitals, and prisons;
- avoid considering the corporation as an atemporal institution, and reject the idea that observations and theories dating back fifty years necessarily retain their initial significance.

It is important, then, that the concepts developed in relation to the corporation should leave room for investigating the three basic questions concerning its historical development, its identity, and its specific nature.

It is also important to bear in mind the fact that analogies are usually of only limited relevancy: viewing the Automobile Company case-history in the light of the mechanics of schismogenesis adds little to our understanding of the corporation. The same applies to using the "double bind" theory when considering the company's attitude to its cadre personnel when it says in effect: "innovate, but realise that innovation is dangerous for the corporation".

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#### 4.2 - Is corporate culture a concept or a field of knowledge ?

The cultural element as thus described and, so to speak, put into operation, emerges more as a conceptual tool than as a system capable of being exhaustively depicted. In other words, we see no prospect of ever arriving at a cut-and-dried definition of the culture of a corporation. There are two reasons for this, the one theoretical and the other methodological:

- the first reason is the one already mentioned, when we noted that the corporation was on a different scale of complexity from that of a primitive society. If we can claim to be able to take a comprehensive view of the latter, this is because it remains virtually static: after a five-year absence, the researcher can go back and find that the social structure and values are unchanged. Whereas the culture of a corporation, despite a built-in inertia, is in a state of constant evolution due to the ongoing interference of the internal organisational structure and of certain outside factors such as changing technology and styles of management;
- the second reason is connected with the difficulty of observing the corporation. Even if he finds that fairly stable procedures obtain, and that many events derive from routine, the observer cannot hope to single out at all times which factors are truly significant in the evolutionary pattern: there are too many centres of decision, and his own place in the scheme of things is never quite clear. Even if he comes up with a coherent account, there will always be some doubt as to the general value of his observations.

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For these reasons, we are inclined to link the concept of corporate culture with two complementary lines of research (discounting historical research such as that concerning the evolution of industrial intercourse):

- firstly, the case-study approach in which the cultural element is a concept bound up with a theory defining its manner of application, and designed to broaden the framework of reference surrounding the study. Two examples of this are given above;
- secondly, an attempt to define - failing a comprehensive cultural structure - some generic traits which are bound to occur, at some point and to some degree, within the cultural complex of all corporations. Examples of this will be given a little further on, showing how the identification of such traits can enable comparative studies between corporations and the development of specific methods of observation.

For this second line of approach to be effective - especially with regard to comparative studies -, we must explain our basis for considering the corporation as a separate field of knowledge. It is for this purpose that we have integrated the cultural element with a corporate model and described how that model can contribute to studying the question: "What is a corporation?".

As concerns the study methods applied to investigating the corporation from a cultural standpoint, there no doubt exists a considerable number of alternative techniques (The author previously illustrated one such method by describing how the staff of a company were brought to draft futurological

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scenarios in short-story form (18). However, we feel that the methods adopted should all enable the researcher to have the kind of relationship with the corporation concerned which allows full access whilst at the same time leaving room for a coolly critical appraisal. To some extent, the necessary distance can be preserved by leaning on the acquisitions from outside professional gatherings and literature, but a more permanent arrangement can be achieved by regular contacts between the assignment researcher and a group of outside colleagues engaged, perhaps, in other fields.

#### 4.4 - The main traits of the corporate culture

As these are seen at present, they lie on three different levels of investigation:

- a level concerned by the question of staff and corporate profiles,
- a level involving the problem of logical definition,
- a level on which we examine the relationships between the cultural dimension and the other dimensions considered (although the effects of these are already felt at the two previous levels). A kind of study of the function of culture and its place with regard to organisational institutions.

##### 4.4.1 - Profile-building

This term is taken to mean the manner in which some specific profile-images are adopted by a corporate culture, or by the culture of particular given sub-group of individuals. Two of these images are felt to be particularly relevant and interesting, for several reasons:

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- one is the image of the individual
- the other is the overall company image.

The first interesting point is that these two extremes of the social system constituted by the corporation both correspond to images which are current in cultural systems of a different nature: to those of the individual and of society as encountered in primitive cultures and anthropological theory; and to those of the citizen and of the State in the political context.

Then, as already noted earlier, corporate theories have often adopted as their starting point one or other of these two images, usually taking the model from some established discipline, such as psychology for the individualistic approach and systems theory for the holistic approach.

Finally, many decisions are in fact inspired by one of these images, to the extent that the latter are considered as an integral part of the current rules of the game.

Between the two extremes, particular fractions or sub-sets may be given a specific image. One example of this is the salesman image referred to in the first case-history described above; another one was encountered by the author, concerning the office personnel employed in a technology-based company (19).

#### 4.4.2 - Logical definition

We earlier described culture as being a kind of pseudo-rationalism, which is consonant with the quite commonly accepted definition of culture as a system of agreed perceptions.

To some extent, our industrial society can be described in terms of Weber's "legalistic-rationalism", meaning

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that it is shaped by people concerned to eliminate arbitrary decision-making and discrimination between individuals; theoretically, every act of authority must result from a "logical" process of reasoning. However, this process itself often refers to stereotypes, whereas the area within which it applies and the form which it takes may differ from one corporation to the next<sup>(20)</sup>.

Let us take the example of investment projects designed to improve working conditions. Some corporations, for organisational reasons (nature of the product, focus of competence, etc) or due to historical circumstances (nationalised companies, companies with a tradition of social reformism, etc), have developed a humanitarian attitude consistent with making financial provision for such projects, whereas others continue to apply the purely economic criteria governing investment options. Similar situations arise when a miscellany of criteria, not directly comparable between themselves, has to be ranked in an order of priority. We then see that some companies stress the commercial side, giving priority to sales strategy and "gimmicks", whereas others are more concerned with product quality and sophistication. This type of observation can to some extent apply to national stereotypes, some countries being renowned for the reliability of their products and others for the aggressivity of their salesmen<sup>(21)</sup>.

#### 4.4.3 - The cultural element in relation to the organisational dogma

Here, we are referring to the functional attributes of a corporate culture, whereby it sustains the activity of the corporation by acknowledging some of the virtues of

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the established convention (such as who can speak on what subjects), while introducing channels of communication between different levels of the hierarchy. The cultural factor thus maintains very strong links with the organisational structure. If we analyse the latter and systematically identify all the features which are not strictly derived from the economic rationale (which from the cultural standpoint corresponds to a kind of zero point on the scale of values), we can extract from it the shared perceptions corresponding to the cultural incidence. The following are two brief examples of this:

The first concerns the connection between the worker image and the organisation of production inside a steel-works. At the start of our assignment in this undertaking, the rules of work left very little initiative to the shopfloor workers, who were considered very much on the lines of Taylorist theory, i.e. as robots performing repetitive movements. It had become evident that this rigid attitude was an obstacle to attaining the more flexible production objectives needed in a depressed and increasingly competitive market. To remedy this, an attempt had been made to adapt the production side by promoting the notion of a more responsible worker, capable of initiative within a closely-defined area. In its desire to re-shape the dominant worker image within the company, especially in the minds of the qualified technical executives, the management had over a period of years introduced various kinds of changes: recruiting of young workers at a higher level of qualification than had been the custom, workers participation in decisions affecting their conditions of work and the choice of new machinery, and so on. The recent introduction in France, well after the assignment in question, of what are known as "Quality Circles", corresponded to the same preoccupation: to

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obtain an effective improvement in shopfloor organisation, remodelled job definitions must be accompanied by a consonant change in the image of the shopfloor worker as seen by those placed above him.

Our second example concerns to the overall company image as a factor of investment options. Within the industrial group considered (22), the decision-making process was up to a few years ago based on traditional cost-accounting procedures, and the yard-stick was the internal rate of return on investment. Then, following an appraisal by a consultancy firm using the Boston Consulting Group approach, this was replaced by a method based on the relative cost position. In other words, a method which led to investment options reflecting internal performance alternatives was superseded by one which examined that performance by reference to the outside competition. We thus have a clear illustration of an introspective company image changing to become an outward-looking one.

The three main traits of the corporate culture considered thus concern three different levels of approach, but the effects of the variable factors involved may be felt in combinations between those levels: the connection between the corporate culture and the organisational structure is related to the images which prevail when judgements are formed.

## 5 - Conclusions

Even if the tenets of theory or the lessons of particular experience impel the reader to disagree with all or part of our model's assumptions, the author feels able to claim that it meets a number of the requirements which any corporate theory should fulfil, or by which it should be assessed. Four such requirements can be identified:

- the first, already given detailed treatment in another

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paper (23), concerns the model's ability to combine, within a single conceptual framework, the two extremes of individual versus corporate whole. It thus reconciles two points of view which fail to meet in many of the theoretical propositions expounded: decision theories and corporate behaviour theories;

- secondly, there is the matter of seeing the corporation as a social structure. A model should provide the means of investigating the long-term relationships developing between the corporation and the society as a whole;
- next, we have the relationships obtaining between the corporation and society at a given point in time. The components of the model should focus attention on the way that a proper understanding of the corporation implies a reference to factors that are meaningful only in terms of society as a whole; such as the social status of the people working in the corporation, or the social processes by which new management ideas are propagated;
- finally, there is the ability of a single model to contribute to the study of the three aspects of the corporate entity discussed above: the specific phenomena it generates; its consistency over the short term; and its long-term origins and future.

Evidently, the fulfilment of these four requirements implies that the focus of interest lies with the singularities of the corporation. From the methodological standpoint, we must therefore obey the three recommendations also formulated earlier:

- be cautious in using concepts borrowed from other disciplines where they were developed through empirical experience not related to the corporation;

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- beware of the notion of "organisations", which obfuscates the true nature of the corporation by lumping it together with other institutions that are irrelevant to it on almost every count;
- pay keen attention to the transitory aspect of the corporation, and thus to the doubtful advisability of making direct extrapolations to modern companies of findings developed fifty years ago and based on an industrial context which has since changed in many essential respects, particularly that of the status of industrial intercourse.

- (1) like thoses presented at the Vancouver Conference on Organisation Culture 1-3rd April 1984 and at the Lund (Sweden) Conference on Organisational Symbolism and Corporate Culture, 26-30th June 1984.
- (2) About the theoretical backgrounds of our model, see V. DEGOT, "Le modèle de l'agent et le problème de la construction de l'objet dans les théories de l'entreprise" Social Science Informations, Vol 21, n° 4-5, 1982.
- (3) For more precisions on that approach, see M. Berry, J.C. Moisdon, C. Riveline, "Qu'est-ce que la recherche en Gestion?" Revue Informatique et Gestion, sept-oct 1979.
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- (21) On the relationship between national cultures and corporate culture, see Ph. d'Iribarne, "National cultures and the functioning of organisations" Communication for the Lund (Sweden) Conference on Organisational Symbolism and Corporate Culture, June 1984.
- (20) J. Girin, "Langage en acte et Organisation", Economie et Société, série Sciences de Gestion, n° 3, 1983.
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- (23) V. Degot, "Le modèle de l'agent", op. cit.



ACTION RESEARCH AND ORGANIZATIONAL SYMBOLISM: THE ROLE OF SYMBOLS  
IN CHANGING THE WORK ORGANISATION  
Antonio STRATI

The Baric experiment began in 1973/74, and continued until the last follow up study carried out in 1982. It is described in the two following sections: unit grouping to redesign the job, and rethinking the job redesign. The symbolic aspects are mainly used to explain, rather than being themselves examined, used as objects, or seen as representations.

#### UNIT GROUPING TO REDESIGN THE JOB

##### The research

Computer technology has created a need for data conversion: written and printed information must be processed into machine readable form. Baric Company provides such processing on its own premises, as well as other services which include accounting, stock and production control, business planning, financial modeling, and technical analysis.

Baric, owned by ICL (60%) and Barclays Bank (40%), with a staff of 900 in 1974, is a small business, and yet is one of the largest bureaux in the United Kingdom. At the Data Conversion unit, raw data such as payroll, invoice and stock control information is converted onto papertape, magnetic tape or cards into machine readable form. This conversion is carried out by operators, who are mainly female, by merely depressing a key on a typewriter. These

cards or tapes are fed into a computer and processed into payroll or control and analysis summaries, and the results are then given to the customer.

The mechanical nature of depressing a key on a typewriter shows the coexistence of the plurality of levels and techniques in the technology, Touraine (1955), of a computer service bureaux. Since 1970 the Tavistock Institute had a consultancy relationship with Baric including the organisational design of the Company. During 1973/74 the Tavistock Institute carried out research concerning career development and labour turnover. The report indicated that high labour turnover among the Data Conversion operators was the focal point of the problem. At the end of March a proposal was put forth to carry out an action research project in that unit, and in September the project was commissioned.

The mechanical nature of the operator's job or high labour turnover, which one was the core of the presenting problem at the time of the contract? In the previous research many of the operators complained about the ambient aspects of their work. Just one of the operators focussed on the alienation of the job itself. From the content of this interview, and from what was absent in the content of other interviews, the Tavistock research team made a choice about the core of the problem. The internal physical environment, supervisory intervention on the social climate, the organisation of the working time, were simultaneously realistic troubles, and the displaced conscious expression of the unconscious anxiety about becoming a machine. To redesign the job became the aim of the action research project, Bain (1982), and therefore it didn't have the usual sense of the expert defining the job.

### The job redesign

A Steering group oversaw the course of the action research project. The Work Team analysed: the work culture in weekly meeting; the role of management and supervisory roles within the unit; and the socio-technical aspects of the functioning of the Punch room from October 1974 to June 1975. The Work Group met in June and July 1975 to design an organisation for the Data Conversion unit. The three task groups, starting in July 1975 were: the Operator's job group, for planning the implementation of changes in the unit; the Structure group, to analyse the structure and roles of the proposed supervisory/management hierarchy and supporting roles; the Boundaries group, for analysing and planning changes in the boundary relationships of Data Conversion unit.

The project groups addressed themselves to working on the job nature, and they identified that the basic tasks of designed job in the Data Conversion unit might be a source of both alienation and satisfaction. In February 1976, one year and half later, the Tavistock team withdrew. The changes did occur during this project collaboration: changes in the contents of operator tasks, in the number of levels in the management hierarchy, in the contents of supervisory roles, and in the boundary relationships of the unit.

### The follow up studies

The reviews that the Tavistock team carried out in 1976 and in 1977/78, the discussions with the Managing Director of Baric, the ex Chief of Data Conversion, and the Chief Supervisor in 1980 and the follow up study in 1982 indicated that the production of the new organisational life was evolving jointly with the efficiency of the unit in converting customers data.

The management hierarchy by 1977 had been reduced by three levels and by July 1982 four levels were designed out. A new management style emerged. It was less authoritarian, more consultative and encouraging of operators taking on new tasks. A growing clarity about the work of each other's units and the decision to renegotiate contracts with customers about time and quantity of input and output were achieved. Thus two new technical support roles were created. The new organisational space was build up emphasizing the discretionary aspects of the work. Each individual operator decided which new tasks to perform according to his preferences, potentialities and skills in respects to the group's work needs and choices.

Thus, the job boundaries expanded and became permeable, as the job spectrum enlarged to be seen as one complete task, not individual smaller ones.

The operators tasks, which consisted initially of punching and verifying, expanded to encompass the entire work process and functions in the Data Conversion unit.

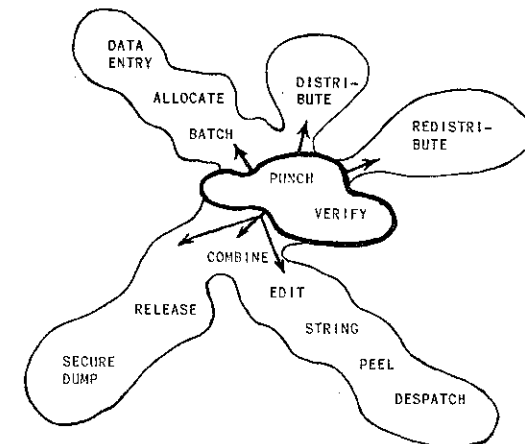


Fig. 1 - Grouping by work process and function, and by place

By 1976 the operators organized themselves in three different sub-groups, having the identical primary task and the same kind of resources and opportunities. All together they constituted the group system. Most of the actual operators didn't know the old work organisation. They didn't experience it, they just watched it in the minor paths of the new organisation. For most of them the transition from the old to the new meant mainly the buildings of the group system. Because of the reduction in the number of operators, the three subgroups become two, and finally only one.

The Tavistock research team which carried out the formal reviews found: a steady increase in operator efficiency, a reduction in sickness rates, and a very large decrease in labour turnover. Recruitment and training costs had decreased and the reduction of management levels saved the company money.

Turnover and sickness rates went down. The mean number of years the operators worked in the Data Conversion unit varied from about one in 1974 to five in 1982. The turnover from 110% in 1974 becomes 24% in 1978, and 4% by 1982. The sickness rates reduced by 6 days per operator quite immediately after the introduction of the group system, and remained stable at around 13 days per year. As those rates were lower the Punch room efficiency average increased by 34% until 1978, and again by 3% more until 1981, but efficiency decreased in 1982 because of the introduction of new machines.

The hard data indicates the mutual adjustment between the group members efficiency rates. The difference between the maximum and the minimum efficiency rates decreased by 58%, and it continued also during the introduction of the new technology. In fact the average of the volume of the products per operator doubled along an increasing trend which reached its maximum in 1982.

The number of operators and trainees in the unit diminished and augmented along the years but the trend is unique anyway: 28 people in 1974, around 20 until 1978; then, just 15 in 1982. Also, the decline of batch processing in the computer industry lead to a reduction in the number of operators needed, and therefore the company stopped recruitment.

The Tavistock follow up study of 1982 found, through the socio-technical analysis of the unit, that the technological change which occurred in 1982 was not a technological innovation, but rather just a change in equipment; it did not modify the contents of the operators' tasks, or the work flow. The new equipment was introduced because of its capability to process a larger volume of material. But these changes mainly increased worker dissatisfaction, because there were more operations to perform to acquire the same results. The positive aspect of the instillation of the new equipment for the operators was the possibility for greater control of their working time: two tasks, punching and verifying, could be carried out simultaneously.

The group was not involved in Baric's decision about the new technology, and this brought to light several areas of conflict between the operators and the Company. A process of deskilling started. The operators did not care to learn how to carry out all the tasks in the job spectrum with the new machines. During individual interviews and group discussions, one conflictual focal point was the relationship between flexitime and customer supremacy. Therefore, the operators chose to terminate the group system, because they felt it to be ineffectual.

A questionnaire administered at that time indicated that the most fulfilling aspects of the job for the operators were: seeing the work finished on time, and leaving work on time. Also, for them, the job was "just a job". When the operators drew a flowplan of what Baric was to them,

a common perspective emerged: the corridor was frequently drawn larger than the punch room, and the "Way Out" was explicit in some cases. Although they chose to terminate the group system, the questionnaire illustrated that they still had an emotional attachment to that system. They also felt to be self supervised, and specified the need for a clerk.

The discussion of the results of the questionnaire between the Tavistock team and Baric staff resulted in the acquisition of a clerk, and in one more level of the management hierarchy being designed out. When the Tavistock team withdrew in October, the operators were learning how to perform the several tasks within the job spectrum, and the efficiency rates began to increase. There were two basic points that enhanced the group system, which had been indicated during the follow up study: a general feeling among the workers that they were not involved in their job to the same extent that they had been in the past; and that these same operators choose the adjectives "hardworking" and "efficient" as the best words with which to describe themselves.

#### RETHINKING JOB REDESIGN

##### The impetus factors

To the operator, when key depression were 75,000 each day, approximately 3 per second, cybernetics and system theory looked light years away. Anyhow, that particular technological setting was unlikely to be fundamentally changed. The Baric experiment indicates that "technology while providing a limit to the nature of tasks generated is not a necessary fac

tor in organisational change, in the same way that impetus factors and conditions for change are", Bain (1982). The individual willingness of the actors to do something in the organisational arena looks powerful whether structural and cultural conditions permit change to occur.

At Baric the action research project made sense differently to the different participants. To the Managing Director and Senior Management, it satisfied the desire to reduce the very high and costly labour turnover. To the Tavistock research team, it was how the problem might be analysed and possibly resolved. Underlying these interests and willingnesses, there was the reality of the operators' work. The first two wills were manifest and overt impetus factors. The third one was latent and ambiguous; the operators were not organising anything else, such as a trade union.

The knowing, the learning, and the making choices in job redesign may be a process involving many subjects acting at different levels, whether or not the philosophy behind it is that the design comes from within and from experience. The philosophy of organising for the expression of individual capacities has evolved, as the process of organisational change has developed.

The four major impetus factors from which the Baric experiment evolved were: the interests and willingness of the people involved, the condition for change, the technology, and the philosophy. From the very beginning the project was launched with working groups without a designed leader. The collaboration of the Tavistock research team and Baric staff in action research, Spink (1977), is the aim of the contract. This is a virtual impetus factor because it mobilizes the consciousness, and creates the sense of a shared authority. Every realistic progress in changing the work culture and work organisation produces positive effects on the emotional structure of the subjects' organisation.

### The neutral spaces

When the project is commissioned, what the contract assumes and implies is a sense of experimentation. Through this experimentation there is: 1) a discovery of the individual capacities of the subjects themselves, 2) as well as a discovery of their performances, that is, their realized capacities. In the spiral of consistency and change of the organizational design, there are neutral spaces where the ambiguity increases and there is a shaping of the reticule of relationships. The dynamics of a process of self-generated change are located in these neutral organisational spaces which allow, because of the ambivalence, the potential for job redesign. There is a spontaneous trend to equalize the different powers of the actors, and to make permeable the individual and the organisational boundaries.

The less the boundary looks like a deadline, the more the organisational life may disclose its fertility. Towards that process of losing and rediscovering the individual and organisational boundaries both the alienating and satisfying natures of the job itself were identified. The job redesign pointed out those aspects of the work in the unit which call for decisions to be made, Jaques (1956), and the need to deal with the anxiety, Jaques (1955), Menzies (1960), the people were expressing. The process involved examining: the unconscious displacement of anxiety into other objects or containers, Bain (1976); the damaging system of projecting anxiety onto others' roles; and whether or not the unnecessarily constricted operators' capacities for discretion.

### The boundaries

The choice to design the organisation for the expression and the growth of human capacity was hindered by too many levels of supervision and management to be contained in the new organisational space. That choice engendered anxieties about the capabilities of the operators, and about the redundancy of certain levels of management. The conscious commitment to redesign the jobs in the Data Conversion unit pointed out the considerable resistences born from anxiety. The boundary between the conscious commitment and the considerable resistences was not merely a division which was completely defined once and forever. Rather, it is like the sea where it meets the beach, the sealings are mixed, and the backward and forward motion of the water defines the boundary, as well as the anxiety.

In the initiating process of the Baric experiment, the enthusiasm, not technological changes or advancements, served as the greatest impetus factor in redesigning the job. The enthusiasm is the expression of the "statu nascenti" (initial state), Alberoni (1968), in the way that the falling in love is for something to do.

In the transition from the old to the new organisational setting flexibility needs support to define its own consistency; once in the sea one appreciates the stability of the sand and the rocks. Changing organisation seemed to be the new nature of Data Conversion unit. The idea of, and the possibility for, change were the forces that mobilized the work groups at Baric. The new work organisation built through this process of change was a bit like a lung. Each individual operator willing to work in the new organisational setting was a member of his own subgroup and thereby of the Baric group system. For each subgroup, the identity of the

group (its activities and boundaries) became the foundation of the work culture of the unit. When one level of operators' membership, the subgroup and its symbols, was designed out, then, these internal boundaries were out; the group system and subgroup boundaries coincided, and the relationship of the group to the individual lost its previous definition.

#### The two different outcomes

The organisational change produced two different outcomes: services for Baric customers, which is a commodity; and the organisation of working life, Strati (1978). The second product of the group system, which is the organisation of working life, has two aspects: it defines the structuring of the work organisation; and the identities of the workers themselves. The subjects of the organisational change send the group system out-put to themselves and, therefore, the group system becomes their own new input, Lotman (1973), Broms and Gahrberg (1982). The process is iterative, and the group system in that process acquires and selects its symbolic meanings depending on its readers, Lotman (1977), Silverman (1975), Strati (1982).

The two different outcomes were sources of energies to each other. The quality and the quantity of the output of the Data Conversion unit impressed the Baric customers, the Company, the related units, and the people working in the Punch room. Most of the users and the producers of the unit output admired the work organisation, which the dynamics between the two different outcomes shaped. In spite of this, the new historical organisation did not spread to the rest of the company.

#### The beliefs system

The Baric experiment was a process of self-generated change, and the initial state could not indicate what the eventual set-up of the unit would look like. One of the main beliefs that supported the emotional structure of the new work organisation was the idea of change through the bargaining process of people's strategies, values and wishes. The belief in the agreement, Lotman (1979), was the calcium of the organisational skeleton of the unit, thereby designing out dependency.

For many years, nothing disturbed the relationship between the two outcomes of the Punch room. The change of the technological equipment in 1982 brought to light the nature of the linkages between the group system and its own environment: the work organisation's great dependence on company strategies. The ownership of the process of self-generated change was the core of all the problems in the unit.

#### The archetypes of the work culture

The introduction of the new machines became the metaphor for the game of who owned the production process. The shape of the problem was not overtly conflictual from the beginning. Rather, subgames, anti-task phenomena, which were all part of that collective experience, worked to reframe the Baric experiment.

Managing the boundaries of their competence and their skill, operators fought against dependency. "Skill is the magical union between

feeling and the production of reality. It is a natural amalgam of form, substance and expectations in the fervent hope for survival amid the cosmic uncertainty, but also keeping the game going on", Strati (1982). Choosing to deskill themselves, the operators underlied:

- the belief in the process of negotiation and agreement;
- the uniqueness of the self-generated change;
- the force of proximity as a resource in adopting strategies;
- the power of the ownership of competence, Heller and Wilpert (1981);
- the centrality, for action, of the instrumental attitude towards the outcome of their own previous actions, such as their competence and the group system.

The redesign of the boundaries of operators' competence and authority disclosed the ending of the conflictual aspects of the game. The group system was characterised by four possible levels of reading of the actors attitude toward their own actions:

- infinite supernatural set-up. During the everyday working life, the group system may be read as a metahistorical organisational setting, without the initial and the final points;
- evolutionary supernatural set-up. The group system may be read as something which is internally modifiable, and whose destiny is to live for ever. Like the immortality of mankind, or like the modern industrial society, Strati (1978; 1981), the group system is the best way to organise work flow and task performances in respect to people's needs and desires;
- immortal historical collective set-up. The group system may be read as the proof that people lead the structuring of that

organisational life, and manage its boundaries. Even though it will end, its mark in mobilising the people's consciousness and hope for improvement in the work organisation might survive becoming the myth of the group system;

- historical collective set-up. The group system may be read as a tool for expression of people's skills and emotions. The organisational setting is unique, because it belongs to its producers and users. Therefore its time boundaries depend on people's choices whether to look for another way to organize the working life.

The four different ways of reading the attitudes of the people involved in the dynamics of the organisational change affect the nature of the outcomes of the Baric group system. They influence the relationship between the quality and the quantity of customer service; and both the structuring of the work organisation and the identities of the workers themselves. The group system boundaries shifted between the operators' skill and the Company's strategy, through the plurality of the time boundaries. Focussing on that iterative process, several organisational spaces may be identified: the passages through them, rhythms and the reframed dynamics within the process of self-generated change.

Depending on its readers, the group system changed its nature but not the nature of performing the task, which has not been modified in its basic imagery during Baric experiment. Before the experiment had started, such as during the transition from the old to the new work organisation, hardworking and efficiency were the main values of the work culture. They have indicated the compatibility of the changes which occurred in the Punch room, within the Company organisational setting, and were proof of the group system's right to coexist with other units of Baric.

\*) I would like to thank the persons who helped me in designing and realizing this work; and among them, in a special way, Alastair Bain and Jerri Fosdick.

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SCOS Conference, Montréal 1986

"Cultural Engineering: the evidence for and against"

A "cultural" misunderstanding

Towards a turn from hypocrisy to symbolism

The term "engineering" commonly implies a certain comprehension of technological means. Or, the other way around, the level of technological development - usually confounded with "civilization" - occasionally entails a popular acceptance of engineering, whether it is corresponding to basic demands or dispersing actual social interests. Due to the hypocrisy of a ruling "elite" at times, and without any regard of sublime creativity, such an intervention will be called "cultural" in order to get withdrawn from "secular" critique.

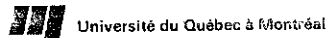
From an insight of the European past an association like this inevitably arises whenever an outline of "cultural engineering" is dealt with; but where the psycho-analytical concept of sublimation has been cynically suppressed. The former European "cultural pessimism", which led up to the presumption of the holocaust, had emerged from an oppose of "culture" against "nature". Accordingly "nature" was regarded a "rough material", either "sane" or "spoiled", which at any rate demanded for a specific value-orientated purification. Christian apologies, namely several Protestant ones, backed this unilaterality and spent their commendation to a profound exclusiveness of technical civilization. The engrained popular culture subsequently became a matter of creed, superstition, and political delusion: Under the auspices of a nature-culture-confrontation the decision is up to these, whether "natural roots" or a stigmatizing "culture" give raise to an actual performance of atavism or aggression. - The prepared means of its "engineering" - although called "optimistic" now - are distinctively the same anyhow.

That is to say: such a fiction of culture is destined by the tools entitled to it. The more programmatic these are, the less they endeavour after human skills; and the less they claim to personal engagement, the more regardless of sentiments they become. In absence of any historical consideration, exactly because of its lacking but, there is, however, to state a bloody link between the "SS" and "Rambo II".

Faced with the emersion of such a recurrent catastrophe, European thought has prepared a concept of culture, which tends to mediate technology with nature. In concrete - that means: with the historically grown reality - that idea focuses upon the display of personalities and their acts of sublimation. The subjectives ought not adhere to forcing issues or ascribed roles; on the contrary, the enlarged environment is due to them. Symbolism with this perspective is everything else but a presupposition: an always changing product, that is resistant to compulsory directives and digital resorption.

As that it is the characteristic of European culture to be a social product of personalities in communicational discourse, it must, of course, be contradictory to any kind of "engineering" and its imperial tasks. Against the overture of the instrumental apologists' "third hand nature", however, culture gets strengthened by its very idea.

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Montreal, February 18, 1986

Mr. Wolfram Burisch  
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D - 4790 Paderborn  
WEST GERMANY

Dear Mr. Burisch:

The theme of the conference is "Cultural Engineering: the evidence for and against". Please find a copy of the call for papers attached. The conference will be oriented towards a discussion of empirical and documented evidence rather than theoretical arguments. As your proposed paper makes no reference to empirical data or documented evidence it is slightly off theme.

Your theoretical paper is otherwise both interesting and close to the conference theme. Would it be possible to rewrite your paper to include either empirical data or a documented case study? If so your paper could be presented at the conference. Please inform us as to whether you are willing and able to make this change.

Many people have responded to our calls for papers after the deadline. For this reason we have decided to extend the deadline for producing the final version until May 15, 1986. It will be important to respect this deadline as it leaves us just the time necessary for compiling and printing the proceedings before the conference begins on June 25th.

The conference will open on Wednesday the 25th of June at 9:00 A.M. and will run until Friday the 27th at noon. The annual meeting of SCOS (Standing Conference on Organizational Symbolism) will be held on Friday afternoon.

Thank you for showing an interest in the 1986 SCOS conference.

Yours sincerely

Brian HOBBS

/gb

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Dear Mr. Hobbs,

In fact the present European scenery is shaped by the fundamental controversy between "Post-modernism" and "the historical Modern". According to these divergent orientations models of cultural engineering on onehand, concepts of substantial reason on the other side are dealt with. Ultimately it comes to the point, whether to conserve the straight technologies of political manipulation, or to strengthen the cultural concern for historical discretion.

This discourse can be mediated in every sphere of intellectual life: philosophy as sociology, arts as psychiatry. Due to it's sensitivity, however it cannot get reckoned in terms of scales or statistics. Applied technologies are the grave-diggers of any conceptional effort.

With regard to this notion it would be unseemly but to ignore a major concern of the actual theoretical discussion at a SCOS-Conference on culture.

Yours sincerely

(Wolfram Burisch)

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