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Management, culture and control

In the 1990s I was a senior executive in the Australian public service. One evening, at a dinner at a departmental ‘retreat’ for senior managers, I sat next to the man who had just been the keynote speaker. He was the human resource manager for a large, new company that was operating at the cutting edge of technology. He did not know me or my job, just that I was a senior executive. My departmental job had involved, among many things, overseeing a survey on collective bargaining (there had just been major policy reforms) sent to over a thousand randomly selected companies. His company was one of the few at the time with a nonunion collective agreement, and the response rate among them was much lower than among other companies. Without prompting, he told me he had received a survey from my department. (‘Oh, really?’) Yes, but he could not allow it to be distributed among the associates—his word for employees. (‘Why was that?’) It contained the word ‘bargaining’, something that implied conflict, and that wasn’t really an idea he wanted his associates exposed to.

It was an intriguing conversation from an otherwise tedious evening, one that told me more than so many studies that had been done with management’s permission. Understanding what was behind that helps us understand the managerial forces shaping the direction that future work will take. The previous chapter told us about the types of *jobs* that have been growing, and declining, in recent times, how technology is affecting many jobs and how many are likely to be partly or fully replaced by automation. But by extrapolating from current information about jobs and technology, we only get part of the picture of the future of *work*.

We also saw that the future depends on future technologies, about which our current knowledge is largely inadequate, and on future consumption patterns, about which we know very little. It also depends on future management behaviours about whether to invest in certain technologies (and we spoke quite a bit in the previous chapter about the economics of technology, which shape such investments) and how to use the technologies that they possess or purchase. Before we understand about management behaviours in the future, we need to know about the realities of management behaviour now.

There are many realities, many different ways in which management behaves. We must understand the importance of the function of control to management, and some of the key developments in the exercise of managerial control. In doing so, we must refer back to the concept of culturism that featured in interpretations of some of the visions of the future discussed in Chapter 3.

Different elements of management strategy or style

In studying the current realities of work, we need to consider the main ways of managing employees. How this is undertaken is referred to as management style or management strategy. Both terms are used almost interchangeably in the literature.

Views on the meaning of strategy range from ‘rational conscious planning’ to what Mintzberg referred to as something best ‘seen as a pattern in a stream of decisions’.¹ To Bray and Littler, strategy referred to ‘the modus operandi of managing labour’ and was ‘a useful method of modelling organisational processes irrespective of the coherence, or otherwise, of the managing director’s consciousness’.²

1 Henry Mintzberg, ‘Strategy Formulation as a Historical Process’. *International Studies of Management & Organization* 7, no. 2 (1977): 28–40. See also Margaret Gardner and Gillian Palmer, *Employment Relations: Industrial Relations and Human Resource Management* (Melbourne: Macmillan, 1992).

2 Mark Bray and Craig R. Littler, ‘The Labour Process and Industrial Relations: Review of the Literature’. *Labour & Industry* 1, no. 3 (1988): 551–87.

So ‘management style’ is probably a more accurate term than ‘management strategy’ as, for many, strategy implies a plan or coherent pattern of action. It is often difficult to discern that there is a clear strategy shaping management behaviour, even in retrospect. Implicit strategy may be inferred from actions rather than explicitly specified in a plan. The term ‘management style’ denotes a pattern or approach to labour management without implying a conscious or unconscious plan. That said, as mentioned, we use the terms interchangeably as we follow the lead of Mintzberg and of Bray and Littler in not requiring explicit coherence in a strategy.

It appears that there are three dimensions, which we discuss in turn, into which management style can be categorised:

- high trust versus low trust styles;
- collective versus individualising styles;
- structured versus unstructured styles.

Other dimensions, referred to in some of the literature, mostly fit into one of the three above.

1. High-trust and low-trust approaches

One of the most common dimensions of management style is the degree of ‘trust’ exhibited by management towards employees.

Chris Wright identifies low-trust and high-trust approaches to labour management.³ The *coercive, ‘low-trust’ approach* is characterised by low worker autonomy, close supervision and strong discipline such that workers are treated as a commodity and are forced to comply with management commands. For example, staff at a Tesco warehouse had to wear digital armband devices that constantly monitored their performance, and some Irish warehouse workers said they got lower scores on a rating system if they keyed in that they went to the toilet or took a break.⁴

3 Christopher Wright, *The Management of Labour: A History of Australian Employers*. Australian Studies in Labour Relations 4 (Melbourne: Oxford University Press, 1995).

4 Anne-Marie Walsh, ‘Tesco Staff Forced to Wear Arm Monitors That Track Work Rate’. *Irish Independent*, 11 February 2013, www.independent.ie/irish-news/tesco-staff-forced-to-wear-arm-monitors-that-track-work-rate-29060257.html.

The *consensual, 'high-trust' approach* occurs where there is mutual trust between the parties, and workers are treated by management as a 'resource', not a commodity (so, yes, being treated like a 'resource' in this context is a relatively good thing). Management aims to develop and nurture employee talent by giving workers autonomy at work to make decisions and fully use their skills and abilities.

Christopher Wright examined high- versus low-trust management style in three areas of the employee–employer relationship:⁵

- 'employment relations'—e.g. human resource (HR) arrangements such as recruitment, training, rewards;
- 'work relations'—how management organises the technical and social aspects of work;
- 'industrial relations'—how employers manage organised labour, and deal with unions and with bargaining (though this last one is better located under our second dimension, discussed below).

Wright noted that it was difficult to discern a common pattern of Australian employer behaviour. He also found that there was no single management style among Australian employers. Instead, there were inconsistent patterns of management style, not only *between* firms but even *within* firms. Wright argued that employers' approaches to the management of labour have been complex and contradictory at times: 'Australian employers have adopted elements of both high-trust and low-trust strategies simultaneously within the same organisation, and sometimes in relation to the same groups of employees.'⁶ At some points in history, employers have tended to favour elements of the high-trust approach, only to abandon them later. Also, for some groups of employees, employers adopt elements of both the high and the low-trust approach to labour management. (More recently, Wright and colleagues have looked at the role of management consultants in spreading key ideas through managerial ranks across businesses—and the gradual demise of this group, as managers themselves internalise many of the ideas and methods propagated by management consultants and take on some of the characteristics of what the researchers call 'management as consultancy'.)⁷

5 Wright, *Management of Labour*, 6.

6 Ibid.

7 Andrew Sturdy, Christopher Wright, and Nick Wylie, *Management as Consultancy: Neo-Bureaucracy and the Consultant Manager* (Cambridge, UK: Cambridge University Press, 2015).

The management literature suggests that, to some extent, there may have been a net shift in emphasis from lower trust to higher trust management styles, often associated with the word ‘empowerment’, although there are many counter-examples.⁸

Other analysts have developed comparable typologies of management strategies or styles. Although these typologies differ in their precise content and definition, they all establish some form of ‘black hat’/‘white hat’ contrast that relates in part at least to high trust and low trust. Andrew Friedman, for example, distinguished between ‘direct control’ (management try to reduce the responsibility of individual workers by close supervision and by setting out in advance and in great detail the specific tasks allocated to each worker) and ‘responsible autonomy’ (managers try to emphasise the positive aspects of labour capacity, namely its malleability, so that workers are granted responsibility and status, supervision is restricted, loyalty is rewarded etc.). The choice taken was seen as depending on the degree of competition in labour markets and product markets.⁹

Michael Burawoy, one of the major living sociologists, created a three-way classification, involving ‘despotic control’ (direct control), ‘hegemonic control’ (more sophisticated methods relating to bureaucratic control)¹⁰ and ‘hegemonic despotism’. The last meant the fear of being fired was replaced by the fear of capital flight, plant closure, the transfer of operations and disinvestment—enhanced power of capital was associated with new management practices such as ‘quality of working life’ programs and quality circles that attempt to mobilise consent for increased productivity.¹¹

In Australia, authors such as Curtain and Mathews, and Boreham, Hall and Harley identified two types of workplace reform strategies available to organisations to enhance profit in the context of change.¹² The first

8 Rosabeth Moss Kanter, ‘Leadership and the Psychology of Turnarounds’. *Harvard Business Review* (June 2003).

9 Andrew L. Friedman, *Industry and Labour* (London: Macmillan, 1977).

10 Bureaucratic control is discussed in the next section, on ‘Conflict over control’.

11 Michael Burawoy, *Manufacturing Consent* (Chicago: University of Chicago Press, 1979); Michael Burawoy, ‘Between the Labor Process and the State: Changing Face of Factory Regimes under Capitalism’. *American Sociological Review* 48 (1983): 587–605.

12 Richard Curtain and John Mathews, ‘Two Models of Award Restructuring in Australia’. *Labour and Industry* 3, no. 1 (1990): 58–75; Paul Boreham, Richard Hall, and William Harley, ‘Two Paths to Prosperity? Work Organisation and Industrial Relations’. *Work, Employment and Society* 10 (1988): 449–68.

was a ‘cost minimisation’ approach, focused on achieving numerical flexibility in labour costs or employee numbers. The second was a ‘productivity enhancement’ approach, focused on improving functional flexibility of labour—emphasising skills acquisition, multiskilling, flexibility in work assignments, quality and devolution of authority. Cost minimisation reflected the logic of managerialism, with emphases on auditing, casualisation, managerial control and work intensification.¹³ It was a type of ‘low-trust’ approach. Productivity enhancement, on the other hand, included quality enhancement, investment in training and the creation of ‘high performance work systems’.¹⁴ It was a more ‘high-trust’ approach. The literature often highlights the contradictory nature of these two paradigms. These two strategies, pursued properly, would seem to be mutually exclusive.¹⁵ Each represents one of the two opposite paths to longer hours or work intensification.¹⁶ Nonetheless, a number of firms attempt to pursue both strategies, and so might be called ‘mixed strategists’.¹⁷ You may have experienced this yourself. While management may apply different strategies to different parts of its workforce (which is not so surprising), it sometimes also tries to apply different, contradictory strategies to the same workers.

In these various dichotomies we see the dual nature of, and tensions in, the control relationship. The first is tension for management: between treating labour as a commodity and as a continuing social relationship. The second is tension for labour: between resistance to subordination and exploitation, and the maintenance of economic relationships including, critically, the viability of the employer.¹⁸

13 For an example, see Oliver Wright, ‘Join Ryanair! See the World! But We’ll Only Pay You for Nine Months a Year’. *Independent*, 16 May 2013, www.independent.co.uk/news/uk/home-news/join-ryanair-see-the-world-but-well-only-pay-you-for-nine-months-a-year-8619897.html.

14 Bill Harley, Belinda C. Allen, and Leisa D. Sargent, ‘High Performance Work Systems and Employee Experience of Work in the Service Sector’. *British Journal of Industrial Relations* 45, no. 3 (2007): 607–33.

15 Richard E. Walton, ‘From Control to Commitment in the Workplace’. *Harvard Business Review* 85, no. 2 (1985): 77–84.

16 See, for example, Chapter 3.

17 David Peetz et al., ‘Workplace Bargaining in New Zealand: Radical Change at Work’. In *Workplace Bargaining in the International Context*, ed. David Peetz, Alison Preston, and Jim Docherty, Workplace Bargaining Research Project (Canberra: Department of Industrial Relations and Australian Government Publishing Service, 1993). See also Peter Boxall and Peter Haynes, ‘Unions and Non-Union Bargaining Agents under the Employment Contracts Act 1991: An Assessment after 12 Months’. *New Zealand Journal of Industrial Relations* 17, no. 2 (1992).

18 Peter Cressey and John MacInnes, ‘Voting for Ford: Industrial Democracy and the Control of Labour’. *Capital and Class* 11 (1980): 5–33.

Within management that tension between treating labour as a commodity and as a continuing social relationship often leads to managers *saying* they want a continuing social relationship but *behaving* in a manner consistent with its treating labour as a commodity. That is, a large gap between rhetoric and reality emerges. Some organisations portray themselves as based on ‘high trust’ or ‘commitment’ but behave otherwise. Some organisations, aiming to promote commitment and loyalty at the same time, take a hard line against dissent,¹⁹ especially in seeking to exclude unionism. Certain managements will try to resolve this contradiction by trying to engage in some form of ‘cultural’ control, whereby substantial effort is put into ensuring employees have the ‘mindset’ that enables them to be persuaded that the workplace really is a high-trust environment, while simultaneously exercising considerable control over those employees. This is particularly common where management adopts particular positions on the two other dimensions of management strategy. So we will discuss those first before returning to this issue of attempted cultural control or ‘culturism’.

Changing technology itself has potentially mixed effects. On the one hand, it makes communication easier, which may facilitate higher trust approaches, as it makes it easier in principle for the wishes of employees to be known to managers, and for groups of workers to autonomously and coherently make decisions. It may be easier to work from home, enabling employees to better juggle work–life balance issues and for managers to be less obsessive about attendance. On the other hand, if it is easier for people to work from home it is easier to give them extra things to do *at home* (or in the park, on the beach, etc.). It makes it easier for managers to monitor what workers are saying to each other. It makes it easier to count things, and the metrification of work is one of the major tools of the low-trust manager.

In *The Circle*, the work environment seemed very high trust on the surface but the ability of managers to count almost everything Mae did, and to quantify each aspect of her worth, turned it into a very low-trust environment in reality. This dual capability of technology is mirrored in the dual directions that management trust appears to be taking, though

19 Diane Van den Broek, ‘Human Resource Management, Workforce Control and Union Avoidance: An Australian Case Study’. *Journal of Industrial Relations* 39, no. 3 (1997): 332–48; David Peetz, *Brave New Workplace: How Individual Contracts Are Changing Our Jobs* (Sydney: Allen & Unwin, 2006); Dennis Tourish, David Collinson, and James R. Barker, ‘Manufacturing Conformity: Leadership through Coercive Persuasion in Business Organisations’. *M@n@gement* 12, no. 5 (2009): 360–83.

for many, as in *The Circle*, the appearance of higher trust may actually be deceptive. By contrast, the environments in both *Nineteen Eighty-Four* and *The Handmaid's Tale* both appeared very low trust from early on.

2. Collective and individualising approaches to employee management

A second way of categorising management style is the extent to which management adopts 'collective' or 'individualising' approaches to dealings with employees. We can think of this dimension as a single scale with both 'collective' and 'individualising' denoting each end of the scale.

Organisations that adopt an 'individualising' approach are commonly antiunion. By our definition, they are the opposite of collectivist (where managers respect the rights of employees to be represented by unions). Individualising managers often endeavour to exclude unions from the workplace so that management can maintain a direct relationship with workers. Managers that adopt this approach could be said to have a unitarist view of work. Managers with a pluralist perspective, by contrast, will more likely support or at least tolerate a collectivist approach.

Not all pluralist managers will work in collectivist workplaces. This is because, for collectivism to exist, employees must have some organisation. A workplace or organisation may be too small for this to happen, or the union itself may be absent or not well enough organised, or the industry too difficult to organise. Some small firms might end up adopting what appear to be nonunion, low-wage or exploitative strategies because of their dependence on larger organisations and subordination to a competitive environment.²⁰ Most small businesses are not unionised, regardless of the philosophies of their owners. We should not infer, from the discussion here, that all managers are malevolent and opposed to employees organising themselves collectively.

Individualising strategies can be used with either low-trust or high-trust strategies. Earlier changes to industrial relations law, particularly under the New Zealand Employment Contracts legislation or the 2005 Australian 'WorkChoices' legislation (both now repealed), appeared to encourage the use of formalised individual contracting to reduce labour

20 Tony Dundon, Irena Grugulis, and Adrian Wilkinson, 'Looking out of the Black Hole: Non-Union Relations in an SME'. *Employee Relations* 21 (1999): 251–66.

costs and wages (i.e. the low-trust path). Individualisation through individual contracting often leads to inferior pay and conditions. However, individual contracting does not inevitably lead to this. Some employees will receive higher incomes under individualisation strategies, because of a nonunion premium offered by some employers to purchase a transfer of power and, sometimes, increasing productivity as a result.²¹ Nonetheless, it appears that data showing poorer pay and conditions for workers on individual contracts such as Australian Workplace Agreements (AWAs)²² reflect the inherently lower bargaining power of employees, by comparison to management, on individual contracts.²³

It is very important to note that the term ‘individualism’ is often (mis)used to describe many different things, and in that context might imply a different meaning to the one I use here. For example, ‘individualism’ can mean to some the ‘differentiation’ of individual employees’ employment contracts.²⁴ This is what Willie Brown and his colleagues refer to as ‘substantive individualisation’, but it is not what we are talking about here. Brown and friends were talking about significant differences between employees in a corporation with reference to their pay and other terms and conditions of employment. Substantive individualisation does not need to go with ‘procedural individualisation’—that is, with individual contracting—as all individual contracts offered by a firm might be mostly identical.²⁵

21 David Peetz and Alison Preston, ‘Individual Contracting, Collective Bargaining and Wages in Australia’. *Industrial Relations Journal* 40, no. 5 (2009): 444–61.

22 Ellen Dannin, *Working Free: The Origins and Impact of New Zealand’s Employment Contracts Act* (Auckland: Auckland University Press, 1997); Richard Mitchell and Joel Fetter, ‘Human Resource Management and Individualisation in Australian Law’. *Journal of Industrial Relations* 45, no. 3 (2003): 292–325; Sarah Oxenbridge, ‘The Individualisation of Employment Relations in New Zealand: Trends and Outcomes’. In *Employment Relations: Individualisation and Union Exclusion—an International Study*, ed. Stephen Deery and Richard Mitchell (Sydney: Federation Press, 1999), 227–50; Peetz and Preston, ‘Individual Contracting’; E. Rasmussen and J. Deeks, ‘Contested Outcomes: Assessing the Impacts of the Employment Contracts Act’. *California Western International Law Journal* 28 (1997): 275–96; Kristin Van Barneveld, ‘Under the Covers: Negotiating Australian Workplace Agreements: Two Cases’. Paper presented at the Current Research in Industrial Relations conference, AIRAANZ, Adelaide, 4–6 February 1999.

23 For more on power under individual contracting, see Peetz, *Brave New Workplace*, 75–80, Chapter 4.

24 William Brown et al., *The Individualisation of Employment Contracts in Britain*. Employment Relations Research Series No. 4 (London: Department of Trade and Industry, 1998).

25 Ibid.

Other people may ascribe quite different meanings to the term. For instance, John Purcell used individualism to refer to the ‘extent to which personnel policies are focused on the rights and capabilities of individual workers’. That is more like the high-trust/low-trust dimension. He saw this as a different dimension of management style to collectivism, which could coexist with individualism.²⁶ Finally, some researchers in social psychology treat individualism and collectivism as different but not diametrically opposed concepts, and use different survey questions to measure them.²⁷ For us, though, individualism and collectivism in employment relations are opposing points on a single continuum.²⁸

Artificial intelligence and technology facilitate the surveillance of employees that makes it easier to thwart the collective organisation of employees, in much the same way as it makes it easier for dictatorial governments to maintain control over potentially dissident populations.²⁹ Workers in *The Circle* are increasingly monitored for their performance, in order to control them. Digital technologies also make it easier to fragment workforces (e.g. in ‘platform economy’ work), thereby making it harder for workers to collectively organise. On the other hand, similar technologies may provide the tools that unions themselves can use to facilitate collective organisation (discussed in Chapter 7). So the net effect of technological change on this second dimension depends on the choices that both sides make.

26 John Purcell, ‘Mapping Management Styles in Employee Relations’. *Journal of Management Studies*. (1987): 205–23.

27 Carolina Gomez, ‘The Relationship between Acculturation, Individualism/Collectivism and Job Attribute Preferences for Hispanic MBAs’. *Journal of Management Studies* 40, no. 5 (2003): 1089–105; Hatty C. Triandis and Theodore M. Singelis, ‘Training to Recognize Individual Differences in Collectivism and Individualism within Culture’. *International Journal of Intercultural Relations* 22, no. 1 (1998): 35–47.

28 Peetz, *Brave New Workplace*, 10–11.

29 Troy Henderson, Tom Swann, and Jim Stanford, *Under the Employer’s Eye: Electronic Monitoring and Surveillance in Australian Workplaces* (Canberra: Centre for Future Work, Australia Institute, 2018); Mike Allen, ‘How Tech Fuels Authoritarians’. *Axios*, 12 August 2018, www.axios.com/big-tech-surveillance-authoritarianism-china-artificial-intelligence-2b91dedb-93a0-460c-a236-4a3bb7c9e99.html.

3. Structure in management: A third dimension of labour management

A third way of categorising management is the degree of formalisation or structure in management procedures at the workplace. Formalisation or structured management refers to the extent to which management has developed systematic written policies and procedures for dealing with labour management issues. The opposite of a formalised system would be unstructured management where there are few set rules and managers deal with most matters on an ad hoc and informal basis.³⁰

Structured management could involve some of: a formal grievance procedure; a formal disciplinary procedure; a performance management system; developed formal training system; occupational health and safety (OHS) committees; joint consultative committees; quality circles; and/or well developed policies on equal employment opportunity (EEO) and/or gender equity.

Overall, structured management is becoming more common. Part of this is due to the impact of regulatory changes in a number of countries such as unfair dismissal laws (that create a need for consistent disciplinary procedures); antidiscrimination and EEO laws (that create a need to manage equity at work); in some countries, changes in bargaining practices (e.g. in Australia the shift to enterprise bargaining, supported by laws, in turn generating a need for formal bargaining committees); and OHS law (in turn creating a need for OHS committees). Even beyond this legal pressure, management in many organisations is also gradually increasing other areas of structured management such as training, employee monitoring and grievance procedures. Technological change increases the potential for structure in management by increasing the opportunity for computerised record-keeping and counting and formalising things that previously may have been undocumented, for example in performance appraisals. This was seen very clearly in the burdensome performance metrics required in *The Circle*. So the trend towards more structure in management is likely to continue.

30 Ron Callus et al., *Industrial Relations at Work: The Australian Workplace Industrial Relations Survey* (Canberra: AGPS, 1991).

That said, low formalisation or low structure in management is common in small business, as these frequently do not have the resources for the specialist functions associated with formal structures. The industrial relations practices in small business are often quite distinctive.³¹ While technological changes may facilitate the introduction of some more structure into small business management, it is hard to believe the gap between large and small businesses in the degree of structure would disappear. The opposite might be equally possible.

Conflict over control

Negotiations over new collective agreements may centre on wage increases or benefits—that is, resources. But they may also centre on procedural issues of managerial prerogative or control. As we know from Chapter 2, resources are an important influence on control. But conflict in the workplace may often be specifically about control itself.

In small organisations, the capitalist can directly supervise employment and payment; for Richard Edwards, this was ‘simple control’.³² Yet in *some* small organisations, as Andrew Friedman pointed out, workers can still have substantial levels of autonomy.³³ Regardless, as organisations grow in size, management’s personal ties with workers are weakened and worker resistance may be more organised and more successful.

31 Phil Beaumont and Ian Rennie, ‘Organisational Culture and Non-Union Status of Small Businesses’. *Industrial Relations Journal* 17, no. 3 (1986): 214–24; Ron Callus, Jim Kitay, and Paul Sutcliffe, ‘Industrial Relations at Small Business Workplaces’. *Small Business Review* 7 (1992): 106–45; Joe Isaac, *Small Business and Industrial Relations: Some Policy Implications*. Industrial Relations Research Series No. 8 (Canberra: Department of Industrial Relations, 1993); Joe Isaac et al., *A Survey of Small Business and Industrial Relations*. Industrial Relations Research Series No. 7 (Canberra: Department of Industrial Relations, May 1993); Alison Morehead et al., *Changes at Work: The 1995 Australian Workplace Industrial Relations Survey* (South Melbourne: Longman, 1997); Rowena Barrett and Al Rainnie, ‘What’s So Special About Small Firms?’. *Work, Employment & Society* 16, no. 3 (2002): 415; Monder Ram and Paul K. Edwards, ‘Praising Caesar Not Burying Him: What We Know About Employment Relations in Small Firms’. *Work, Employment and Society* 17, no. 4 (2003): 719–30; Adrian Wilkinson and Tony Dundon, ‘Employment Relations in Smaller Firms’. In *Handbook of Employment Relations, Law and Practice* (4th ed.), ed. B. Towers (London: Kogan Page, 2003): 288–307; Grant Cairncross and Jeremy Buultjens, ‘Enterprise Bargaining under the Workplace Relations Act 1996 in Construction and Hospitality Small Businesses: A Comparative Study’. *Journal of Industrial Relations* 48, no. 4 (2006): 475–88.

32 Richard C. Edwards, *Contested Terrain* (London: Heinemann, 1979).

33 Friedman, *Industry and Labour*.

Over time, according to Edwards, larger organisations have become able to develop *technological* and *bureaucratic control*—that is, to use technology and rule-making as structural forms of control. Internal labour markets, rules governing job specifications, and work practices are examples of bureaucratic controls.³⁴ Technology allows the employer to control the processes of work and the pace of work. One mechanism by which these two control processes were merged was through the spread of Taylorism, a management system developed early in the twentieth century, focusing on narrowing the division of labour and timing each step of the production process, and picked up most famously in Henry Ford's mass production factories.³⁵ Friedman described Taylorism and other unilateral forms of managerial control as *direct control*. However, labour is too difficult to control through consistently simple methods, and no 'single form' of control is adequate for all circumstances.³⁶ Various management tactics lead to matching employee responses, establishing a 'frontier of control' or an area of 'contested terrain' between labour and management.³⁷ They 'push back' against each other, and so the frontier of control can shift depending on the power resources of the parties. For example, managers may decide to introduce a system of incentive pay; employees may resist and press for specific rules to be emplaced; management may try to amend rules to achieve their prior objective; employees may 'work to rule' to maximise their incentive payment but undermine other management objectives; and so on.

Conflict 'arises over a range of issues including the organisation of work, the pace of work, defining the rights and responsibilities of each party, and how employees are to be incorporated into the labour process'.³⁸ Hence, 'the workplace becomes a battle ground, as employers attempt to extract the maximum effort from workers and workers necessarily resist their bosses' impositions'.³⁹ Management aims to reduce uncertainty by gaining optimal control of labour power in order to generate profit.⁴⁰

34 Keith Townsend, 'Teams, Control, Cooperation and Resistance in New Workplaces' (PhD diss., Department of Industrial Relations, Griffith University, 2005), 14.

35 Taylorism was named after Frederick Winslow Taylor, the most famous proponent of what was called 'Scientific Management'. Unsurprisingly, the spread of systems of mass production with little or no variation became known as Fordism. Frederick Winslow Taylor, *The Principles of Scientific Management* (New York: Harper & Brothers, 1911).

36 Paul Thompson, *The Nature of Work: An Introduction to Debates on the Labour Process* (Hampshire: Macmillan, 1989), 133 (my emphasis).

37 Carter L. Goodrich, *The Frontier of Control: A Study in British Workshop Politics* (London: G. Bell and Sons, 1920); Edwards, *Contested Terrain*.

38 Townsend, 'Teams, Control', 14.

39 Edwards, *Contested Terrain*, 13.

40 Burawoy, 'Between Labor Process'.

What does the future hold for this mutual ‘push back’? Since the 1980s, manufacturing and large retailing firms in particular have moved towards ‘just in time’ (JIT) production systems that minimise use of inventories and hence costs, but render large systems open to disruption by a small interruption. JIT has been facilitated by modern technologies including computer systems and barcodes. Digital technology gives both high-trust and low-trust approaches additional ammunition. It provides the means for greater future collaboration if that is wanted, but perhaps that is not what many managements will want. They may prefer to exercise greater control and supervision. Just as employees seek to exercise control over their work—the importance of job control is a recurring theme of organisational psychology⁴¹—so too do managers, and they are increasingly held accountable for what their subordinates do. That makes it pretty difficult for individual managers to resist the urge to control. JIT systems reduce cost but increase risk, and so managers seek to increase control to counter risk.

We should not underestimate the potential impact of artificial intelligence on human resource management. Increasingly, firms are using algorithms to help in recruitment, with potentially discriminatory results.⁴² Some are, or will, use AI for terminations. A Californian software engineer was sacked, without sense or explanation, by a computer algorithm; the firm acknowledged the error but made him recommence employment at the cost of three weeks’ lost pay, and the trust from his fellow workers.⁴³ The trusted, informal discretion of managers will defer to the structured, sometimes flawed logic of the algorithm. The danger of technological job-loss is overall less significant to workers as a whole than the threat posed by increased use of algorithmic management for decision-making, surveillance and control, and also (as we shall see in Chapter 6) the potential for greater use of ‘not there’ employment.⁴⁴

41 For example, Deborah J. Terry and Nerina L. Jimmieson, ‘Work Control and Employee Well-Being: A Decade Review’. In *International Review of Industrial and Organizational Psychology*, ed. Cary L. Cooper and Ivan T. Robertson (Chichester: John Wiley & Sons, 1999).

42 Cathy O’Neill, *Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy* (New York: Crown Publishing Group, 2016).

43 Monique Ross and Damien Carrick, ‘A Robot Didn’t Take Ibrahim’s Job, but It Did Fire Him’. *ABC News*, 16 August 2018, www.abc.net.au/news/2018-08-14/ibrahim-diallo-man-who-was-fired-by-a-machine-law-ai/10083194.

44 Brishen Rogers, *Beyond Automation: The Law & Political Economy of Workplace Technological Change* (SSRN, 4 February 2019), doi.org/10.2139/ssrn.3327608.

The other important factor in take-up of technology is its cost. Businesses will usually not introduce technology that enables greater monitoring and control unless the investment is expected to pay off, and for small businesses in particular that means that it needs to be very cheap or have a high and obvious payoff. A technology would likely require very wide penetration across larger businesses before it became acceptable in small and medium enterprises because of the cost implications. It becomes hard to predict which will be adopted first across businesses: technology that facilitates cooperation, or technology that facilitates control. The cost of accompanying hardware may be critical. So will the cost of resistance, which would be higher for technology that facilitates managerial control. If unemployment or underemployment are high or it is otherwise easy to replace labour (there is a substantial 'reserve army' of labour),⁴⁵ resistance will be lower and the conditions will favour technology that facilitates managerial control.

Much of this debate about workplace control developed after Harry Braverman (formerly an American factory worker) published *Labor and Monopoly Capital* in 1974.⁴⁶ Developing a Marxist framework, he argued that Taylorism or Scientific Management comprised a form of managerial control that was aimed at reducing worker control and that, among other things, it led to the deskilling of workers. The focus in Braverman's work was on factory work, although manufacturing declined thereafter, but the influence Taylorism had spread well beyond manufacturing into areas such as vocational education.⁴⁷

Braverman was criticised for not giving enough attention to how employees responded to managerial attempts at control.⁴⁸ The labour process is rarely characterised by unrestrained hostility and usually has at least some component of consent.⁴⁹ To some extent management and labour must adjust to each other's preferences and expectations. So when it comes to issues like the pace at which the work will be performed, the amount of work that will be performed, who performs particular

45 Karl Marx, *Capital, Volume 2* (London: The Electric Book Company, 1998), 427.

46 Harry Braverman, *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century* (New York & London: Monthly Review Press, 1974).

47 Lucy Taksa, 'The Cultural Diffusion of Scientific Management: The United States and New South Wales'. *Journal of Industrial Relations* 37, no. 3 (1995): 427–61.

48 For example, Burawoy, 'Between Labor Process'; Thompson, *The Nature of Work*.

49 Paul K. Edwards and Hugh Scullion, *The Social Organisation of Industrial Conflict* (Oxford: Basil Blackwell, 1985).

tasks and so on, labour commonly retains some control.⁵⁰ You cannot explain the cooperative nature that can be found in many workplaces, by the majority of employees, much of the time simply by referring to control and resistance on their own.⁵¹ For Burawoy, the labour process is organised such that employees consider that they have choices, and this ‘participation in choosing ... generates consent’.⁵²

Employees may create ‘games’ to counter the problems of repetitive work.⁵³ The British ‘surviving work’ website is an example of attempts to relieve the frustrations within *any* work.⁵⁴ The opportunity for workers to gain small victories through ‘games’ is seen as disguising the core disadvantage of workers under capitalism.⁵⁵ Burawoy talks about the ‘games’ that workers engage in as part of the wage–effort bargain. Many studies also refer to employee efforts to restrict work.⁵⁶ What used to be called the ‘darg’ was the accepted level of work effort, put in by employees, socially determined by informal work groups to which employees belonged.⁵⁷ They still do, but few call it the ‘darg’ any more. Employees may engage in what, to managers, is organisational misbehaviour but to themselves is a rational way of making work bearable and ensuring that everyone is able to get by—though some forms of misbehaviour may be frowned upon even by other employees.⁵⁸

As per the title of Burawoy’s most famous book, management ‘manufactures consent’. Employees might ‘make out’ (reach an output target) and this achieves more than just higher earnings. There are benefits such as lower fatigue, overcoming boredom, and the ‘social and psychological rewards of making out on a tough job’.⁵⁹ It is an example of the movement from coercion to consensual regimes in the labour process.⁶⁰

50 Steven Tolliday and Jonathan Zeitlin, eds, *Between Fordism and Flexibility: The Automobile Industry and Its Workers* (New York: Berg, 1992).

51 Burawoy, *Manufacturing Consent*.

52 *Ibid.*, 27.

53 *Ibid.*; Burawoy, ‘Between Labor Process’.

54 survivingwork.org/.

55 Jim Kitay, ‘The Labour Process: Still Stuck? Still a Perspective? Still Useful?’. *Electronic Journal of Radical Organisation Theory* 3, no. 1 (1997): 1–10.

56 Burawoy, *Manufacturing Consent*; Stephen Ackroyd and Paul Thompson, *Organizational Misbehaviour* (London: Sage, 1999); Donald Roy, ‘Quota Restriction and Goldbricking in a Machine Shop’. *American Journal of Sociology* 57, no. 5 (1952): 427–42.

57 For example, at a central Queensland coal mine in the 1950s, ‘The “Darg” for two mates was approx. 20 skips a day, and for this the average wage was between 35 & 40 pounds a fortnight’. Collinsville Memoirs [CD] (Collinsville, Qld: Collinsville Connect Telecentre, 2002).

58 Ackroyd and Thompson, *Organizational Misbehaviour*.

59 Burawoy, *Manufacturing Consent*, 85.

60 Thompson, *The Nature of Work*.

Burawoy, who worked in a factory for his research, surprisingly found himself ‘breaking [his] back to make out ... risking life and limb for that extra piece’.⁶¹ He described how ‘We participated and strategized our own subordination. We were active accomplices in our own exploitation’.⁶² Thus the labour process framework concentrates very much on control, consent and resistance, and often portrays workers as aware of whether it is consent or resistance that better serves their interests, or some combination of both.⁶³ Management aims, in part, to persuade employees that consent, or even commitment, is in their best interests rather than resistance.⁶⁴

So, will the future see employers more likely to offer, or employees more likely to seek, consent-based, consensual regimes? To consider this, we first need to look at the role of ‘culturism’ in management strategies and what it means for consent.

Culturism, dissent and control

In recent decades, management in some, mostly large, firms has sought to win the conflict about control—to achieve full ‘consent’—by attempting to manage ‘culture’ in the organisation. This is often expressed as getting employees with the right ‘mindset’ or the right ‘fit’ into the organisation.⁶⁵ If employees have appropriate attitudes that support the objectives of the organisation and that are willing to subordinate other personal interests to that goal, then much conflict over control would disappear. Attempts to exercise such control are described as ‘culturism’, and this was the central focus of Hugh Willmott’s article discussed in Chapter 3.⁶⁶ So here we consider the role of organisational ‘culture’ in maintaining consent and control in workplace industrial relations in the context of what might superficially appear to be ‘high-trust’ management styles and the problems they might bring, and the role of dissent in organisations. To do this, I return to what culture means.

61 Burawoy, *Manufacturing Consent*, xi.

62 Burawoy, ‘Between Labor Process’, 10.

63 David Knights and Darren McCabe, ‘Ain’t Misbehavin’?. *Sociology* 34, no. 3 (2000): 421–36.

64 Townsend, ‘Teams, Control’, 14.

65 For example, the term ‘mindset’ is used by several of Van den Broek’s interviewees at ‘Servo’, though it was also used approvingly in this context by the Business Council of Australia as far back as the 1980s. Van den Broek, ‘HRM, Workforce Control’, 340; Business Council of Australia, *Enterprise-Based Bargaining Units: A Better Way of Working*. Part 1 (Melbourne: BCA, 1989), 2.

66 Hugh Willmott, ‘Strength Is Ignorance; Slavery Is Freedom: Managing Culture in Modern Organizations’. *The Journal of Management Studies* 30, no. 4 (1993): 515–52.

Culture and culturism

The word *culture* comes from ‘the idea of cultivation, the process of tilling and developing the land’.⁶⁷ We saw in Chapter 3 how it is about ‘the set of shared, taken-for-granted implicit assumptions that a group holds and that determines how it perceives, thinks about and reacts to its various environments’,⁶⁸ and that *culturism* is the attempt by management to create specific organisational cultures reflecting management’s objectives.⁶⁹ In recent decades senior managers have often consciously attempted to create a particular type of culture at the workplace, and this is what Willmott, discussed in Chapter 3, was railing against.⁷⁰ From the 1980s, numerous management gurus spoke of ‘managing culture’, ‘managing myths’ and ‘creating meaning’—in effect, creating a form of intracorporate hegemony.⁷¹ Despite the rhetoric of managerial consultants and motivational texts, research has been unable to demonstrate that a particular culture is part of a recipe for success. The link between culture and performance ‘is a tenuous one, as only behaviour can affect performance, and culture is not the only determinant of behaviour’.⁷² Some evidence suggests the direction of causality is the other way around: changing performance leads to a change in culture.⁷³ A study of nearly 200 organisations suggested ‘strong’ cultures did not aid performance, and indeed could be counterproductive if they were not ‘contextually or strategically appropriate’ and did not ‘contain norms and values that can help firms adapt to a changing environment’.⁷⁴ (The term ‘strong’ in relation to culture suggests a common culture that is widely adopted and reinforced within the organisation, which those writing about it often suggest is a good thing, like the word ‘strong’ itself.)

67 Gareth Morgan, *Images of Organisation* (London: Sage, 1986), 112.

68 Edgar H. Schein, ‘Culture: The Missing Concept in Organization Studies’. *Administrative Science Quarterly* 41, no. 2 (1996): 236.

69 Willmott, ‘Strength Is Ignorance’.

70 Ibid.

71 Terence E. Deal and Allan A. Kennedy, *Corporate Cultures—the Rites and Rituals of Corporate Life* (Massachusetts: Addison-Wesley, 1982); Thomas J. Peters and Robert H. Waterman, *In Search of Excellence* (New York: Harper & Row, 1982).

72 Dianne Lewis, ‘Five Years on—the Organizational Culture Saga Revisited’. *Leadership & Organization Development Journal* 23, no. 5 (2002): 280–87.

73 Randy G. Pennington, ‘Change Performance to Change the Culture’. *Industrial and Commercial Training* 35, no. 6 (2003): 251–55.

74 John P. Kotter and James L. Heskett, *Corporate Culture and Performance* (New York: Free Press, 1992).

Anyway, management rarely controls culture totally. Organisation culture reflects corporate history and practices. Culture may reflect the national and community environment and the different occupations of workers. It may be driven by employees and the communities from where they come. It may reflect the strategies and cultures of unions who are represented among the workforce. And it may reflect the importance of service versus profit objectives (in some public sector or nonprofit organisations, the former prevails over the latter).⁷⁵

The leadership of an organisation can attempt to drive cultural change. The chief executive officer (CEO) is often seen as shaping the culture of the organisation. However, it is very difficult to manipulate culture once it exists. Culture is a very complex social process in organisations. Many firms have tried to change corporate culture and failed. One study of 22 cases of attempted culture change programs found that 16 of them failed.⁷⁶ Perhaps the most potent force for cultural change, though, is critical junctures⁷⁷ encountered by the organisation. That is, critical incidents or events tend to signal a break with past practices and the adoption of new practices and ideas.⁷⁸ An organisation facing a crisis (such as looking down the barrel of financial oblivion) may make a radical shift from a low-trust to a high-trust strategy, or vice versa, with accompanying changes in culture if employees share the perspective of crisis.

Culturism and dimensions of management strategy

As already mentioned, culturism is often used by organisations who want to portray themselves as high-trust but practise low-trust management strategies—the contradiction between reality and rhetoric on the first dimension of management strategy. Culturism is also common where management adopts particular positions on the other two dimensions of management strategy.

75 Morgan, *Images of Organisation*, 131–2.

76 Kotter and Heskett, *Corporate Culture and Performance*, 83.

77 The term ‘critical junctures’ was used by the Colliers to examine political change in Latin America, but it can have broader application. Ruth Berins Collier and J. David Collier, *Shaping the Political Arena: Critical Junctures, the Labor Movement and Regional Dynamics in Latin America* (Princeton, NJ: Princeton University Press, 1991).

78 An example is ICI Botany (later Orica). See Tony Meador, *ICI Australia: The Botany Experience* (Sydney: School of Industrial Relations and Organisational Behaviour, University of New South Wales, 1992).

On the surface, it might seem that culturism is a form of collectivism. In one sense it is, in that organisations are attempting to get employees to take a collectively focused view of their welfare—that is, one focused on the collective welfare of the organisation (usually a corporation, which is itself a collective of capital). Yet many culturist policies are aimed at undermining *collectivism* by undermining unionism. On the other hand, some organisations seek to promote cooperative relations with their unions and members.⁷⁹ If this is done with the support of union officials but not their members, or vice versa, it might lead to a split between union members and paid officials, and ‘wildcat’ actions by members or desertions from the union.

Perhaps more commonly, these days, organisations pursue antiunion culturist strategies to promote commitment to the organisation. These organisations assume that employee commitment to their union is inconsistent with employee commitment to the organisation. Interestingly, the assumptions behind this organisational perspective are not supported by research. Studies from the 1950s to recent times show that employees can possess ‘dual commitment’ to the organisation and to a union.⁸⁰ Indeed, there is a positive association between commitment to the organisation and commitment to a union. In other words, employees who are strongly committed to the union are likely to be strongly committed to the organisation. Not all studies show these findings, although a lot of them do. Very few studies find a negative relationship between union and organisational commitment.⁸¹ Despite these findings, that commitment to the union and employer are positively related; some managers still

79 Ibid.

80 Ed Snape and Andy W. Chan, ‘Commitment to Company and Union: Evidence from Hong Kong’, *Industrial Relations* 39, no. 3 (2000): 445–59; D.G. Gallagher, ‘The Relationship between Organizational and Union Commitment among Federal Government Employees’, *Academy of Management Proceedings*, (1984): 319–23; Cynthia V. Fukami and Erik W. Larson, ‘Commitment to Company and Union: Parallel Models’, *Journal of Applied Psychology* 69, no. 3 (1984): 367–71; Harold L. Angle and James L. Perry, ‘Dual Commitment and Labor–Management Relationship Climates’, *Academy of Management Journal* 29, no. 1 (1986): 31–50; Edward J. Conlon and Daniel G. Gallagher, ‘Commitment to Employer and Union: Effects of Membership Status’, *Academy of Management Journal* 30, no. 1 (1987): 151; Daniel G. Gallagher and Paul F. Clark, ‘Research on Union Commitment: Implications for Labor’, *Labor Studies Journal* 14, no. 3 (1989): 52–71; John M. Magenau, James E. Martin, and Melanie M. Peterson, ‘Dual and Unilateral Commitment among Stewards and Rank-and-File Union Members’, *Academy of Management Journal* 31 (1988): 359–76; Aaron Cohen, ‘Dual Commitment to the Organization and the Union: A Multi-Dimensional Approach’, *Relations Industrielles* 60, no. 3 (2005): 432–54.

81 Roderick D. Iverson and Sarosh C. Kuruvilla, *Does Dual Commitment Underline Company and Union Commitment? An Application of Second Order Confirmatory Analysis*. Working Paper 67 (Melbourne: Centre for Industrial Relations and Labour Studies, University of Melbourne, 1992).

oppose unionism because unions are a counterculture that recognises that the interests of employee and employer may not be synonymous—even if employees are committed to the employer. Thus hegemony through cultural control in *Nineteen Eighty-Four's* Oceania and in *The Handmaid's Tale's* Gilead was aimed in part at preventing collective organisation against the ruling elites, not to improve efficiency but to maintain power. Even in *The Circle*, any collective organisation of employees, beyond those organising the countless work-related social activities, would have been frowned upon.

An early study that looked closely at nonunion culturism (before companies became too sensitive to allow such studies to happen) was that of 'Servo'—a pseudonym for a large Australian company studied by Diane Van den Broek.⁸² Culture was created and reinforced through recruitment, induction and socialisation. Recruitment and selection were designed 'to select employees most likely to aspire to company-defined goals and objectives'. The idea was to avoid recruits with 'cultural baggage', and to select those from companies with the right 'mindset' or with little work experience. Induction workshops inculcated the Servo mission. Performance-related pay was used to discourage potentially disruptive behaviour. Servo was the company whose HR manager I met at the beginning of this chapter.

Several aspects of culturism at Servo served to undermine any potential for unionism developing. Employees with incorrect attitudes could be weeded out. Performance-based remuneration and teamwork played an important role in individualising employment relations by breaking down the potential for employees to mount collective action around issues of pay and working conditions. Management at Servo believed that seeking assistance from 'outside influences' such as trade unions reflected a failure on the part of employees. Regarding a proposed nonunion enterprise agreement, the 'internal management processes left many employees with the impression that undue managerial pressure was applied and that the agreement was a *fait accompli*', for example through employees feeling 'intimidated into acquiescence'. On this matter, group control was important: 'some team leaders [stipulated] that voting be carried out as a team'. This was 'not to suggest that Servo employees have not been willing partners', Van den Broek added: 'on the whole', the remaining

82 Van den Broek, 'HRM, Workforce Control'.

employees reacted favourably to Servo's HR policies although they were aware of the existence of coercion. Most employees 'were either unaware or uninterested in union activities or held the view that requesting union support would incite managerial hostility'.⁸³

In some cases, firms have used individual contracts and individual performance appraisal and pay as means of attempting to change culture. The most prominent example of this strategy was CRA, later known as Rio Tinto, which through a combination of financial, cultural and legal devices managed to largely deunionise substantial parts of its workforce in metalliferous mining and smelting, though it faced much more substantial difficulties in coal mining, where a different union had coverage.⁸⁴ Companies that set out to avoid unions (or deunionise) shape the symbolic dimensions of their actions to attempt to create a culture that identifies certain individuals and forms of behaviour as 'in' and other individuals, groups (such as unions) and behaviours as 'out'. The former can be referred to as *inclusivist* and the latter as *exclusivist* actions.⁸⁵ That said, subsequent problems including the rejection of proposed nonunion agreements by several large, nonunionised Rio Tinto sites in Western Australia⁸⁶ illustrated the vulnerability of culturism as a technique of control.

Related to this, cultural programs combined with deunionisation and individualisation can be a means of paying staff poorly. For example, the Merivale hotel chain in Sydney, Australia, emphasised its 'family' culture to employees—one manager said, 'we're not selling food, we're not selling alcohol, we're selling a feeling', while the HR manager is called a 'people experience manager'—but it used a nonunion agreement that had expired six years previously to pay employees below-award wages.⁸⁷

83 Ibid.

84 Peetz, *Brave New Workplace*, Chapter 5.

85 Ibid., 207.

86 Bradon Ellem, *Hard Ground: Unions in the Pilbara* (Port Hedland: Pilbara Mineworkers Union, 2004); Samantha Donovan, 'Rio Tinto Loses Appeal on Worker Agreements'. *ABC News Online*, 11 February 2012, www.abc.net.au/news/2012-02-11/rio-tinto-loses-appeal-on-work-agreements/3824636.

87 'Merivale Staff Say They Aren't Being Paid Properly', 7.30, ABC, 12 November 2018, www.abc.net.au/7.30/merivale-staff-say-they-arent-being-paid-fairly/10490500; Workplace Express, 'FWC Kills Off "Zombie" Deals'. *Workplace Express*, 22 January 2019, www.workplaceexpress.com.au/nl06_news_selected.php?act=2&stream=1&selkey=57483 (subscription required).

Strongly culturist organisations tend to have a set of characteristics on the dimensions of management style. They depict themselves as high trust but frequently behave as low trust and seek a monoculture to facilitate control. They are mostly individualistic, as opposed to collectivist. And they are usually highly structured because they are commonly large, with the HR functions (often renamed) to support such an approach. In the ‘stronger’ forms of culturism they use formal elements of HR such as performance appraisal to reinforce the desired culture.

Culturism as control of employees

The use of culturism to promote individualisation brings us back to a paradox—culturism appears collective but often undermines collectivism. As Willmott says, culturist organisations often use the rhetoric of individualism while aiming to suppress individual diversity. The (in)famous Milgram experiments of the 1960s⁸⁸ help us understand why sophisticated individualising corporations put such emphasis on creating a monoculture in which employees are not exposed to dissenting ideas, as exposure to dissent enabled participants to defy the directions of authority figures.⁸⁹ They also therefore illustrate another aspect of the limits to culturism. A recent example of the points made (somewhat inadvertently) by Milgram, and by Zimbardo in the Stanford prison experiments, can be seen in the argument made by University of New South Wales psychiatrist Michael Dudley, concerning the organisational culture that developed within Border Force (the Australian immigration bureaucracy) and the private security corporations that are used to control asylum seekers in detention centres, mostly outside Australia. He wrote in *Australian Psychiatry* of how ‘policies misuse helping professionals to underwrite state abuses and promote public numbing and indifference, resembling other state abuses in the “war on terror” and (with qualification) historical counterparts, e.g. Nazi Germany’.⁹⁰ It followed from earlier research he had published that focused on the culture of Nazi psychiatry.⁹¹ The interest in the behaviour of Nazi officials was what initially motivated Milgram’s interest in undertaking his experiments. The power of organisational

88 Stanley Milgram, *Obedience to Authority* (New York: Harper & Row, 1974).

89 Randall Morck, *Behavioral Finance in Corporate Governance—Independent Directors and Non-Executive Chairs*. Discussion Paper No. 2037 (Cambridge, MA: Harvard Institute of Economic Research, May 2004).

90 Michael Dudley, ‘Helping Professionals and Border Force Secrecy: Effective Asylum-seeker Healthcare Requires Independence from Callous Policies’. *Australasian Psychiatry* (2016).

91 Michael Dudley and Fran Gale, ‘Psychiatrists as a Moral Community? Psychiatry under the Nazis and Its Contemporary Relevance’. *Australian and New Zealand Journal of Psychiatry* 36 (2002): 585–94.

culture helps us understand what Hannah Arendt was talking about when she wrote of the ‘banality of evil’.⁹² Organisation culture makes what, in other circumstances, would be extraordinary seem ordinary, even banal.

Bad behaviour by banks led to a number of questions being asked, with a common official response being like this: ‘the culture that we’re building throughout the Commonwealth Bank ... is one with the customer at the centre of what we do’.⁹³ Yet as one observer remarked, a monoculture was at the core of the problem: ‘While the banks claim to want ethical cultures, in practice they are in the business of curtailing the very forms of critical questioning that allow ethical issues to be surfaced in the first place’.⁹⁴ Performance appraisal and payment systems that rewarded and prioritised sales reinforced this culture.

The issues surrounding monoculturism are not just about the ethics of it—they are also about its economic efficiency. Diversity is the antithesis of monoculturism. Measuring the impact of a diverse workforce on improved firm performance is difficult, but McPherson concluded that diverse employees have the potential to improve firm performance.⁹⁵ Research has generally (though not always) found that companies with a diverse workforce have improved organisational outcomes based on financial performance.⁹⁶ And in the end, the monoculture in banks described above, with the associated reputation cost, seems likely to see them losing customers and profit.

92 Hannah Arendt, *Eichmann in Jerusalem: A Report on the Banality of Evil* (New York: Viking, 1963).

93 Carl Rhodes, “‘Command and Control’ Banks Have Got Ethics and Culture All Wrong”. *The Conversation*, 18 March 2016. For an example of a ‘toxic and unsafe culture’, especially for women, at ANZ, see Jemima Whyte et al., ‘Inside ANZ’s Toxic Culture: The High-Octane World of Dealing Rooms’. *Australian Financial Review*, 15 January 2016. See also behaviour by a major insurance company owned by a bank in Adele Ferguson, Klaus Toft, and Mario Christodoulou, ‘Money for Nothing’. *Four Corners*, Australian Broadcasting Corporation, 8 March 2016, www.abc.net.au/4corners/stories/2016/03/07/4417757.htm.

94 Rhodes, “‘Command and Control’ Banks”.

95 Mevyl McPherson, ‘Workforce Diversity: Evidence of Positive Outcomes and How to Achieve Them. A Review of the Literature’. Paper presented at Labour, Employment and Work conference, Wellington, 2008.

96 Catalyst, ‘The Bottom Line: Connecting Corporate Performance and Gender Diversity’. *Catalyst*, 2004; O.C. Richard, ‘Racial Diversity, Business Strategy, and Firm Performance: A Resource-Based View’. *Academy of Management Journal* 43, no. 2 (2000): 164–77; C.W. Von Bergen, B. Soper, and J.A. Parnell, ‘Workforce Diversity and Organisational Performance’. *Equal Opportunities International* 24, no. 3–4 (2005): 1–16; Robert A. Weigand, ‘Organizational Diversity, Profits and Returns in U.S. Firms’. *Problems and Perspectives in Management* 5, no. 3 (2007): 69–83; Anne M. McMahon, ‘Does Workplace Diversity Matter? A Survey of Empirical Studies on Diversity and Firm Performance, 2000–09’. *Journal of Diversity Management* 5, no. 2 (2010): 37–48; Thomas A. Kochan et al., ‘The Effects of Diversity on Business Performance: Report of the Diversity Research Network’. *Human Resource Management* 42, no. 1 (2003): 3–21.

In one article, Dennis Tourish, David Collinson and James Barker⁹⁷ drew on works such as that by Willmott, as well as Barker's own study of concertive control at ISE electronics,⁹⁸ the Milgram experiments⁹⁹ and, in particular, an early study of Schein and colleagues.¹⁰⁰ The last-mentioned looked at the experience of US POWs during the Korean War, and sought to explain the (slow) conversion many of them experienced to the philosophies of their captors (also referred to as 'Stockholm Syndrome', named after the reactions of hostages in a Swedish bank robbery and becoming prominent due to the events surrounding kidnapped heiress Patricia Hearst, in which she was said to have become sympathetic to her captors' aims). Tourish and colleagues draw a number of analogies between the techniques used on the POWs and the techniques used by corporate culturists, in particular use of what they call 'coercive persuasion' to ensure conformist behaviour within organisations.¹⁰¹

Yet although Willmott, as discussed earlier, was highly critical of culturism, he was not entirely pessimistic. This is because he suspected culturism might not work. From the standpoint of the individual, the distancing of self from corporate values may be the preferred means of preserving and asserting self-identity.¹⁰² This is closely related to the observation by Stephen Lukes, discussed in Chapter 2, that attempts to exercise the third dimension of power (in practice, hegemony) can never be more than 'partially' effective.¹⁰³ As Tourish et al. emphasised, 'the imprisonment of US POWs in Korea clearly does not exactly parallel the context of most contemporary organisations', even though there are 'interesting overlaps between these contexts'.¹⁰⁴ This is an important point that has been made by several authors. Culture 'is not a variable that can be created, discovered or destroyed by the whims of management' but 'some are in a better position than others to attempt to intentionally influence aspects of it'.¹⁰⁵

97 Tourish, Collinson, and Barker, 'Manufacturing Conformity'.

98 James R. Barker, 'Tightening the Iron Cage: Concertive Control in Self-Managing Teams', *Administrative Science Quarterly* 38, no. 3 (1993): 408–37.

99 Milgram, *Obedience to Authority*.

100 E.H. Schein, I. Schneier, and C.H. Barker, *Coercive Persuasion: A Socio-Psychological Analysis of the 'Brainwashing' of American Civilian Prisoners by the Chinese Communists* (New York: Norton, 1961).

101 Tourish, Collinson, and Barker, 'Manufacturing Conformity'.

102 Willmott, 'Strength Is Ignorance', 537.

103 Steven Lukes, *Power: A Radical View*, 2nd ed. (London: Palgrave, 2005).

104 Tourish, Collinson, and Barker, 'Manufacturing Conformity', 372–3.

105 V. Lynn Meek, 'Organisational Culture: Origins and Weaknesses', *Organisational Studies* 9, no. 4 (1988): 453–73.

The other reason culturism fails is the contradictions it creates. For example, Peter Waring spoke of the 'paradox of prerogative' when management recognised the need for increased participation, but was unwilling to modify the practice and perception of managerial prerogative by providing employees with greater autonomy.¹⁰⁶ Ogbonna observed how the 'smile' campaign at a UK supermarket, 'Capro', contradicted both the old 'pile it high, sell it cheap' culture and the more recent increase in number of difficult customers they had to deal with, leading to their jobs becoming more demanding, and the strategy of tight supervision of employees. As one manager said, 'we are able to detect when a check out operator is not smiling or even when she is putting on a false smile ... we call her into a room and have a chat with her'.¹⁰⁷ 'At the very best', concluded Ogbonna, 'many attempts to change culture are only successful at the overt, behavioural level'.¹⁰⁸ That is, managers may get employees to change their behaviour but not the way they think about the organisation. Then there is the example of the coffee giant Starbucks, which as part of its culturist efforts referred to its employees as 'partners', but then announced store closures, job losses and cuts to sick leave and other employee ('partner') benefits.¹⁰⁹

You see this doublespeak up close. I spoke to someone who worked at an organisation in which management had decided to close down a workplace interstate, and expand the Brisbane workplace. But workers in Brisbane still felt insecure about their jobs. At a meeting, management held out an olive branch (and a written offer) saying 'we want to win your trust back'. The workers then looked at the offer that management had documented, and indicated their disagreement. The response from management was described as 'you're either in the bus, or under the bus'. So the rhetoric of 'trust' did not last very long.¹¹⁰

106 Peter Waring, 'The Paradox of Prerogative in Participative Organisations: The Manipulation of Corporate Culture?'. Paper presented at Current Research in Industrial Relations, Proceedings of the 12th AIRAANZ Conference, Wellington, February 1998, 423–30.

107 Emmanuel Ogbonna, 'Organisation Culture and Human Resource Management: Dilemmas and Contradictions'. In *Reassessing Human Resource Management*, ed. P. Blyton and P. Turnbull (London: Sage, 1992): 74–96.

108 Ogbonna, 'Organisation Culture', 90.

109 David Emerson, 'Starbucks Axes 61 Stores and 685 Jobs'. *Sydney Morning Herald*, 29 July 2008; Robert Booth and Patrick Strudwick, 'Starbucks to Slash Paid Lunch Breaks and Sick Leave'. *The Guardian*, 4 December 2012.

110 Personal communication.

All this raises an interesting ethical question: it is not just whether culturism ever can or does lead to better organisational performance that is at issue; also at issue is whether it is right for organisations to try to determine what employees think, not just how they behave, and to recruit, train and discipline employees on that basis.

Employees' ability to resist culturism depends on exposure to other influences, inside and outside the workplace, even before they enter the workforce. Surveillance technologies may enable organisations to exercise greater control on ideas discussed within the workplace by their employees. It also enables them to better (albeit imperfectly) manage ideas outside the workplace, in society as a whole. Some organisations seek to discipline, or even sack, employees who express dissenting views on social media.¹¹¹ It is one reason why the maintenance of the employment relationship is central: organisations can have very little power over the culture or behaviour of their workers if their workers are genuinely independent contractors. The employment relationship helps maintain control of workers—not just control over what employees do but, at least in the aspirations of some managers, control over their 'mindset' and helping them manage 'what they think'.¹¹² Not all large organisations seek cultural control and, as we will see in the next chapter, even for those that do not run culturist agendas, the employment relationship is important for other aspects of control. However, culturism makes the employment relationship all that more important where culture is in management's sights.

So, exposure to competing ideas outside the workplace matters because of the limits it places on culturism. But that exposure is, itself, facing challenges. The decline of newspapers and other traditional mass media encourages governments to ease anticoncentration laws and allow media firms to agglomerate, reducing diversity in views through those mechanisms, and promotes business models that focus on pandering to limited world views at the expense of balanced journalism.¹¹³ The rise of the internet as a source of news in principle increases diversity, but there is evidence that people are increasingly participating in 'echo chambers', encouraged particularly by social media, that reinforce their own views

111 Joe Myers, 'Swearing on Social Media Really Could Cost You Your Job'. World Economic Forum, 24 April 2017.

112 Willmott, 'Strength Is Ignorance', 516.

113 The most renowned media organisation adopting that strategy is News Corporation. Jane Mayer, 'The Making of the Fox News White House'. *New Yorker*, 11 March 2019, www.newyorker.com/magazine/2019/03/11/the-making-of-the-fox-news-white-house.

and perversely reduce the diversity of views most people are exposed to.¹¹⁴ Those resisting management efforts may become more fixed in their views, but less able to penetrate the media experience of those accepting of a corporate orthodoxy. Indeed, social media can be used to harass those who express dissenting views.¹¹⁵

Overall, the effects of technology can go either way. Uncontested, the most likely pathway is towards increasing the appearance of high-trust approaches at work but hiding the proliferation of low-trust approaches, especially when corporate norms are violated. Other pressures, though, may alter that. Mae could have gone either way in *The Circle*, as the contradictory endings of the book and the movie showed. So, what is necessary to effectively contest the direction of culturism and management strategy? Part of it is about the choices made by critical actors—not just the Maes of this world, but also regulators, policy-makers and civil society. That last player leads us to the other part of what makes a difference: the degree of collective organisation that, when it comes to the future of work, is the collective organisation of labour. That is something we will look at in Chapter 7. But first, in Chapter 6, we see how trends in management strategy and structure are affecting the employment relationship itself.

114 Michela Del Vicario et al., 'The Spreading of Misinformation Online'. *Proceedings of the National Academy of Sciences* 113, no. 3 (2016): 554–59.

115 Joshua A. Cuevas, 'A New Reality? The Far Right's Use of Cyberharassment against Academics'. American Association of University Professors, 17 January 2018.

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