Abstract

This paper draws on an in-depth case study of one multinational organization to analyze processes of control and resistance in the transfer of management practices. The paper examines three theoretical lenses that provide different entry points for theorizing control and resistance and argues that by combining the three lenses we can develop a richer insight and explanation of the contradictions, tensions and outcomes of attempts to introduce new forms of managerial control.

The paper draws on labor process theory, institutional perspectives and postcolonial theory to highlight different aspects of this contested terrain. Whilst we recognize the diversity within each of the three broad theoretical traditions, we contend that each tradition by itself tends to privilege specific questions and concerns in researching management practices. In this paper we examine the kinds of questions and research trajectories that may be followed by those working under each of these perspectives. By applying the frameworks to one in-depth case study the paper argues that a richer understanding of organizational control and resistance processes may be gained as well as a richer insight into the link between micro-level processes and macro-level structures.

The authors note that this line of argument tends not to hold favor with researchers arguing for the delineation of theoretical standpoints and the development of research questions and frameworks from unitary theoretical perspectives. However, if we privilege the theory over the phenomenon, we risk depriving ourselves of alternative insights that may add to our understanding. Also, by way of seeking relatedness between theories, we find that labor process, institutional and postcolonial theories are all commensurable with an underlaborer philosophy of critical realism (Bhaskar 1979; Porter 1973; Sayer 1993). As a sensitizing tool, a critical realist approach suggests that social phenomena are the result of a plurality of structures, with human action being both
constrained and enabled by social structures. Our actions as social and organizational actors ultimately reproduce or transform these structures (Bhaskar 1979).

The rest of this paper comprises three sections. First, we briefly discuss the three theoretical positions mentioned above, especially in light of the transfer of management practices within MNCs. Second, we use insights from our case analysis to illuminate these perspectives empirically. We end the paper with reflection on the implications of the application of these three theoretical lenses for understanding the contextual constitution of conflict in multinationals and for micro-level political processes of control and resistance.

**Introduction**

Global change does not require so much a transfer of knowledge from one part of the globe to the other as it does the investment in different types of global dialogues that can create new knowledge contextualized in multiple sites. This requires investments in dialogues that can initiate localized creativity and imagination and foster newer meanings and texts.

*Bouwen and Steyaert (1999:304-5)*

We have no desire to keep tabs on local operations. In fact, the more independent the operation in this country, the less of a problem it is for us at the headquarters. However, we do work with global brands here. And we cannot risk a problem (in this country) jeopardizing the market for our products all over the world. So if (the local managers) find us intrusive, I am sorry, but I am only doing my job.

*Scott Burbank, VP International Marketing, Chemstar¹*

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¹ The personal quotes used throughout the text are derived from two sets of empirical research done by the authors, one involving US MNCs in India and the other involving Japanese MNCs in the UK. All names and other identifiers are disguised.
Consider the above two statements. The first makes a straightforward case that one of the strongest requirements for any change, especially a top-down transformation, to be effective is a dialogue between the initiator of the transformation and the entity that is required to change. As philosophers like Bakhtin (1981) as well as organizational theorists like Nonaka (1994) have stressed, knowledge that resides in individuals or isolated bodies can only be integrated into a larger framework through a spirit of social sharing, conversation and dialogue.

The second statement is a quote from a top manager of a large US-based multinational corporation (MNC), made in an interview to one of the authors. Here, the manager is giving voice to a pervasive perception across the hierarchy of the MNC headquarters, that not only their subordinates, but also their peers in the subsidiary are inept and self-seeking, and need to be monitored. At the same time, the manager agrees that policing these subsidiaries is a waste of productive time, and hopes for a situation in the future when this surveillance will become unnecessary.

Why are managers of the headquarters unable to trust their counterparts at the subsidiary? Evidently, there is more to this mistrust than can be explained by the standard tropes of superior-subordinate rivalries. Where does this tension emerge from, and what implications does it have, both for practicing managers and for organizational theorists who study the transfer of managerial practices?

In this paper, we use the insights garnered from research conducted at the UK subsidiary of a Japanese MNC to analyze the process of the transfer of management practices across cultural contexts. The analysis of the empirical research draws on labor process theory, institutional perspectives and postcolonial theory as three lenses through which to examine the processes of transfer of knowledge and management practices. We argue that each of these three
theoretical traditions provide insights into the control processes that exist in MNCs, and offer different entry points and foci of analysis. While we recognize the diversity within each of these three broad theoretical traditions, we contend that each tradition by itself tends to privilege specific questions and concerns in a research framework. In this paper, we examine the kinds of questions and research trajectories that may be followed by those working under each of these perspectives. Each perspective provides analytical tools to enable reflection on control processes in organizations. These multiple entry points need not be considered as incommensurable. Rather a richer understanding of organizational control and resistance processes may be gained by drawing on analysis from all three positions. This line of argument tends not to hold favor with those who argue for the delineation of theoretical standpoints and the development of research questions and frameworks from unitary theoretical positions. However, if we privilege the theory over the phenomenon, we risk depriving ourselves of alternative insights that may add to our understanding. Also, by way of seeking relatedness between theories, we find that labor process, institutional and postcolonial theories are all commensurable with an underlaborer philosophy of critical realism (Bhaskar 1979; Porter 1973; Sayer 1993). As a sensitizing tool, a critical realist approach suggests that social phenomena are the result of a plurality of structures, with human action being both constrained and enabled by social structures. Our actions as social and organizational actors ultimately reproduce or transform these structures (Bhaskar 1979).

The rest of this paper comprises three sections. First, we briefly discuss the three theoretical positions mentioned above, especially in light of the transfer of management practices within MNCs. Second, we use insights from our case analysis to illuminate these perspectives empirically. We end the paper with a brief discussion on the implications of this analysis on the issue of democracy in the workplace.
THEORETICAL UNDERPINNINGS

The international transfer of knowledge within the boundaries of MNCs has continued to captivate researchers in the field of organizational theory (Miesing, Kriger & Slough, 2007). Theorists have acknowledged that this process is often inherently political, marked by the deployment of social capital and maneuvering (Willem & Scarbrough, 2006). The power-laden character of the knowledge transfer process often raises more questions than it answers (Mir & Mir, 2007). For instance, consider a firm that is having difficulty with the process of transferring a complex set of routines (say a Sigma-Six quality protocol) into a specific national subsidiary. On the assumption that the changes worked very well at the headquarters, what is the reason for these changes to be ineffective at the subsidiary level. Most traditional theorists of organizational knowledge transfer would first consider this a problem of “absorptive capacity” (Lane, Balaji & Pathak, 2006), referring to a lack of some kind at the subsidiary level. However, if we were to go beyond such a simplistic assumption, there are three possible entry points into this discussion. First, management could be trying to exercise greater control over the work process, and some of the challenges in implementation could be seen as worker resistance to this coercive practice (Ngai & Smith, 2007). Second, the problems could be seen as related to difference in the way the headquarters and the subsidiary are structured, and embedded in their wider societal context. The conflicts and problems seen in this example could be viewed as a symptom of this institutional heterogeneity (Morgan & Kristensen, 2006). Finally, the subsidiary resistance could be seen as an adversarial response to what they perceive as a humiliating process. The subsidiary may feel “orientalized” by the exchange, where its reality is being defined through the cognitive stereotyping of the headquarters (Prasad, 2003; Westwood,
Each of these three perspectives represents a different but legitimate way of studying knowledge transfer. Labor process theory, institutional theory (especially in its “variety of capitalism” variant and postcolonial approaches approach the issue of MNC knowledge transfer from different entry points, and ask very different questions. However, we can immediately see great potential in juxtaposing their approaches, for they do have the potential to act in complementarity. As the historian Sudipta Kaviraj (1992: 38) remarks with respect to subaltern historiography, “the interstices of every narrative are filled with semblances rather than truth. Thus, the telling of true stories in history would not rule out the telling of other stories different from the first, which are also true.”

The different entry points of these perspectives are presented in Table 1. In this paper, we seek to find out ways in which the three approaches can be combined to develop a possibly holistic research approach.

**Labor Process Theory**

Viewed from the perspective of Labor Process Theory (LPT), the change in work patterns demanded of workers during the transfer of management practices constitute newer (and thus, tentative) forms of control, which are then contested through active and passive forms of resistance. LPT highlights the diversity and complexity of social control processes, as well as the technical means of control imbedded in work systems (Storey, 1985). Adopting a
processual and historical analysis, LPT highlights the ways in which control systems are themselves shaped and influenced by the context in which they develop and are introduced. The processual analysis enables a study of how control systems are experimented with and sustained over time and the social relations surrounding their implementation. It also provides a framework for examining both control and resistance in the workplace and the ways in which resistance is constituted in different contexts. Drawing on the work of Burawoy (1979, 1985) LPT provides the analytical framework with which to look at the move from direct control towards consensual hegemony in the organization of the labor process. In this way supervision and discipline are studied for the ways in which they are organized to ‘manufacture’ a sense of autonomy. Debates in LPT also encourage paying attention to the ways in which there remains room for resistance for workers despite control systems becoming based on new technologies of self-surveillance (Reed 1997; Deetz 1994; Sewell & Wilkinson 1992), and how this is expressed within different forms of work organization (McKinley & Taylor 1994). The nature of managerial control as an ongoing achievement is emphasized through the processual analysis of contested relations of power (Knights & Vrudubakis 1994).

Some of the key theoretical questions that may be posed by LPT while researching the transfer of management are:

- What are the different means of control that are being introduced in the transfer of management practices?
- To what extent do these control systems represent a new kind of worker surveillance?
- What are the implications of these changes to the worker, and how do they impact the nature of worker resistance?
Institutional Perspective

The term ‘institutional theory’ is itself imbued with a variety of meanings, from the theories of institution formation (Selznick, 1957), to the neo-institutional perspectives (Powell & DiMaggio, 1991). Our focus here is primarily drawn from the recent studies on ‘divergent capitalisms’ (Whitley, 1999), which conceives the MNC as a potential site of negotiation and conflict between different business systems (Whitley 1999; Morgan, Kristensen & Whitley, 2001). Such a perspective provides a means to examine the social embeddedness of management practices, and the ways in which the work practices inside the firm have been shaped and influenced by the wider institutional context. The MNC therefore presents an interesting lens through which we can look at the ways in which management systems and work practices that have evolved from one institutional context may be sustainable in another. It provides a context to examine if and how parent company systems are transferred, adapted and sustained in a foreign subsidiary.

Through the lens of this institutional perspective, processes of consent and resistance to new management practices are studied through a comparative analysis of how social relations and industrial relations across contexts influence worker responses to new management systems (Botti 1995; Hibino 1997; Sharpe 2001; Kristensen & Zeitlin 2001). This approach provides analytical tools to examine how, despite pressures of ‘isomorphic pulls’ towards ‘best practices’ driven by organizational and globalization effects (Mueller 1994), the cultural and institutional specificity of management practices still persists (Streeck 1996; Whitley 1997). In studying how MNCs seek to transfer management practices across their operations, we can examine the linkages and relations between institutional structures such as national and supranational cultural, political and economic structures, and the internal relations and processes within and between
organizations. Research from this standpoint looks at the linkages across a number of levels of analysis that cut across the organization/environment boundary and include micro and macro-levels of analysis (Burawoy 2000). Focusing on the transfer of management practices across institutional contexts, the divergent capitalisms literature has revealed (Whitley 1999; Lane 1999; Morgan 1999) how national institutional contexts shape the strategies and structures of firms and how organizing across institutional contexts can set challenges to existing routines. From this perspective, the MNC can be seen as an arena where multiple actors pursue their own local logics of action.

Some of the important theoretical questions that may be posed from this institutional perspective regarding the transfer of management practices are:

- What does a comparative analysis of the business systems of the parent company and the subsidiary inform us about which management practices may be transferred?
- What tensions are likely to arise from this transfer?
- How do firms seek to mediate or shape institutional pressures in the transfer of management practices?
- How do different interest groups within a multinational seek to carve out a space for local agency and further their agendas?

**Postcolonial Theory**

Postcolonial theory provides a lens by which the transfer of management practices within an MNC can be viewed as a political and contested process. Analytically, such an approach places organizational practices alongside colonial practices as examples of international control regimes. Postcolonial theorists first study the historical processes by which colonialism as an
administrative enterprise attempted to change the working practices of the colonies. Such an insight is then deployed to study current business practices (Prasad & Prasad, 2003). The docile worker and the colonial subject share similar conditions in that the production of the colonized subject can be likened to the production of the organizational subject in the subsidiary. Both colonial discourse and the discourse of the MNC headquarters in seeking to control the subsidiary contain ambivalence or heterogeneity in which contradictions and inconsistencies emerge, thereby negating the possibilities of the headquarters’ control being hegemonic. As a result of such failure, a space for resistance opens up (Bhabha 1994; Mir 2001).

Consider for example, the following quote from Pinchoo Kapoor, the CEO of the Indian subsidiary of Chemstar, a large US-based MNC:

*Our biggest training challenge is to make the management team aware of national company. If we are a multinational, we must think like one. We must respond to Singapore [Asia-Pacific headquarters of Chemstar] and Springfield [corporate headquarters of Chemstar], not just Mumbai and Delhi.*

The quote resonates powerfully with the needs of the headquarters of Chemstar to create a cadre of managers whose job it would be to mediate between the headquarters and the subsidiary, but primarily as agents of the headquarters. From the perspective of postcolonial theory, we could make a linkage between this quote and another made over 200 years ago. Speaking in his capacity as the Legal Member of the Council of Indian Education in 1785, Lord Thomas Macaulay (Macaulay, 1782, 1972: 249) stressed,

*We must at present do our best to form a class who may be interpreters between us and the millions we govern; a class of persons, Indian in blood and colour, but English in taste, in opinions, in morals, and in intellect. To that class, we may*
leave it to refine the vernacular dialects of the country, to enrich those dialects with terms of science borrowed from the western nomenclature, and to render them by degrees fit vehicles for conveying knowledge to the great mass of population.

Postcolonial theorists take such a place as their point of departure. Just as a historiographer of nationalism may wonder about the processes by which Macaulay’s remarks became the foundation of an entire education system in India, an organizational researcher using these techniques may well ask, how does the worldview of the elite of organizations such as Pinchoo Kapoor become the authoritative basis of our understanding of Chemstar? Why did the local elites like Kapoor begin to echo the viewpoint of the headquarters uncritically? Why did they not attempt hard enough to integrate their worldview with that of the local economy? Why did the dominant local interests ally themselves with the colonial (global) power interests? Moreover, why did local resistance by members of the subsidiary who were critical of Kapoor's position not acquire “the scale of articulation and coherence that could bring them to the fore of an evolving identity?”

Postcolonial theorists may use this perspective to ask the same questions of the transfer of management expertise, especially if it incorporates an element of coercion. They do so by developing on the concept of hegemony, theorizing that hegemony is a particular condition of dominance where persuasion momentarily outweighs coercion. In particular, postcolonial theory can be used as a methodological tool for researching the transfer of management practices in MNCs to analysis in three ways. One, its reading of dominance and subordination offers a more nuanced perspective on the transfer process than the relatively limited language of efficiency and productivity. Two, it allows us to see dominance in MNCs as an active rather than a passive
entity. As Williams (1977) points out, hegemony has to be continually renewed, defended, and modified. This insight permits us to theorize the periodic re-emergence of programs of subsidiary empowerment as the recreation of the hegemonic project. Three, it provides us a tool to understand that resistance to the transfer of practices does not represent a mere phase of instability in the larger organizational project, but that it represents a moment which allows for the possibility of the reversal of the relationship of domination and subordination. Guha (1989: 231) aptly reminds us that hegemony is “a dynamic concept and keeps even the most persuasive structure of dominance always and necessarily open to resistance.” It is these spaces that are opened up by resistance that allow the possibility of the creation of an alternate hegemony, and the opportunity for an active sense of transformative actions.

Some of the questions that may be posed from the postcolonial perspective regarding the transfer of management practices are:

• What are the processes by which the subsidiary is ‘readied’ for the transfer of management practices?

• How do the various constituents of the subsidiary hybridize, transform and indigenize demands from the headquarters so as to create a space for local agency?

• How do processes of sly civility, mimicry and hybridity unfold in the oppositional space created?

To sum up, in bringing together these three analytical lenses of labor process, institutional and postcolonial theories, we stand to gain a richer understanding of how and why processes of control and resistance take on the characteristics that they do in specific contexts. In studying democracy in the workplace, each lens provides an entry point through the way that it approaches the study of control and resistance.
In the following section, we introduce brief elements of a case study of the transfer of management practices within the UK subsidiary of a Japanese MNC. We draw on the three analytical lenses of labor process, institutional and postcolonial theories to examine control and resistance in the transfer of management practices within the MNC.

**EMPIRICAL STUDY: “CAR CO”**

The vignette from the case presented below draws on a larger ethnographic study of shop floor practices at the UK subsidiary of a Japanese MNC in the automobile industry. It studies the changing forms of managerial control during the transfer of new management and work practices from the Japanese headquarter to its UK subsidiary. By way of context, Car Co, a large Japanese automobile manufacturer, had set up operations in the UK, including a greenfield site. However, it also purchased a fifty percent stake in an existing brownfield site, as a joint venture with a local UK manufacturer. The brownfield site was located in an industrial area in the UK that had a long history of manufacturing, and many of the work practices had been sedimented in the existing site from previous operations. We chose this example to illuminate our theoretical perspective because it presented an interesting case in which the legacy of existing custom and practice was being challenged by the attempts to introduce new management practices.

**The Press Shop**

The press shop was the oldest section of the brownfield subsidiary. Initially, the Japanese partners in the joint venture had little involvement in the management practices and control

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2 One of the authors spent over a year at various sites of Car Co., working as an employee on the shop floor while conducting research.
systems of the subsidiary. As one local director outlined, they had hoped that the company would run itself:

_They could bolt a little on the end that would make products for the Japanese customer, and it would just go along like that._

However the timing of the acquisition was bad, the market had declined and sales reflected this. At this stage, the Japanese parent company sent over an expatriate management team to sit alongside the local directors on the board in equal numbers. In addition expatriate coordinators were also introduced to work alongside local managers in a ‘training and advisory’ capacity during the implementation of new management systems and practices in the company.

The Japanese managers slowly began to get more hands-on in the day-to-day running of the firm, focusing on the actual work practices of the site, which had hitherto been deemed ‘trivial’ by the workers. For example, a memo appeared in a shop floor rest area highlighting some of the concerns of management:

_It has been brought to my attention by safety representatives that in some cases safety rules relating to safety shoes, clothing and smoking are being blatantly ignored. We are currently undergoing a revolution to become part of the global Car Co organization and to become competitive. This means a dramatic change from our old ways and attitudes if we are to be successful as part of a global company. I will support you in your efforts towards this. Go for it._

_(This was signed by the Manufacturing Director)._
Also, while a just-in-time inventory management system had been attempted in many the UK subsidiaries of Car Co, it had not been introduced into the press shop, since it would have required substantial investment in new machinery. There was a wide range of products to be made, and the existing machinery was found unable to adapt to short runs and quick changeovers. The management responded to this inability to implement JIT practices (such as zero buffer stock and Kanban system) by focusing on other practices, such as multi-tasking, job grading and a new ‘teamleader’ role, in an attempt to change the shop floor culture.

**Work organization and control in the press shop: The job card system**

The press shop was now organized functionally, with similar machines and processes located together. Work allocation was by means of a 'jobbing system', in which workers collected job cards describing a job to be done, the machine to be used, and the quantity required from the teamleader. Batch production methods operated. The card gave a time for the job by stating how long it should take to do each unit. The times for the jobs became a source of contention for the press operators, who would often argue that a time was 'wrong'. Informal bargains then emerged between the operators and the teamleader as to what was to be deemed a reasonable time for a job.

Individual worker efficiency was now monitored through a clocking system. The control system involved workers clocking onto and off each job that they performed, by having the work record cards electronically stamped at the start and completion of the job. In addition, each worker had to record details on an individual log sheet of each job completed, the quantity produced and the formal expected time per unit on the job. In this way, it became possible to calculate the efficiency of each worker, by comparing it against the average time taken on jobs, and measuring it against the benchmarked time specified for the work completed. The
teamleader and 'management' monitored individual workers’ performance by means of computer printouts, calculating operator efficiency on a weekly basis from the work record cards.

**Worker responses**

Workers initially resented the system, and actively bargained for a more lenient benchmark. They had fewer options for direct representation with the management, and there was no longer an active recognized union at the shop floor level, so their negotiations were primarily conducted with the teamleader. Ultimately, an informal compromise emerged. Although management never stated it, it began to be understood and acknowledged by the teamleader that an 80% operator efficiency record would be acceptable. This 80% was an overall target, leaving room for inter-job variations in productivity. For instance, there were ‘easy jobs’, where it was possible to reach 100% efficiency without too much effort and even allow scores of over 100%. This would be recorded and workers 'managed' their performance by carrying over times on easy jobs, to compensate for 'bad' jobs where 100% was too difficult to reach. The job times and clocking on/off system served as the focus of workers' attention during the day and served as a control on their efforts.

Workers still found ways to create space for unofficial rest periods. This often involved clocking off a job and registering as 'cleaning up'. A 'cleaning up' time of ten minutes was considered reasonable by management, who were attempting to encourage cleaning of the shop floor to be a part of every worker's job, rather than a task done solely by a 'serviceman'. However, it was generally understood amongst the press workers that 'cleaning' usually involved the workers standing at the back of the presses for a break.

**Measuring Performance**
The corner walls of the press shop had performance charts on them, which included measurements of production against customer demand on a weekly basis. Efficiency as a percentage was compared to the target efficiency levels on a weekly basis. Absenteeism as a percentage was also compared to the target absenteeism. Quality records measured scrap as a percentage of total output and safety was measured as the number of lost time accidents and other accidents. At the time of study, press shop absenteeism targets were given as 3% and efficiency targets as 78%. This compared to actual measures in a sample week of 3.6% absenteeism and 75% efficiency.

For the press shop, scrap components were formally recorded according to the fault. Where problems were identified, corrective action was recorded, together with accountabilities for the corrections and a target completion date. The top problems identified were then monitored over a twenty-four week period as a result of countermeasure activity. However, press operators could informally 'conceal' a certain amount of scrap without having to formally record it. This would be easier to do when the informal support of the setter or serviceman was given.

**Managing change in authority relations in the press shop**

The teamleader was given the job of changing attitudes and practices amongst the team about work quality of the operatives. Previously, quality was considered to be the domain of the inspector and the managers, not the operators. In the new system, the setters, who had the role of preparing the presses and the tooling for the operators, were now given more responsibility for inspection. This led to some resentment on the part of the inspectors; in the press shop the inspector commented:

*...before, the inspector used to have more status in the company. Everything had to come through the inspector. But now, well, with the Japanese, but I suppose it*
is changing everywhere, they have given the setters more responsibility for checking quality, so the inspector is really having a much smaller role now and is pushed into a corner although they do still do checks.

The teamleaders were also expected to change old ways of thinking regarding start and finish times and flexibility in lengths of breaks, creating a disciplined attitude in the workers that was quite different to the existing casual informal approach to breaks and finish times. In the newest section of the factory, it was easier to implement management practices such as working from buzzer to buzzer. As one teamleader mentioned:

...it’s because people have been recruited to work in here from outside and they are told this is the way we work in here. So they seem to accept it.

In the press shop however, it would have been difficult to introduce the practice of working from buzzer to buzzer. Any comments to keep on working would have gone against the informal understandings that existed on the shop floor. The teamleaders initially turned a blind eye to the workers' informal practice of stopping work a few minutes early. Workers in the press shop operated with the previous bonus system in their mind and would often comment that they had reached their bonus output level, so they could stop, even though the bonus system had been removed several years earlier and a flat hourly wage rate was now offered. This was partly because the productivity levels of workers were monitored as a means of controlling output. In this way workers would stop work early if they knew that their productivity level for the day was reaching acceptable levels, rather than push the benchmark higher.

**Work groups in the press shop and the impact of a changing grade structure**
Further to de-unionization in the organization and the Japanese presence, the press shop had been affected by management strategies encouraging a breakdown of traditional demarcation lines on the shop floor and a move towards multi-tasking. The reduction in job grades and the push towards multi-tasking were interconnected in their impact on social relations and social processes in the press shop.

**Informal work groups and resistance**

Informal work groups in the press shop could be identified by the nature of the job that the worker was doing. The press operators formed one group, joined together by sharing the same job demands and pressures. Similarly there were the setters, the servicemen and the press brake operators. During the course of the shift, the setters, press operators and servicemen had to work together in carrying out the work process and keeping the shop running.

From discussions on the shop floor between the workers it became clear that the setters identified with the role of the setter first, rather than with the press shop team. This was also the case for the servicemen and press operators. Workers tended to interact from the position of being an individual in a specific job carrying specific responsibilities, rather than as a member of a group that had collectively certain responsibilities.

This can be seen through the following incident, which occurred at a team meeting conducted by Greg, a teamleader.

*Greg: Efficiency has gone down in the last few weeks and is now only around 70% in the press shop. There are a couple of people I will ask to come into the office this afternoon.*

*Sharon (a press operator, getting very worked up): So it's us to blame again. We are not working hard enough. What about the setters? They just stand around. Do*
you ask them to fill in a work record card? No. It's always the press operators that are to blame. If you call me into the office you are not going to get anything from me. I will do bugger-all after that if you call me in.

Greg: I am not going to call you in.

Sharon: It's always the operators you tell off ...

(A discussion about performance times began. Press operators clock on and off each job they do. The jobs have an expected work time and the operator's performance is then calculated against this. )

Paula: Some people clock off for cleaning. Who is supposed to clean? The setters are supposed to do that. That was part of the agreement when they got their last payrise, but they don't do anything . ...

Sharon: So what are you going to say to the setters? Are you going to call them into the office?

Greg: You can tell them to clean up.

Sharon: It's your job to tell the setters to get some work done. They sit on their backside while we do all the work . ..... 

Later Sharon continued.. "And what about the servicemen. Do they fill in a work record card? It's only us. No other department has to."

Multi-tasking and the emergence of demarcation battles between work groups

The following excerpt illustrates a battle between work groups in the press shop. An example of conflict between work group identities in the press shop occurred when the teamleader realized that four servicemen had turned in for work one morning. Only three were
needed, so one of the servicemen would have to be reassigned to the presses. As Greg went to speak to one of the serviceman, he pointed out to the researcher that there was 'going to be a bit of a fight now'. He then proceeded to speak to the serviceman who stormed away.

Greg: I knew he wouldn't be happy. The servicemen don't like being asked to work the presses. But I cannot help it. I will have to call him into the office.

After having a word with him in the office, the serviceman went over to the press, but did not immediately start work. Instead, he stood with arms folded. Greg mentioned that if the man didn't work after the break, he would have to call him into Personnel for some more severe punishment. The man did work after the break.

Greg: The workers in the press shop are really 'bolshy'. They are the worst in the factory. We've got a totally different way of doing things than what we used to. I mean like in the past it was one man for one job. Like if there was a spot welder, that would be all that he would do. But sometimes he might not have any work to do but he wouldn't be put doing something else. And then there were the unions, until the big strike about eight years ago. Ray, would you have moved onto a press if the supervisor had asked you in those days?

Ray (a serviceman who was friends with Greg): It would have depended on how the supervisor had asked me. If he had said 'oy you, get over on to there', then no, I wouldn't have.

Greg: This is Yorkshire, the unions have always been strong here.

Another example concerned the issue of cleaning in the press shop, which often provoked workers to defend their perceived role and privileges on the shop floor. An example of this was
seen by one of the authors, who had taken a job as a worker in the factory as part of the research. In her first week, she was asked by her trainer to clean around because there was no work to do. She had started emptying the waste bins on the shop floor, when Peter, a setter who she had not spoken to before came up:

Peter: What are you cleaning around for?
A: There is no work to do.

Peter: Who told you that? If you clean round, they will expect everyone to clean round.
A: Ray, my trainer.

Peter: Tell him you’re fed up of cleaning round. Tell him to get you some work to do.
A: I don't think there is any work.

Peter: No work? There is. There's this one for starts. That's (cleaning round) for the servicemen to do.

Cleaning was a very important element of the Japanese management system of seeking to create order on the shop floor. The system was known in the factory as 5S. Some of the press shop operators and setters, who were used to the cleaning role being reserved for the servicemen, previously working on a grade below them, resisted it. The press shop manager had to deign several specific initiatives to get the skilled workers to do 5S, rather than having others clean up for them.

From story to theory: An analysis

3 Slang for ‘Bolshevik’.
As mentioned earlier, this vignette represents a slice of a larger ethnographic project, but one that is well suited to study the process of the transfer of managerial practices. Unlike the newer subsidiaries of Car Co., the press shop represented a site of active contestation between different work practices. Our analysis, following our theoretical statement, is also broken down into the three lenses of LPT, institutional analysis, and postcolonial theory.

**Labor Process Theory**

From an LPT perspective, the revision of the grading structure can be seen as part of the organization's strategy of developing a flexible workforce capable of rotating between jobs according to fluctuations in workloads (Garrahan & Stewart 1992; Ortiz 1996). The new grading structure is significant in its attempts to break down traditional demarcation barriers existing on the shop floor, that were particularly strong during the period of unionization in the organization, prior to the Japanese investment. During that period, conflict about the time allowed for a job or job manning would often lead to a direct confrontation between management and worker representatives rather than informal discussion between the foreman and the workers.

Work groups in the press shop identified with the craft or job that they were doing, resulting in resistance to changing grade structures and initiatives for multi-tasking. The identification of British workers with their craft or job (Lane 1989) reflects the high horizontal differentiation that exists between operators and maintenance, staff and line, and production and technical services historically in British organizations, based on an underlying contractual attitude about the nature of work, in which there are strict limits in the mind of the contractee concerning the activities involved in the job.

The clear-cut notions of the boundaries of a job which have traditionally been supported by the unions in UK manufacturing, contrast sharply with the way Dore (1973) and others
characteristically analyze workers' traditional orientation in large Japanese organizations. In
Japan, studies indicated a more generalized commitment to the firm rather than to a job (Cole,
1979). This is usually explained by the existence of an internal labor market and long-term
career opportunities that traditionally existed in many (although not all) Japanese organizations
(Kumazawa & Yamada 1989).

It is also important to note that significant normative changes that were required to
support the new management practices did not take place. Thus, many workers would refer to the
importance of quality and safety first, but in day-to-day work on the shop floor, the pressure to
reach output expectations and not be cautioned for low productivity took priority. The notion of
an individual bonus for output that had existed previously, was no longer a part of the new
managerial control system. Rather the worker was expected to achieve an output efficiency target
each day as a matter of course. The display of individual performance records is an example of
attempts to apply informal social means of control through peer comparisons and team
reinforcement. In the press shop however the display of performance records went largely
unnoticed by the workers who gave little attention to the 'paperwork' on the walls.

While it was possible for management to introduce the formal structural dimensions of
the change program including the changes in work organization, their effective implementation
and translation into day-to-day shop floor practices was dependent on significant normative and
behavioral changes amongst the press shop workers. The teamleader appeared to be the
important link-pin between management and the workers in implementing these social
dimensions of the change program and the new control system (Lowe, Morris & Wilkinson
1996). As part of the management of culture new normative means of control were being
introduced surrounding a move towards a team-based structure. This included performance
appraisal systems appraising attitude as well as work productivity the press shop operators continued to be controlled predominantly by technical controls surrounding the job based work clocking system. Resistance to these technical controls often included the development of a sense of group identity by the press shop workers as being treated differently to other shop floor groups who were not controlled in this way. Whilst workers would actively verbalize their resistance to this individually, collective resistance was constrained by the absence of support from the works committee, which had replaced the factory unions who were no longer recognized by management.

Thus, through the lens of LPT, the change in authority relations on the shop floor with the introduction of the teamleader can be seen as illustrative of the experimentation of capital with the means of control. The social control is embodied through team, and functions as a complement to the technical and bureaucratic means of control over the shop floor. Together with the values of teamworking come the value based system of total quality management and continuous improvement. As noted by Parker and Slaughter (1988), these systems provide a new means by which Taylorism and neo-Human Relations can work together more effectively. Teamworking thus represents a managerial control strategy that seeks to secure worker commitment and labor intensification.

Institutional Analysis

Drawing on institutional analysis, we can see how the use of the teamleader to convey a new value system and orientation to work has proved difficult given the tradition and convention that existed in the press shop. Compromises have emerged as the influence of local custom, tradition and practice has limited the extent to which authority relations on the shop floor have actually changed in practice. Multi-tasking exists in theory but in practice, the demarcation lines
still persist in spirit between such groups as the servicemen, press operators and setters. The development of a consensual team spirit and shared commitment to the formal work objectives, an important element of the parent organizations social means of control on the shop floor, proved elusive in this particular context.

Also, from an institutional perspective, the conflict between the press operators, setters and servicemen can be understood by looking at the established demarcation lines that have existed in the UK manufacturing sector and particularly in engineering. Traditionally the industry was heavily unionized with strong unions protecting the interests of their craft members through operating 'closed shop' agreements. In Britain, the unions have been traditionally prominent in the training and accreditation process for skilled workers (Lane 1989). The granting of skilled status to craft apprentices meant that at the same time a job territory was being claimed and defended for those possessing the skills, through exclusion practices. Similarly semiskilled workers, like their craft counterparts, have been committed to the practice of demarcation in British industry, defending their job territory by refusing to move to another machine.

The reduction in job grades had meant that the press operators were no longer formally graded on a higher level than the servicemen, who traditionally had the role of cleaning on the shop floor and moving materials to where they were needed. Both groups now received the same pay. This change in hierarchical 'status' on the shop floor complimented the push towards increased flexibility of workers through multi tasking, where servicemen and press operators became interchangeable general operators. In this way there was a separation of formal status and pay from the actual job done.

However an institutional analysis highlights how the press shop culture was grounded in a historical legacy of confrontation, individualism and contractual relations between the hourly
paid workers and the organization. Changes met resistance from the workers but without the backing of a union and with the lack of alternative employment in the area, workers accepted significant changes in their status and working relations on the shop floor. The traditional confrontational relationship between workers and 'management' remained however, and notions of 'team spirit' and Kaizen philosophy remained far removed from the reality of shop floor culture in the press shop.

While the organization was trying to implement changes in practices, the infrastructure which supported these practices in the parent organization was not transferred. From an institutional perspective, this case study provides an interesting base from which debates on the transfer of management practices across contexts can be examined. For example, we can examine how local institutional and value frameworks may mediate the degree to which management practices and control systems may be sustained in different contexts.

Large Japanese organizations are frequently characterized in the literature as having more ambiguous and fluid job definitions than exist in many British organizations. Workers perform multiple tasks via intra-group job rotation. The demarcation battle between work groups in the press shop provides an example of how the traditional group norms and values in the British engineering industry made it quite difficult to transfer such a system of reduced job grades and increased flexibility across jobs. The push towards increased flexibility across tasks was challenging work-group identity.

The ability of the newly appointed teamleaders to carry out their role effectively in the press shop was greatly influenced by conventions existing in the wider social context of the UK industry, where authority relations have not been traditionally based on an ideology of worker involvement and commitment (Cole 1979). The long tradition of a 'minimum involvement'
philosophy and of a purely contractual approach by both sides of industry (Lane 1992) proved
difficult to change in the press shop. A central aspect of the workers' orientation was the
unwillingness to become involved in what they considered to be 'management's responsibilities'.
The example of changing attitudes towards responsibility for quality given above is one
to long term employment (Okuno 1984) found traditionally in many large organizations in Japan
contrasts sharply with the history of a 'minimum involvement' philosophy in UK manufacturing
(Whitley 1992) and status-wage differentiation based on job classification.

This 'minimum involvement' philosophy now stands in contradiction to the level of
commitment and long term thinking that the new management practices at the brownfield site are
requiring of the workforce.

The extent to which, and the way in which, formal management practices were
implemented in the press shop was crucially dependent on the teamleader who had the task of
managing the shop floor culture. From an institutional perspective, the work orientation of the
press shop operators, embedded in the local working class culture and the tradition in the region,
proved very difficult to change and the interaction of parent organization management initiatives
with local conventions led to compromises on the shop floor in which a 'hybrid' culture
emerged.

Postcolonial Theory

A postcolonial reading on the changes in authority relations in the press shop highlights
the discursive means by which both control and resistance are played out in this context. The
task handed down to the teamleaders can be conceived as one of seeking to change the value
system and introduce a new hegemony framed on the values of total quality management,
teamworking and multiskilling (notice the normative tone adopted by the manufacturing director).

It is evident that the new structure of Car Co. comprised hierarchies that created dominant and subordinate groups within the organization. The function of managerial practice here is to exert control over the actions of the organizational subjects through the exercise of sanctioned power and dominance. This dominance is brought to bear through a combination of coercion and persuasion. Coercion refers to those managerial techniques that rely largely upon overt supervision, surveillance, and discipline. Persuasion, on the other hand, solicits the willful participation of its subjects.

This matter can be illustrated by the metaphor of the gaze and the embrace. The gaze refers to a condition where coercion is the main mode of dominance, and the embrace designates the state where persuasion outweighs coercion. The metaphors of the gaze and the embrace must be understood in light of one very significant detail; the consummation of the embrace demands, in the last instance, the relinquishing of the gaze. It is precisely this last instance, this surrender to the power of dialogue that the headquarters of the MNC is unable to concede. This reluctance by the headquarters to surrender to the ‘powerlessness’ of the dialogic interaction condemns the transfer of managerial practice to remain at heart a coercive and a violent engagement, just as colonialism as a practice could never achieve hegemony, despite its evident dominance.

Teamworking is passed down as a new imperative on the shop floor demanding of the workers new ways of thinking about their work and social relations. At the same time, worker resistance manifests itself in a variety of ways, including through a hardening of identity positions. For instance, the (Japanese) identity of the management is subtly used here by the UK workforce to delegitimize the new work conditions which the workers feel are imposed on them.
Likewise, a postcolonial reading encourages attention to the political context in which weak trade union power and high unemployment supported the introduction of new work practices without significant active resistance in the factory. In this context expatriate managers had the role of transferring new work systems through the local managers. This raises an interesting context in which to consider issues of workplace democracy. Here, we can also see the discursive processes by which the headquarters seeks to persuade the press shop workers to consent to the new control systems and work practices. Activities such as the written documentation on the shop floor walls monitoring performance against new criteria and the relabelling of shop floor job titles to seek a sense of common interest amongst the newly created ‘flexible’ and ‘empowered’ teams. The interplay of technical and social control in the press shop highlights the ways in which the gaze of surveillance and the embrace of empowerment are equally contested. The press shop meetings between the teamleader and the workers highlight episodes of ambivalence and the counter-hegemonic. Ultimately, the management has to enforce order through a return to bureaucratic control (such as the threat by Greg to involve ‘Personnel’). The use of disciplinary procedures for the press shop workers unwilling to buy into the notions of increased functional flexibility and the removal of demarcations represents the moment of the failure of hegemony. The teamleader is placed between the shop floor and the expatriate managerial echelons in the demand for narrative by which the managers seek to ascertain the extent to which the values integral to the new managerial system have been adopted on the shop floor. From the shop floor it is clear that whilst the teamleader may engage in acts of sly civility and evasions to the demand for narrative (Prasad and Prasad, 2003, forthcoming), the press workers’ acts of resistance take on a more direct and active form in confrontation with the teamleader in the press shop meetings. The press shop provides an interesting case in which to
examine *hybridity* (Bhabha 1994), the process of cultural ‘translation’ through which the messages from the expatriate managers are translated by the local managers and fed down by the teamleader to the shop floor. In this way, contradictions in the control systems emerged on the shop floor and were sustained in the day-to-day interaction between the press shop workers the teamleaders, local managers and expatriate managers. The expatriate engineers can be seen as attempting to push through a hegemonic control system representing a new way of thinking and doing. The role of the expatriate manager in readying the subsidiary for the transfer of management practices can be seen in this case study. Processes of *ambivalence* to headquarters hegemonic control play out in the day-to-day relations between firstly different groupings on the shop floor including the setters, press workers and teamleaders, and also between the teamleaders, local managers and expatriate managers.

**IMPLICATIONS FOR DEMOCRACY IN THE WORKPLACE**

The above analysis has drawn on three theoretical lenses to examine control and resistance in the transfer of managerial practices within one multinational. We have argued that by combining the three lenses, we can develop a richer insight and explanation of the contradictions, tensions and outcomes of attempts to introduce changing forms of managerial control. All three perspectives also encourage examination of linkages between micro-level processes and macro level structures. What then, do these perspectives tell us about the issue of democracy in the workplace?

A labor process analysis of the press shop workers changing conditions encouraged a focus on critically assessing the extent to which the new work systems based on teamworking actually represented a step towards increased participation and democracy in the workplace.
In the press shop, ‘teamworking’ and the new management practices of total quality management and continuous improvement sought to control the means by which workers could participate in decision making on issues that concerned them. This happened through the *social controls* surrounding the new work practices, which encouraged flexibility and ‘team spirit’. The traditional channels for workers to express dissent were reduced, but the team meetings provided the new forum for contested control on the shop floor. Resistance still existed on the shop floor, but the way it was expressed was different from the previous situation of active trade unions and shop stewards. Workers under the new management practices continued to have little influence in decision-making on issues which really mattered to them, such as the nature of the work process, the workloads expected and the general working conditions.

An institutional analysis of the case study within the context of democracy in the workplace brings attention to the social structuring of the work system. On a comparative level, worker discretion and involvement, managerial control over work organization and the separation of managers from workers varies across institutional contexts, and this case study of a Japanese MNC in the UK illustrates the ways in which the local context mediates the extent to which new control systems can be sustained. The societally specific nature of many labor market institutions, education and training systems, state structures and policies have generated varied forms of interest representation and capital-labor relations and of prevalent patterns of work organization and control in Japan compared to the UK. These institutions shape governance characteristics in the firm. This macro level analysis of institutional relations provides a framework for explaining how and why firms governance structures and also capabilities such as the development of employee competencies and emphasis on innovation may vary across
business systems. In the isolated hierarchy of the Anglo-Saxon system (Whitley 1999) management control in the firm is constrained vis-à-vis the influence of the capital market, which encourages ‘short-termism’. In the allied hierarchy business system characterizing Japan, managers are constrained by creditors including banks but these interest groups tend to enable a longer-term view of corporate performance in which an arms-length relationship is adopted with the firm. The internal labor market characterizing the Japanese firm encourages the development of employee competences and skills in the firm and collective innovation capabilities. In contrast, the isolated hierarchy of the Anglo Saxon system tends to lead to limited commitment and limited mutual dependence in both employment relations and the development of organizational capabilities. In such a context, organizations react to the need for flexibility and innovation through restructuring rather than through a focus on employees as the key to developing capabilities. In this way, analysis from an institutional perspective focuses on explaining differences in processes of democracy in the workplace by looking at the path dependency of firms embedded in broader institutional structures at a societal and regional, international level.

A postcolonial reading may ask to what extent local managers and local workers were involved in determining the nature of the work practices that were to be implemented. What were the means by which local groups could influence the changes taking place? In MNCs, surveillance and empowerment regimes are part of the same (often anti-democratic) discourse, a discourse of control by the headquarters that is punctuated by resistance at the subsidiary level. The regimes of empowerment at the press shop constitute an attempt by the headquarters to achieve “hegemony,” where the members of the subsidiary accept the existing power relationship as legitimate. On the other hand, regimes of bureaucratic control periodically
exercised by them, can be seen as devices of a more instrumental form of dominance, where the coercive elements of work control overpower its persuasive aspects. These two regimes then participate in an endless dance, where each re-emergence of bureaucratic control denotes not only a failure of the preceding regime of empowerment, but also a failure of the discourse to achieve hegemony.

In the case of the press, such a reading suggests that without the representation of the trade union as a voice for the workers, and given the economic climate and labor market of high unemployment surrounding the factory the Japanese parent company was able to push through significant structural changes. It illustrates the discursive practices by which hegemony is sought over the shop floor workers, as the teamleader seeks to convey the ideology of teamworking and multitasking. It also encourages examination of the discursive constitution of resistance and how it is produced and performed at the workplace both symbolically and materially.

In conclusion, the three lenses of labor process, institutional and postcolonial theories provide different entry points for the analysis of processes of control, resistance and democracy. Each theory can thus illuminate a different facet of this democracy, and add to an understanding of the link between microlevel processes and macro level practices. Ultimately, all three theories caution us that fleeting, unobtrusive, failed and seemingly irrational acts of defiance and resistance in the workplace may be the very sites of an incipient democracy.
References


Knights, D. and Vrudubakis, T. (1994). Foucault, power, resistance and all that. In J. M.


Table 1
Theoretical lenses and Questions raised on control and resistance in the transfer of management practices across contexts.

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