On the meanings of structure in the international business discourse

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The Impact of Critical Management Studies on International Business: CMS6 Stream

Abstract

Purpose – This paper examines the meaning and nature of the structure metaphor in the social sciences, and the consequent implications for the academic activity of describing and substantiating new structural forms of MNCs in the international business discourse.

Design/methodology/approach – The approach is primarily conceptual, but also introduces the findings from some fieldwork. The paper contrasts the generalist work in the social sciences on structure with a close reading of the foundational texts on structure in MNCs along with a broader reading on the considerable attempts to describe new structures for MNCs. It draws on fieldwork, that deconstructed stories from actors within MNCs, to open a broader criticism on the discourse on structuring the MNC. Through interrelating these literatures and the field work, this paper is able to offer a critique of the structure metaphor.

Findings – The paper suggests that the phalanx of new MNC structures could also be legitimately understood as a criticism of the very idea of MNC structure. On safer ground, it suggests the point of difference between older forms of MNC and the variously described new forms arise from the contrasting definitions of structure used in anthropology and sociology.

Originality/value – The paper's originality and value arise from its unique consideration of the structure metaphor in social sciences and the discourse on structure in the international business discourse. It responds to calls for a more critical approach, with new methods in this functionally orientated discourse.

Classification: Research paper
Key Words: MNC; Structure; Heterarchy; Subsidiary
On the meanings of structure in the international business discourse

An enduring feature of the academic discourse on the Multinational Corporation (MNC) is its focus on structures. It is not altogether clear what we mean when we talk about MNC or organisation structure, and yet we still find it meaningful to talk about it. Attempts to define the term, more often than not, fail to transcend tautological traps wherein structure is often rescribed as being a form or a pattern. Despite the definitional difficulty, the concept has still managed to spawn eponymous schools of thought, is central to many social scientific endeavours and is one of the most active areas of theory development in the international business discourse. Almost all who deal with the concept or term attempt a precise definition, and despite this collective effort, no definitive definition or even commanding portfolio of definitions has emerged. Structure is perhaps better understood of as a founding or epistemic metaphor of social science, rather than being a precise or functionalist concept (Sewell, 2005). It is perhaps more useful to consider it a nomina (Kant, 1929 translation); an arbitrary designation given to something perceived in the social world, that is a label which is either useful or not. In the paper, we start by examining three significant and innate complexities that arise when the metaphor of structure is transposed from the physical to the social world (in the mould of Sewell, 1992) and with these in mind we then rehearse the problematic discourse on structuring the MNC. A very notable feature of this discourse in the significant academic efforts to describe and substantiate a new structure for the MNC, which taken together represent a distinct and reasonably homogenous reconceptualisation of the structure of the MNC. What unites all the disparate contributors working on this terrain is their attempt to position this new form against the traditional hierarchical form, the factory-bureaucracy of Max Weber (1946) and Frederic Taylor (1912). We finally outline the argument that the phalanx of new MNC structures could also be legitimately understood as a criticism of the very idea of MNC structure. On safer ground, we contend that the contrast between these new and old MNC structural forms reflects the different understanding of metaphor of structure taken in anthropology and sociology (Giddens, 1981).

On structure

Organisation structure is an analogy drawn from the physical, the hard and observable sciences into the social and therefore soft sciences (c.f. Radcliffe-Brown, 1952). As with all such analogies care needs to be taken over their employment and consequently it is worthwhile commenting on the concept of structure in the physical sciences. Each physical science deals with a certain class of structure be it atomic physics with the structure of atoms, chemistry with the structure of molecules, anatomy and the structures of organisms (Kuhn, 1962). For example the dominant idea in molecular cell biology is that cells form the ‘building blocks of life’; animals are agglomerations of organs, which are themselves made up of cells, which in turn are made up of smaller components called organelles, and at each level the components are arranged in relation to one another not as an aggregate but as an integrated living whole. Each of these set of relationships describe a different level of organic structure. A key idea in cell
biology is the notion of the replication of structure, where the collection of the same units (be it organelles, cells or organs) that hold the same relationships are the same thing and that criterion defines the thing. Similar examples can be drawn from diverse disciplines in the hard sciences such as civil engineering to object orientated computing and particle physics. Structure once understood in all of the physical sciences allows for prediction. Indeed structure is really a synonym for an invariant system. To turn from physical sciences to the social sciences and more specifically to the MNC many have found meaning in expropriating the metaphor of structure. Structure in organisations and between organisations has been widely recognised and considered. Indeed individuals find themselves connected by a set of meaningful social bonds to others in social structures such as family, work, religion and location and these are often best understood and preserved through the metaphor of structure.

**On the problems of structure in the social world**

However in the transposition of the idea three significant and innate complexities arise. Firstly in the physical sciences it is possible to stand apart from the structure while examining its functioning, a feat not possible in the social world. The inability to isolate elements of a structure, or objectively observe action between structural elements is central to the definitional complexity. And this is closely related with the second complexity- that the metaphor of structures in the social world is inappropriately suggestive of deterministically concretised and reified relationships. Such structures are better understood as more fluid and less distinctly solid- a child can be adopted, a job can be resigned from, a religion abandoned and an individual can migrate. By contrast in the physical world it is harder to affect change, and units of a structure are passive recipients of their role; a pig cannot become a hippopotamus, a liver cannot become a heart nor can mitochondria become an endoplasmic reticulum. In transposing the metaphor of structure to the social world we attempt to render unchangeable that which is changeable, and always fail. In the social sciences structure is a kind of temporal unity; it is not a definitive unity. This plays down the role of human agency in the creation and enforcement of the subject of structural metaphors. The final complexity comes from what Giddens considered the dual role of culture- structure is both the medium and the outcome of practices that constitute social systems (Giddens, 1981). With this, Giddens neatly underwrote the tacit but contested concept of structure as used by social scientists. Sociologists consider structure an opposite of culture, whereas anthropologists tend to regard structure as the creator of culture. In a discipline and discourse as young as international business, with little in the way of direct sources that are older than 1958, it is unclear and unquestioned as to what version of structure is used.

As a result two approaches have emerged. The first argues that the study of structure is a pointless activity because there are no discoverable significant structural laws as social structure is chaotic, and refuses the ordering process. The second approach argues that there is value in the study of social structure because we can approach a partial but meaningful understanding of structure, and that
structure is in some way ultimately knowable but complex and inchoate. With time, effort, data and processing power we shall ultimately reveal the true nature of these perceived but unknown structures.

**On structure in international business**

Despite this fuzziness, or perhaps because of it, in international business, just like in every social science, structure is an essential but ultimately vague term, replete with meaning and ambiguity. The size and complexity of the modern MNC has led to considerable research activity on what has been called the structure of the MNC. Having bled some reservations about the employment of the structure metaphor it is still important to introduce the considerable work on the structure of the MNC. Important, not least, because this constitutes some of the most august and significant body of work on the MNC.

**Structuring the MNC**

Chandler (1962) rather equivocally proposed that structure can be thought of as ‘... the design of an organisation through which the enterprise is administered’ and in doing so commenced the current discourse on how best to structure the MNC. This was not the first occasion when the issue of designing organisations arose, indeed early MNCs and even older multinational organisations such as the Catholic Church wrestled with their limited structural options because of the modest nature of transport and communication links. In the main they relied on very careful recruitment, intensive training through deep cultural emersion and then the organisation endured the relative freedom of action from managers once in the field (Kung, 2002). The structure employed at the farthest extremities of such organisations created the precedent for autonomous and loosely bound control structures closer to the centre.

Improving communication and technology links between geographically dispersed parts of the same organisation have allowed for progressively tighter central control. With this new capacity for tight central control the question has been asked by both practitioners and academics, what is the best way to structure the modern MNC? This was the question addressed by Chandler’s (1962) seminal work which asserted that structure should follow strategy. The problem implied in this conception, and partially understood by Chandler, was neatly critiqued in Churchill’s infamous remark that ‘we shape our buildings, thereafter they shape us’ (Churchill 2003). Once an organisation’s structure is established, it is intuitively considered very difficult to change and as a result strategy tends to follow it, which is essentially the counterargument to Chandler’s maxim.

Indeed this was amongst the enduring findings of the first major study of the MNC undertaken by Stopford and Wells (1972, P5) who found ‘Once set up, the organisational structure almost certainly influences the choice of strategy of the multinational firm’. In further studies, similarly driven by the concerns of headquarters, (Williamson, 1975; Franko, 1978; Prahalad and Doz, 1987) the enduring issue of the extent to which headquarters can make all the important decisions about subsidiaries is addressed. Perlmutter (1969) considered centralised and decentralised approaches to managing MNCs,
defining ethnocentric and polycentric models. Burns and Stalker (1961) suggested that organisational forms can range along a continuum between the poles of mechanistic and organic. They further suggest that more mechanistic forms are better suited to defined tasks in stable environments where the focus is on efficiency, whereas the more organic forms are more appropriate for new activities in dynamic environments where the focus is on innovation and responsiveness. Indeed this is one of the dominant ideas in Morgan’s Images of the Organisation (1998). As one would expect firms have attempted to blend both poles, which theorists have variously termed hypertext (Nonaka and Takeuchi, 1995), loose-tight (Peters and Waterman, 1982), holographic (Morgan, 1983), balanced (Volberda, 1998), and ambidextrous (Tushman and O’Reilly, 1996), but they largely prescribe different times and spaces as a way of managing in different styles. In doing so, these studies reinforce the notion that it is difficult to manage inconsistency within a single business unit at a single point in time (Poole and Van de Ven, 1989; Volberda, 1998). Notwithstanding this complication, the distinction between mechanistic/organic is compelling. Within this general treatment of organisational structure, international business researchers have started to suggest that headquarters can structure their various subsidiaries differently, and group subsidiaries on a spectrum (see figure 1) ranging from a homogenous vertically integrated value chain to a portfolio of unrelated investments that are free to individually pursue local market conditions.

![Figure 1 Structuring the MNC](image)

Along the continuum various organisational structures have been identified as U-, M-, X-, and N-forms. The most familiar of these is the U-form, a classic hierarchical bureaucracy structured functionally with a powerful executive controlling functional departments. A refinement of this form is the multidivisional form (M-form) evolved in order to deal with growth through diversification, with decision-making delegated to the divisions (Chandler, 1962; Cyert and March, 1963; Bower, 1970; Williamson, 1975), but still with a powerful executive in central command (idealised examples include Alfred Sloane’s General Motors and Pierre Du Pont Chemical company). Based on economic theory, it focuses on the efficiency arguments for adopting the M-form ahead of the functional form that historically preceded it. The critical elements of the theory can be summarised in three postulates:

- The costs of co-ordination within the firm can be minimised by grouping tasks according to the geographic or product markets on which they are focused.
- The retention of strategic decision-making at the centre (with routine decisions decentralised) ensures that those decisions are properly handled by a group of experienced general managers.
Related to that, the efficient allocation of resources requires that leverageable assets (e.g. expertise, scarce resources) be held at the centre.

The development of an appropriate system to monitor and control subsidiary managers ensures that the likelihood of opportunistic behaviour on their part is minimised (Chandler, 1962; Williamson, 1975). A further refinement of the U-from and the M-form is the matrix structure (Galbraith, 1973) or X-form (Williamson, 1975), which reinstates the functional areas in the M-form. These three forms are all by and large hierarchical structures. What is perhaps most interesting, and is largely forgotten by those writing on these ‘modern’ forms of organisational structure is that they radically replaced ‘pre-modern’ organisational forms with looser bonds between geographically dispersed parts of the same organisation.

**On the new structure of the MNC**

Presented alternatively as new and elsewhere as a rediscovery of pre-modern structural forms is the network, or N-form structure (Miles and Snow, 1992). It also described the ongoing academic activity of attempting to describe and substantiate a new structure for the MNC- geocentric (Perlmutter, 1969), the self-designing organisations (Hedberg et al., 1976), the holographic organisation (Burrell and Morgan, 1979), adhocracies (Mintzberg, 1983), heterarchy (Hedlund, 1986), multifocal (Prahalad and Doz, 1987), the horizontal organisation (White and Poynter, 1990), the multi-centred firm (Forsgren, 1990; Forsgren and Johanson, 1992), the networked organisation (Kanter and Eccles, 1992), and the hypertext organisation (Nonaka and Takeuchi, 1995). Although each has important differences (and as a result do not constitute a controlled vocabulary in the mould of Berlin, 1992), together they represent a distinct and reasonably homogenous reconceptualisation of structure of the MNC, a reconceptualisation based on the idea that MNC structures are becoming less hierarchical and more heterarchical. Less-hierarchical MNC’s operate like a network, beyond the constraints of formal, bureaucratic structures with subsidiary units being ‘highly differentiated and functionally interdependent ... [with resulting] complex flows of products, people and information’ (Marschan, 1997). The dominant logic is not ‘a top-down or bottom-up one, [but] rather... one of horizontal coordination’ (Hedlund, 1994). Thus the expression ‘approaching a heterarchical network’ is employed to designate this well developed terrain of debate which has its own repertoire of concepts and theories over which people argue and which has yet to form a fully coherent theory. What unites all the dispirit contributors working on this terrain is their attempt to position this new form against the traditional hierarchical form, the factory-bureaucracy of Max Weber (1946) and Frederic Taylor (1912). The combination of factory and bureaucracy suggests an authoritarian, inflexible, hierarchical division of labour as a mechanistic manufacturing machine, and is a repulsive, anti-human concept to many. But it is important to wonder what justifies this identification of new forms of organisation structure. These new forms are often introduced in the context of a broader description of newness associated with advanced nations entering what Daniel Bell (1973) termed the Post-Industrial Age. It is strange that conceptualisations surrounding the transition from the Industrial Age, where wealth is no longer rooted
in the manufacture of goods, are being applied within the factories of the hierarchical MNC, perhaps the ultimate symbol of the machine bureaucracy. It has been argued that these new structural forms bestow greater responsibility on members of organisations (Hedlund, 1986; Hedlund and Rolander, 1990), a trait that is closely associated with knowledge creation, innovation, local responsiveness and entrepreneurship (Hamel, 1991; Grant and Baden-Fuller, 1995). Bartlett and Ghoshal consider this ‘new’ structure as the reason why ‘individuals, in some organisations but not in others, routinely do so much more for the good for the organisation. ... than their personal economic or political rewards’ (Bartlett and Ghoshal, 1994). Geographically dispersed subsidiaries tend to be coordinated and controlled using more informal means, such as culture, expatriate placement and personal relationships (Bartlett and Ghoshal, 1986).

**On the impact of these new structural forms of MNC**

The introduction of the term heterarchy by Hedlund is usually cited as the point of schism in the study of subsidiaries (Birkinshaw, 1995). Birkinshaw and Morrison (1995) suggest that the schism can be identified in the distinction between subsidiary role and subsidiary strategy, wherein the term role suggests an ‘imposed’ function on the subsidiary, whereas the term strategy suggests that subsidiaries have at least some hand, act or part to play in shaping their own fate. In effect subsidiary roles/headquarters imposed structure and strategy suggests a position in the hierarchy, whereas subsidiary strategy reflects a heterarchical conception. Having said that, most contributors do not reflect the nuance implied by the terminology, and employ the terms subsidiary role and subsidiary strategy interchangeably (Birkinshaw and Morrison, 1995). This is further complicated by other euphuisms for independent subsidiary strategy such as subsidiary development (Paterson and Brock, 2002), subsidiary upgrading (Dörrenbächer and Gammelgaard, 2004) and subsidiary entrepreneurship (Bartlett and Ghoshal, 1986; Kogut, 1991; Birkinshaw, 1998; Zahra, Dharwadkar and George, 2000).

As a consequence each contribution in this discourse must be read closely to unpack the degree of instrumentality allowed to the subsidiary. This is perhaps why most theorists circumvent this complexity and simply delineate between those researching from a headquarters viewpoint and those researching from a subsidiary viewpoint. Although the subsidiary has been an object of study for a considerable length of time, subsidiary focused research did not become an important strand of MNC research until the early 1980s. White and Poynter’s (1984) contribution is particularly important because it departs from the implicit assumption that headquarters can simply allocate a role and consequential capabilities to a subsidiary on the basis of a portfolio analysis. Their seminal paper marked a break, not fully understood at the time, in the understanding of the capacity of subsidiaries to be strategic. With Birkinshaw’s rediscovery much of the subsequent work on role allocation played more attention to subsidiary management (Rugman and Verbeke, 1999). Before that contribution subsidiary strategy was conceived as being entirely determined by headquarters and subsidiary managers were very limited in their instrumentality. A number of other researchers have attempted to organise a classification system for subsidiaries based on their roles and autonomy (c.f. Young and Tavares (2003) for a useful
Critiques of these new forms

There have been a number of dissenters who have questioned whether MNCs are becoming more heterarchical (Melin, 1992; Forsgren, 1992; Berggren, 1996). Both Melin (1992) and Forsgren (1992) point out the difficulty of using culture to control such large and nebulous organisations and question whether culture can be controlled by top management. Others argue that the preoccupation with networks and heterarchies is unhelpful as it neglects the classically debated issues in international business research of power and control, strategy and structure (Smircich, 1983; Alvesson and Berg, 1992; Berggren, 1996). Furthermore, drawing on Martinez and Jarillo (1989) and Malnight (1995), Berggren (1996) argues that informal and subtle forms of control and coordination are additions rather than substitutions for formal and structural mechanisms. Perhaps a more damming critique was provided by Willmott (1993) who suggested that in placing emphasis on improving commitment and flexibility of individual employees, heterarchy runs the risk of repeating the prescriptions of post-taylorist management theory—such as human-relations school (Mayo, 1933), institutional theory (Selznick, 1957), sociotechnical systems theory (Trist, 1963) and theory Y (McGregor, 1960). Indeed Hedlund (1980) alludes to such post-taylorist ideas in suggesting the desirability of heterarchical structures “In the industrialized [sic] countries, the ideology of participation, meaningful work and resistance to routine obedience to traditional authority also tend to necessitate increased involvement in strategic matters on the part of the lower echelons of the corporate hierarchy. As the supply of management talent of high quality rises due to better education, it becomes possible to give increasingly challenging tasks to local managers”. Hedlund’s concept of heterarchy shares with the post-taylorists the concern with increasing cooperation and commitment by encouraging a sense of meaning and esteem in work. Arguably such humanising measures do not replace the harder, rational-economic, scientific approach (of Taylor and others) to job design. Rather, as Willmott (1993) points out they are overlaid with a mode of control directed at the productive potential of the normative quality and organisation of human conduct. As a result heterarchy and hierarchy are two distinct methods of achieving the same ends, one just hides its motives. Self-directness is called for by senior managers, but, significantly, its scope is bounded by devised goals (often termed shared goals). Heterarchy is usually presented as both an aspirational organisational form and a polar opposite to hierarchy. The difference between hierarchy and heterarchy is often characterised as being central to the difference between modern and post-modern organisation (Clegg, 1990). However under certain conditions heterarchy looks distinctly modernist, where modernisation is used to describe equality of opportunity, and meritocracy as the main criterion for the distribution of power, status and resources within MNC networks. This, in turn, implies a decline in nationalism, favouritism and all forms of deference based on inherited status, alongside a growth in political consciousness amongst all organisational actors. The call for heterarchy in the MNC is a call for reason, objectivity and the primacy
of empirical knowledge, indeed under this treatment of the term, heterarchy looks to be a call to supplant the premodern hierarchy based on privilege. In calling for headquarters restraint in the use of their power over subsidiaries, researchers such as Bartlett and Ghoshal (1986), Hungenberg (1993), Buchanan and Sands (1994), Campbell, Goold and Alexander (1995) and Stewart (1995) are pleading for modernity, and without ever saying so, are pleading for the enactment of the principle of subsidiarity.

**Methodology**

The project, from which this paper derives, was an interpretive study on the stories told by subsidiary managers about their businesses. The definition of the respondents was unthinkingly structural in nature: it implies an invariant system within MNCs of subsidiaries and others. Data was collected through storytelling events and narrative interviewing (Czarniawska, 1997) with eight subsidiary managers. Stories capture very rich, integrated and contextual cognitions of the work, perhaps Czarniawska (1999) explains it best when she notes that ‘in all their different versions, [stories] capture organisational life in a way that no compilation of facts ever could’. Each manager was asked to tell the story of their subsidiary and their time as a subsidiary manager. Their stories were recorded, transcribed, in both full and précis form for release by the original storyteller. The attraction of the storytelling method arises from the opportunity to hear silenced voices, an opportunity exploited through the deconstruction of the text of each story (in the mould of Culler, 1981) to reveal latent hierarchies, paradoxes, gaps and constructions. This deconstruction forms the basis for a critical examination of existing theory.

**Findings from field work**

The outcomes described in these stories suggest little evidence of these new structural forms, or anything resembling a less hierarchical form of MNC, and yet the processes and language rendered in these stories is imbued with much of their rhetoric. It leads to a simple conclusion: that these efforts at new structure are really a refinement of the methods of organisational control and authority in MNCs. Heterarchy and the other forms are not base antonym for the older structural forms of hierarchical divisions. The new form is more likely to represent a subtle refinement of the concept of hierarchy, which in any event was never meant to be the tightly-integrated theoretical and ideological paradigm that it has become. It can, as Willmott (1993) suggested, be more usefully oversimplified as a transition from McGregor’s theory X on to theory Y (1960) within the management of multinationals wherein headquarters and subsidiaries are exhibiting and responding to a new, more subtle and nuanced form of organisational control and authority. Whilst the rhetoric of the new organisation forms suggests that subsidiary managers have the potential to be powerful actors, this may well be synthesised by their line managers as they seek to engineer meaning and commitment into those they can dominate. At its most enlightened heterarchy releases the MNC from its internal rigidity advocating a more pluralist ideal. Heterarchy may well be a sophisticated reproduction of the dependent
hierarchies of power and privilege. In short, these stories from subsidiary managers reflect a desire for managerial liberty, but the freedom to act that they experience is permanently bounded by their headquarters. If they are free it is only because their headquarters is allowing them freedom, and such freedom is always within and as a result bound to their headquarters gift. It is useful, at this point in the discussion to separate the concept of liberty into positive liberty and negative liberty (Berlin, 1958). The real contribution of these new structural forms is to the control of subsidiaries in environments where all workers desire positive liberty (Berlin, 1958); an internal desire to gain control, self-mastery, self-determination or self-realisation over their professional lives. The personal psychology and individual morality of the cadre of MNC subsidiary managers who shared their stories has been profoundly influenced by the academic discourse on structuring the MNC. It is not clear whether this represents a useful improvement to their lot, for a desire for freedom has been agitated for amongst those who are not and can never be authentically free. When considered as negative liberty (Berlin, 1958), it is self-evident that these storytellers face real obstacles, barriers, constraints and interference from their headquarters. In the absence of this sense of proportion surrounding the nature of subsidiary manager’s freedom to act, they are not well served by the literature. The relentless incantation of ‘new’ structures and its associated agitation towards freer subsidiary managers has given those managers an unrealistic vision of liberty and their place in the MNC structure. The main implication of this lies in the academic activity on subsidiary strategy that flowed from these unrealistic dreams of freedom.

**On the problems with these new structures of the MNC**

Each of these new forms of MNC structure essentially exploits the absence of a definitive definition of structure. Without a shared meaning, and given that the concept has been stubbornly resistant to fixed meaning, can we say that these new forms of structures are indeed, structural? In the social world we cannot isolate elements of a structure nor can we objectively observe action between structural elements. Whilst the objectively observable detection of new structures (new animals, new stars, new compounds, new sub-particles) is possible in the natural world, is it neither possible nor necessarily meaningful in the social world. All these new definitions hint at an unfixing of structure, a loosening up, a more dynamic, processual interaction between structural elements, a churning up of fixed relationships, which in itself is more a criticism on the act of structuring than on the type of structures suggested. It does seem a little harsh to accept a priori, deterministically concretised and reified relationships, and then criticise them for being unchanging and overly fixed.

This points to our first conclusion- that together these new forms of MNC structure are criticisms of the metaphor of structure rather than an identification of a new structural form. Motivating this activity is a natural predisposition towards academic zeitgeist that result in immodest and flawed attempts to serve up a Kuhnian (1962, 1970) ‘paradigm shift’, or a Foucauldian (1972) ‘epistemic discursive rupture’. These claims to newness are arbitrary, presentist and point to a pejorative duality of a bad past and a good future.
Critiquing the new structural forms of the MNC

Notwithstanding the interesting but obtuse argument over whether these new forms are structural, if we accept them as structural in their own terms, what of it? The search to substantiate a new MNC structure reflects the central point of contention between Giddens (1981) understanding of how the metaphor of structure has traditionally been used in anthropology and sociology. We could legitimately take the ‘old’ structures as reflecting a sociologist’s perspective on structure, wherein it is considered to be an opposite of culture, and we could consider the ‘new’ forms of structure as reflecting anthropologists contention that structures create culture. In this vein, we could, again, consider that attempts to substantiate a new structural form originate and end with the definitional imprecision of the structure metaphor.

All that we are left with from all this over-egged debate is the empirical suggestion that the relentless incantation of ‘new’ structures and its associated agitation towards freer subsidiary managers has given those working in MNCs an unrealistic vision of liberty and their place in their organisation. The personal psychology and individual morality of the cadre of subsidiary managers who shared their stories has been profoundly influenced by the academic discourse on subsidiary strategy. Rather worryingly subsidiary managers appear to be paying heed to well meaning consultants who have filtered out an evangelical exegesis from that academic discourse. The theories and prescriptions of the subsidiary strategy literature, which flowed from the identification of new structural forms of subsidiary, have had a tremendous influence on managers in MNCs. In many cases this is giving subsidiary managers unrealistic expectations about what they can achieve, and prods them to attempt ill conceived career (and subsidiary) damaging activities. Perhaps subsidiary managers faced with their existential vulnerability are gullible. Nevertheless, it is very clear that this is not a useful improvement to their lot. More benignly one might consider that headquarters managers, in the face of unprecedented capabilities to control their distant subsidiaries, might well be considering whether all this surveillance is helpful to their cause. But we really must ask whether headquarters managers are willing to cede authentic power to their subsidiary managers? Without confronting this question, which by its very nature is a repudiation of the very appellation of subsidiary, the academic discourse on the structure of MNCs does a disservice to subsidiary managers. In short subsidiary managers need to think for themselves, think through and beyond the ideals and tools of the subsidiary strategy literature to develop an original, contextual, realistic strategy to survive and prosper, ones that reflect their position in the hierarchy. It is important to convince more and more subsidiary managers of this, not just for the benefit of subsidiary managers, but also for the economies and societies that depend on them.

For international business scholars at play in the world of structure, one is reminded of what Strange (1982) fetchingly labelled ‘Cave! hic dragones’- a concept that is more troublesome than useful and can
possibly be “negative in its influence, obfuscating and confusing instead of clarifying and illuminating, and distorting by concealing bias instead of revealing and removing it”.

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