2nd CONFERENCE ON RHETORIC AND NARRATIVES IN MANAGEMENT RESEARCH

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DISTANT READINGS: COMPARATIVE ORGANIZATION STUDIES THROUGH FICTION

Barbara Czarniawska
Gothenburg Research Institute, Göteborg University, Sweden
barbara.czarniawska@gri.gu.se

ABSTRACT

Although it is commonly assumed that comparative studies are the only way to proceed in constructing theories of organizing, the practical fulfillment of this postulate has always been problematic. The positivistic idea of applying a rigid research format kills local differences, as the early experiences with universal psychological tests best demonstrated. The firm adherence to "local knowledge" might lead, on the one hand, to incomparable results; on the other, to marginalization of studies of localities that are not of global interest. Yet anthropology should have given organization theorists a clue long ago: they made the stories of their exotic localities interesting by using a variety of fictional approaches in their reporting. Here, I suggest a step beyond it. Although in the title I am borrowing Franco Moretti's concept, my idea of distant readings is not a way to go from close readings of individual texts to abstract models, but to use fiction as a comparative material for organization studies. This idea is indebted to Wolfgang Iser's "literary anthropology" and translated to organization studies. The works of fiction excel in expressing the local uniqueness, and yet they are comparable by the fact that they follow the rules (or break the rules, which amounts to the same thing) of a given genre, for example a modern or a postmodern novel. Reading them through the glasses of an organization theoretician might produce "novel readings" but also novel insights into the practices of organizing – across times and places.
ABSTRACT

In rhetoric and narration metaphor plays a central role. This is connected to the important point that I.A. Richards made: “Thought is metaphorical”. There are several theories of metaphor that takes this point as a point of departure. Some theories of language see metaphor as a surface-phenomenon, others as essential to language. Some theories see the cognitive significance of metaphor as the central feature of metaphor. There is a line from Richards to the newer theories of cognitive semantics. Any domain that is structured and functions as language could support metaphoricity. Metaphor may thus be rooted in the structure of language or in the use of language. If thought is metaphorical then thinking is an activity employing metaphors.

But what is the essential character of metaphor? Those theories of metaphor that claim the possibility of translating from metaphorical to literal language see the metaphorical as basically unclear and ambiguous. The literal is clear and non-ambiguous. So the translation is a process of disambiguation. The literal translation gives one meaning to the metaphor, and there might be others. Actually if we have to do with a metaphor there are others. An important trait of metaphors thus are their ambiguity. That is also how they function in the use of language. By using a metaphor several interpretations are made possible, and the metaphor might even point towards such interpretations. So “Juliet is the sun” both points to being at the centre and being extremely luminous, although again “center” and “luminosity” in the context are themselves metaphors.

An important goal for both communication and action is clearness and non-ambiguity. The Cartesian expression is “clear and distinctive”. When we look at action in the context
of management we have a domain where actions should be purposive and efficient. Working and especially working under management (not necessarily under command) is working in a structured and intentional way. We see this exemplified in project work under project management. Every action and all activity is aimed at a goal. The purpose is to achieve the goal as efficiently as possible. The typical aim of the project manager is to create as quickly as possible a situation the is unambiguous in the sense that all actions have meaning – literal meaning – in relation to the goal of the project. There should be a clear “…because” answer to all “why?” questions.

But there are other areas of management where ambiguity has a totally different role. In the field of innovation and creativity this is the case. If a project is made unambiguous, very quickly, in an innovation process innovation – in the sense of the creation of something new – is not taking place. The management problem is concerned with the creation of ambiguous situations, and the choice of the right moment to disambiguate, that is creating unanimity and closure. Several metaphors and several narratives can be made use of, but even when no metaphors are being used the situation can be ambiguous and thus in a sense metaphorical.
My paper sketches a rhetorical theory of the firm. I stand directly against two prevailing literatures; (a) the conventions of organization theory i.e. the theory of organizations as rational bureaucratic systems, and (b) the rational theory of the firm as explored by economists such as Coase, Penrose, Arrow, and Demsetz. It moves towards an existentialist post-rational approach and, in so doing, suggests the convergence of organization and economic theorizing sought by Simon and Cyert & March so many decades ago.

Organizations are systems of human collaboration and that much seems plain. But what precisely is being coordinated in the typical organization, and how can we theorize this? Presuming human beings are rational, organization theorists look towards Weber and the bureaucratic theory of the firm and, seeing a system of organizational goals and related rules, argue it is the role-occupant’s rationality that is being coordinated with the incentives offered. But the ‘coordination of rationality’ argument’s weakness is it is then difficult if not impossible to distinguish organizations from markets for, as Hayek and others noted, markets are exceptionally efficient modes of coordinating individuals’ rational pursuit of their differing self-interests. If we explain organizations as goal-oriented, how is the rationality evident in the employees’ personal market activities to be replaced by the implied alternative rationality that embodies the organization’s goals?

Motivation theory presumes the organization’s reward and punishment system can appeal the employees’ self-interest; but while explaining collaboration, it leaves open the puzzle of profit. How can profit be explained? Can we ignore it in a theory of the viable organization in a capitalist economy that is not free of frictions and transactions costs?
Do employees not know their work is making others wealthy? It does not seem rational for workers to give up or allow the seizure of that part of their production that eventually appears as entrepreneurial profit unless, of course, they have something in excess of their need which they cannot otherwise sell. Thus the candle-maker buys the boot-maker’s excess production, trading his excess of candles which the boot-maker needs. Here lies the market magic of which Hayek spoke and we know such exchange can happen efficiently, leaving us no explanation of or need for organizations. Thus economists were driven to contingent arguments, such as Alchian & Demsetz’s ‘team production’ or Williamson’s transaction cost argument, wherein by contingent we mean an explanation of organization that is ultimately contingent on particular empirical conditions, typically those economists dubbed ‘market failure’. Organizations, they told us, exist only because markets fail. But most theories of market failure then turned on something like Simon’s ‘bounded rationality’, another empirical notion. In short, we can find no general theory of bounded rationality - or, consequently, of organizations.

Here bounded rationality is being positioned as a boundary or limit to the application of the rationality that defines the Model of Man imported as axiomatic to our theorizing. The sketchy comments above are intended to place a question mark beside the whole modernist project of seeking a theory of organizations when rationality is taken to be the defining feature of the people being organized. Explaining markets seems easy; perfectly rational people organize themselves into a perfect market to pursue their self-interest. But is this what we mean by ‘an organization’? Clearly not; we surely mean some non-market structure, a socio-economic entity of apparatus with non-market features like managerial power, collaboration, organizational routines, boundaries and so forth. Simon told us 60 years ago that absent bounded rationality there would be no need for a theory of administration - nor, I would argue in extension, for organizations either. While Simon was not able to provide us with a theory of organizations under the conditions of bounded rationality that collapse the rational bureaucracy metaphor, his argument that there is some intimate conceptual relationship between bounded rationality and organizations seems as powerful and pregnant as ever. Yet we have made little of it.
In this paper I invoke a Model of Man current long before today’s hegemony of Rational Man. Francis Bacon, in *The Advancement of Learning*, and many of the Enlightenment philosophers too, argued we are creatures of Imagination as well as Reason. From this epistemological vantage-point bounded rationality can be reframed as imagination’s trigger, what we find ourselves able to do when rationality fails, so opening up the possibility of theorizing organizations as systems of coordinated imagination. The suggestion is that we need to complement rather than displace the familiar notion of organizations as systems of coordinated rationality.

But how is imagination to be introduced without collapsing our intellectualizing into the ‘new wave’ quasi-mystical nonsense that is fine for the speaker circuit but unacceptable as academic theory? Instead of introducing imagination directly, for it is clearly a deeply puzzling concept, we can move forward by switching axioms from Rational Man to Agentic Man, one whose imagination intercedes between external causes and her/his actions, and so leads her/him to ‘make a difference’ in the world. Human agency is an un-plumbable additional cause, beyond rational explanation, and organization is a matter of coordinating peoples’ agency, not simply their rationality. But we are stuck in the same vicious circle so long as the employees’ agency is fully subordinated to their self-interest.

Organization is tied up with the coordination of a manipulated agency, one that resists subordination to the agent’s own interests. But management instructions are simply another external cause, so how can the employees’ agency be managed without eliminating the agentic contribution itself? This is the problematic for ‘agency theory’. Agency is a richer and more complex idea than agency theorists are ready to admit, and it has only intermittently been brought into organization theorizing. Going beyond Jensen & Meckling or Pratt & Zeckhauser, and following Archer’s analyses especially, I shall argue there is some interplay between what ‘agency’ can mean and how one imports it, so there is some sense of theoretical evolution. We cannot skip by these dynamics by asserting clear definitions, largely because agency is ‘in the world’, which is notably imperfect and bounded, which is why Giddens’s structuration theory is important. The
meaning of agency is contingent on what the agent finds in the world of action. As a first step I shall suggest managing agency is a matter of shaping the agent’s field of imaginative choice/action, what we might dub her/his ‘agentic space’. Agency is what the agent brings into this space. To shape this process a manager can say ‘do not spend more than this amount’, and so long as the agent is not spending some off-budget resource such as her/his own money, the manager can use his control of this particular resource to delimit or constrain the agent’s agency, even though the agent can imagine doing something quite different. Likewise he can tell the designer ‘use stainless steel for this product’, and so constrain her agency in some other physical dimension. There will be constraints along the lines of ‘organizational routines’ and many others besides. The general point is that to be effective as an employee the individual must step into agentic spaces fashioned by others. Yet, while being so fashioned, these spaces are not so constrained that the agent’s imaginative choices are entirely eliminated. The employee merely has to ‘get with the program’.

What is happening here is that, presupposing the organization’s existence, I propose its rules can be analyzed into two classes; ‘direct rules’, which call upon the employees’ rationality and self-interest (given suitable training to interpret the rules, etc.), and ‘indirect rules’ which leave some space for the employee to act agentically, implementing the rule in some way that is chosen personally. (Nothing about this suggests managers should abandon close monitoring of the results of their employees’ agentic activity.) Agency theory, as economists think of it, suggests managers are able to create indirect rules that appeal to the agent’s rationality, and this is clearly inadequate under the conditions of bounded rationality that draw agency forth in the first place.

The idea of constraining the agent’s imagination by laying out an agentic space seems more supportable - but must ultimately fail as economists will be quick to point out. In the coordination of agency the difficulty is not merely one of ‘bounded rationality’, it is more to do with the inherent privacy of the agent’s imagination and along with that, the manager’s inability to determine precisely (i.e. control) how the boundaries of that person’s agentic space will be perceived and interpreted. The manager’s hope is to have
employees react to breaks and those unanticipated situations when the known rules fail in the way he would - without him having to specify every possible situation and encapsulate his guidance into instructions, routines, punishments, etc. The popular appeals to ‘empowerment’, ‘trust’, and those other contemporary metaphors that draw on the notion of human agency, presuppose the resulting imaginative contributions will be directed towards the organization’s goals rather than the employee’s own, but the mechanisms or processes for achieving this are never spelled out - which is one of the many reasons why managers correctly view such talk with grave suspicion. Anyone who has been through military ‘boot-camp’ will know what the issue is - it is not a matter of following rules, it is of one’s imagination being adsorbed into the organization, one becomes of it, not merely in it. Simon used the term ‘indoctrinate’. Is this really what we need?

At this point we can usefully turn to rhetoric and its processes. I shall argue rhetoric matters to managers because it helps us clarify how they can go beyond logos, the appeal to rationality, to embrace pathos and ethos, and so reach into their listener’s imagination and agency, allowing us to see that effective managerial rhetoric transforms private and self-interested employees into Baconian creatures of the organization. To create an organization its managers, whether we call them leaders or entrepreneurs, must go beyond creating the agentic spaces that implement their chosen division of labor, they must colonize and ‘own’ them too. This takes us beyond ownership of the means of production and is precisely what Whyte protested in The Organization Man. It also reminds us of Milgram’s jarring experiments. But here we also catch sight of human agency’s shadow. As agents we not only make a difference in the world, the world also makes a difference in us - as Vygotsky argued. Simon understood this crucial dimension of bounded rationality and that shifting from Rational Man to Agentic Man meant abandoning the idea of a fixed crystalline rationality and taking up a more problematic dynamic model of the person. There our identity is an ongoing and ever-lasting project so long as we interact and evolve along with the agentic spaces within which we dwell, to use Heidegger’s term. Simon actually turned to Tolman’s concept of ‘docility’ which means, literally, ‘susceptibility to education’. In short, organizations can only exist under
the twin conditions of (a) the bounded rationality that calls for agentic responses and (b) employees who are ‘docile’ and suppress their own agency as they adopt another’s, that which is logically prior to the organization and comes to define it as a socio-economic actor. Organizations differ fundamentally from markets for the employee-actors involved have suppressed their own agency. This suppression applies equally to those manager-actors not engaged in the ongoing entrepreneurship of creating the organization’s rationality and agency i.e. the ‘organizational identity’. Coase’s suggestion that organizations are domains wherein the price mechanism is suppressed is merely a description, a tautology, not an explanation.

At this point I move on towards the strange term ‘secular’ in my paper’s title, and the critique of classical rhetoric it implies. The rhetor’s appeal to the listener is with words and there are serious limits to what words can achieve. Among the Greeks and Romans were many shared notions which helped define the agentic space within which their legal and political discourse took place. Today, especially in our global economy, we confront significantly greater diversity and must consider further means. Later rhetorical theorists, such as Campbell, Walker and Burke, suggested practice, leading by example or ostensive display, as a powerful adjunct to the classical rhetoric’s talk. Whether or not this was adequately covered by the Aristotelian category of atekhnike or ‘inartistic persuasion’ is an academic debating point. But however we resolve this, does this extended notion of rhetoric suffice to explain organizations?

I argue no, and that the theory of rhetoric actually presumes consensus at a deeper level somewhere behind both reason and imagination which, when it comes to management and the theory of organizations, cannot be presumed if we are to understand our obviously post-modern organizations. On the contrary, behind the listener’s attention and susceptibility to the speaker’s manipulation of logos, pathos and ethos lies the threatening notion of her/his ‘faith’, for which I shall use the term pistos. This has nothing to do with pisteis, Aristotle’s term for the ‘rhetorical proof’ produced by effective use of classical rhetoric. I refer to the ‘belief’ dimension of JTB (justified true belief), for there can be no ‘proof’ of faith for that alone stands outside discourse and underpins belief as its agentic
presence in the world. This is the deeper issue raised by bounded rationality as, following Nietzsche, Heidegger and Sartre, we glimpse its fundamentally existential nature. In short, I am suggesting organizations can only exist as employees adopt a ‘faith’ enacted into the world by the entrepreneur and then embodied in the organization; with ‘faith’ in quotes because I am referring to a secular form of faith.

How is agentic collaboration to be produced and guided in a secular age when our diversity embraces differences of faith which were not much considered by rhetoricians in the past? Ramon Llull, with his *Rhetorica Nova*, Thomas Aquinas, and other medieval rhetoricians gave us important pointers. Following Rieff’s recent work on charisma and his critique of Weber’s analysis, I shall suggest a dialectic coupling between charisma and faith, suggesting charisma was ignored and stands over and against classical rhetorical discourse precisely because it reveals a human-ness that lies beyond *logos*, *pathos* and *ethos*, as a matter of *pistos*. Charisma speaks directly to *pistos*. Those who believe charisma appeals merely to the emotions i.e. to *pathos* or *ethos*, have lost sight of what happens to us, say, in the theatre as we experience a wonderful performance. We are moved, no question, but not in the ways charismatics move us. Thus contemporary organizations, the kind we are trying to theorize, exist only as articulations of secular faith - not only in capitalism generally but also in terms of the specific goods and services being considered. The structuring and re-structuring that occurs during agentic engagement in the organization leads to what we call a tacit understanding - which is our developing the sense of proficient commitment we build *pistos* in our products and purposes. These underpinnings, themselves dynamic, hold the organization together under every-varying and ever-surprising conditions of bounded rationality. This is not to suggest the religious organizations spin around non-religious faiths; the syllogism goes the other way around; all organizations need *pistos*, not all organizations need religious faith. But by the same token organization theory itself becomes contingent on there being a normatively, culturally and legally legitimate agentic space in which such secular faiths can be held, and into which the entrepreneur’s secular imaginings can be projected and so translated into economic and organizational activity. In short, secular organizations can only exist in a secular age in which secular enterprise is permitted.
NEW RHETORIC AND MANAGEMENT

Hervé Corvellec
Institutionen för Service Management,
Lunds Universitet
& GRI,
Göteborgs Universitet
Herve.Corvellec@msm.lu.se

ABSTRACT

Adherence (in the sense of considered approval and support – as in the French term adhesion) is a pivotal notion in the New Rhetoric (Perelman et Olbrechts-Tyteca 1958). So central indeed that one could say that the New Rhetoric revolves around a single question: What determines an audience’s adherence to theses, opinions or beliefs presented for its agreement?

The question is deceptively trivial. Adherence is, in the New Rhetoric, a matter of degree: it can be strong or weak. It is also something that evolves over time and can be temporary. To focus on adherence thus supposes that one discards the Cartesian claim that whenever two persons come to opposite decisions about the same matter, one of them at least must certainly be in the wrong. To deal with the conditions for adherence also presupposes that one brings out rhetoric from the limits that, since the Renaissance has confined it to the study of techniques of persuasion or, even more restrictively, the classification of figures. In this regard, the New rhetoric proposes a philosophical theory of rhetoric that ties back to Aristotle, but with the distinctive trait that it blurs the distinction the latter makes between dialectic and rhetoric. To focus on adherence, finally, suggests that one grants a central importance to the audience in the process of argumentation, in contrast to approaches to argumentation in terms of logic or in terms of structures of arguments.

The answer that the New Rhetoric brings to this question is likewise deceptively technical. Perelman and Olbrechts-Tyteca (1958) invite us to look for the starting point of
the agreement between the orator and the audience, to analyse the choice and the presentation of data by the orator, to identify the nature of arguments, and to distinguish between techniques of relations and the techniques of dissociations of concepts. Yet, they do this in a spirit of redefining the nature of truth, endowing argumentation with a philosophical foundation and granting a priority to the audience rather than the orator. Rather than offer us an analytical algorithm, Perelman and Olbrechts-Tyteca throw us into the entanglements of why an idea seduces an audience at a point of time and not another audience at another point of time.

The New rhetoric offers us to reason on values as an alternative to the use of brute force and violence. This is why it is relevant to the study of organisations and management. What determines, besides the violence of coercion, the adherence (in the sense given to the term in the New Rhetoric) of organisational actors to the theses, opinions or beliefs presented for their agreement? Whether one is of managerialist or of critical persuasion, the relevance of the question cannot be denied.

Ref:
ABSTRACT

Our joint research into irony and organizations has been on two levels. On one level we have tried to find the epistemological legitimacy for irony – and in doing so we have turned from viewing it as a minor and somewhat subversive perspective to one that is almost essential to embrace the postmodern world with both distance and closeness. A characteristic feature of irony is that it embraces multiple realities and perspectives that by themselves stand contradictorily to each other – and irony does so without giving precedence to any one over the other. Being critical, from an ironic perspective, means…

To take the second level of our research we illustrate our epistemological claims with a field story that is a critical examination of teamwork practice. The teamwork story ….

Our interests in an ironic perspective are shared by other researchers: some focus on epistemology, others on ironic events in organizations, and still others on the process of writing an ironic story. The chapters in our edited book, *Irony and Organizations – epistemological claims and supporting field stories*, encompass the multiple perspectives and a multiplicity of organizations created through an ironic lens. Our presentation will touch briefly on some of these rhetorical and narrative practices and their implications for <something related to the conference theme>
References
RHETORIC AND ACTION RESEARCH

WHEN HISTORY OF RHETORIC MATTERS

Eduard Bonet
Universitat Ramon Llull-ESADE
Research Group GRACO
eduard.bonet@esade.edu

ABSTRACT

Action research, as a form of inquiry tied to an action for achieving some social or organizational transformation, breaks the positivistic rules about the neutrality, detachment and desinterestness of researchers. For that reason, its legitimation requires rhetorical arguments about its scientific status. *The Handbook of Action Research* (2001), edited by Peter Reason and Hilary Bradburry, is not only a reference of the main approaches to this form of research, but it constitutes an instrument for legitimasing them. Readers can easily appreciate the rhetorical functions of its Preface and Introduction.

In this presentation, I will focus on a narrative presented in that Introduction and its functions for creating a heroic and historical meaning to action research. The story comes out from Stephen Tulmin’s *Cosmopolis* (1990). In that book, Tulmin asks himself why, in a very short period of time, the European mentality suffered a so radical change from the openmindness and tolerance of humanists, such as Michel Montaigne (1533-1592), to the logical fundamentalism of Descartes (1596-1650). After that question, he emphasizes that the new mentality put science, and especially social science out of its right track. Finally, he points out that nowadays we are correcting that historical move. Of course, in that ending of the story, action researchers can see themselves as the main heroic characters.

Tulmin’s answer to his question about the historical change is that it was due to the Thirty Years War (1618-1648), the religious fight that devastated Europe: different opinions led to violent confrontations and people were looking for certainties and proven
knowledge. Tulmin sustained his claims with intensive research about the life of Descartes. I had my doubts about that explanation, but the downfall of political and democratic values after September the 11th 2001 convinced me that an event can transform the mentality of people.

In my presentation, I will point out that, besides the religious wars, there are other historical events that we have to consider for explaining the origins of modern mentality. One of them was the important debates that, in the sixteenth century took place between the followers of Erasmus (1466-1536), who defended rhetorical arguments, and the followers of Petrus Ramus or Pierre de la Ramée (1515-1572), who accepted only logical proofs, rejected rhetorical arguments and reduced rhetoric to literary style.

With that example, my conclusion will emphasize that the historical rejection of rhetorical arguments by the Ramists and their present recuperation by the New Rhetoric and the Rhetorical Turn are extremely important in the evolution of social science.
NARRATING LIMINALITY IN ORGANIZATIONS

Carmelo Mazza
Affiliate Prof. – Grenoble Ecole de Management
cm.ioa@cbs.dk

ABSTRACT

Narrating organizations is an increasingly useful approach for organizational theorizing. Words, metaphors and rhetoric are in the toolbox scholars should be aware of when dealing with organization. The narrative approach especially reveals its potential when it allows to describe life conditions within organizations. This is the case of the liminality characterizing some stages of the working life of individuals in organizations. As anthropologists like Van Gennep (1909/1960) and Turner (1966; 1982) argued in their seminal studies, liminality is intended as a condition where extraordinary strengths or weaknesses are attributed to individuals due to specific and temporary situations.

The topic of liminality goes hand in hand with the rising interest on temporary and scattered workforce. In this sense, the idea of temporary conditions in organizational life where common rites and rituals are suspended and new ones are developed may help trace dynamics and describe emerging professional activity and roles. Liminality in organizations may be related to conditions that are temporary in nature, such as consulting. Interestingly, liminality conditions may also emerge when large turnaround projects are undertaken or when mergers & acquisitions are underway.

As new rites and rituals emerge, liminality in organizations develops its own rhetoric, languages and symbols. From a methodological perspective, it can be hold that the study of liminality particularly fits with the adoption of narrative views of organizations. In this sense, narrating organizations to a large extent means narrating rites and rituals regarding liminality. This promising line of research could fruitfully explore some underestimated areas such as the words and rhetoric of liminality and the consequences of a persisting liminality condition.
ACCEPTED PAPERS
Rhetoric and Literary Character Of Economics

Eszter Menyhárt
University of Miskolc
getpetho@uni-miskolc.hu

ABSTRACT

With the appearance of her famous article in the JEL entitled ‘The Rhetoric of Economics’, Deirdre McCloskey (1983) shocked the scientific world. She became a most-cited and criticized scholar: the numerous citations were not due to her rhetorical approach of economics however, but for having criticized the present methodology of economics in a sharp voice and for degrading the importance of the issue of truth in economics. What she really wanted to share with the readers were her most revolutionary ideas on economists selling themselves by the tools of the unofficial rhetoric of economics, evaluating economic models as metaphors and economic texts as a kind of writing by means of literary criticism and how rhetoric pervades every field of social life.

The paper aims to focus on McCloskey’s tenets on rhetoric and literary character of economics. As a starting point, McCloskey distinguishes between the official and unofficial rhetoric of economics. According to her, the former artificially narrows the scale of arguments to the rules of epistemology by simplifying everything to utility and to “observable implications” (McCloskey 1994: 15). Building on the unofficial rhetoric, McCloskey characterizes her concept of rhetoric in the contexts of conversation, persuasion and the whole art of argumentation. She states that all the four parts of the rhetorical tetrach (facts, logic, stories and metaphors) constitute the argumentation in economics, not only the former two allowed by official rhetoric (McCloskey 1990, 1990b, 1994, Klamer and McCloskey 1989). Most tools of the unofficial rhetoric are only vaguely recognized but applied unaware, even by mainstream economists (McCloskey 1985).

McCloskey sees the roots of misunderstanding among economists and schools of economics in the fact that there is no commonly accepted rhetoric for economics beyond
the rules of epistemology. As a result, economic texts are not transparent. If we regard economic texts as some kind of writing, we find a literary cure for this literary problem. McCloskey emphasizes the literary character of economics based on the observation that both economics and literature contain metaphors and stories. She considers economic models as non-ornamental metaphors, and economists as poets and storytellers (McCloskey 1983, 1985, 1990, 1990b, 1995, 1998b). Building on the above recognitions, McCloskey proposes to apply the norms of literary criticism when evaluating and ranking economic theories and models (McCloskey 1985, 1990, 1998).

Finally, in her globalized view of rhetoric McCloskey claims that persuasion pervades almost every field of the economy, even scientific activity; however, the role of persuasion and rhetoric is not considered at its market value (McCloskey 1994, 1998a and McCloskey and Klamer 1995).

The main accusations against McCloskey concerning her ideas on rhetoric and the literary character of economics were as follows. Not giving a precise and comprehensive definition of her concept of rhetoric that is traceable but only some hints was criticized by Uskali Mäki (1995), Mark Blaug (1992), and Caldwell and Coats (1984). Jack Amariglio (1990), Robert L. Heilbroner (1988), Roger Backhouse, Tony Dudley-Evans and Willie Henderson (Backhouse et al. 2002), Thomas A. Boylan and Paschal F. O’Gorman (1995) and Uskali Mäki (1995) all noted that McCloskey was devoting too much to the style of economics on the one hand, and caring too little about the substance of economics on the other. Peter Munz (1990), Alexander Rosenberg (1988a, 1988b and 1992), Uskali Mäki (1993, 1995 and 2004) and Hans-Hermann Hoppe (1989) complain about the lack of standards of truth and leaving out the issue of the pursuit of truth in McCloskey’s rhetorical approach of economics, which results in a pure rhetorical theory. Steven Rappaport (1988) asks for an analysis of other than rhetorical devices as well. Unlike McCloskey, Arjo Klamer does not see the savior in the conjunctive only its result in cultural and ideological differences coming to the surface (Klamer and McCloskey 1989). Thomas A. Boylan and Paschal F. O’Gorman (1995) analyzed the question to what extent McCloskey built on Aristotle’s Rhetoric, while Uskali Mäki and Jack Vromen (1998) wanted to see whether McCloskey’s characterization of Sprachethik, as the high-brow
moral rules of conversations represents Habermas’s Diskursehtik faithfully and accurately or not.

Considering the above opinions, the aim of the paper is to evaluate (i) the official and unofficial rhetoric of economics and (ii) the legitimacy of assessing economic models and theories through the standards of literary criticism and (iii) to find out in which fields of social life McCloskey’s globalized view of rhetoric has legitimacy.

Key words: economic methodology, rhetoric, persuasion, metaphors, literary criticism

References


Re-Writing Entrepreneurship as a Set of Discursive Practices

Dirk De Clercq
Brock University
ddeclercq@brocku.ca

Maxim Voronov
Brock University
mvoronov@brocku.ca

ABSTRACT

We apply Pierre Bourdieu’s theory of practice (Bourdieu, 1977, 1990) and critical discourse analysis (e.g. Hardy & Phillips, 2004) to the study of entrepreneurship, claiming that entrepreneurial discourse unfolds through everyday practices of individual entrepreneurs, and as such we paint a novel picture of the entrepreneurship process that differs from the conventional understanding of it. Discourse analysis is concerned with exploring the relationship between everyday practice and the maintenance of and resistance to existing systems of power and inequality (Mumby & Clair, 1997). Discourses produce identities for individuals that enable as well as constrain their actions and abilities to produce alternative discourses (Hardy et al., 2000; Oswick, Keenoy, & Grant, 1997; Wetherell & Potter, 1992). We examine the factors that lock in entrepreneurs into particular patterns of activity as well as how such path dependencies might be unlocked both intentionally and unintentionally. We re-conceptualize entrepreneurial discourses as manifest in a combination of purposeful and non-purposeful socially embedded practices through which new businesses are created and developed.

Following Bourdieu, we envision entrepreneurial practice as holding the following important features. First, it is profoundly political, in that entrepreneurial activity is connected to entrepreneurs’ social positions in the business field, which are determined by their access to capital. Second, entrepreneurial practices are discursively constructed and historically embedded. In other words, what entrepreneurs are expected, allowed and forbidden to do with regard to their everyday practices – and, by extension, their ability to gain legitimacy in the eyes of external constituencies – is influenced by ‘common-sensical’ understandings born out of their and others’ prior and ongoing
collective actions. An entrepreneur cannot be extracted or abstracted from her or his discursive and objective socio-political milieu, and the pursuit of legitimacy can act either as something that locks the entrepreneur in or as something that provides impetus for producing discourse aimed at unlocking the present order of things.

We examine entrepreneurs’ ‘lock-ins’ at multiple levels, i.e. the individual, organizational, institutional, and societal levels and consider both intentional and unintentional discourses that can disrupt the path dependencies at those levels. Following Bourdieu, we consider two important issues for explaining entrepreneurs’ use of discourse in the business field in which they operate: (1) the sources of power available to entrepreneurs (i.e. capital), and (2) their ability to embody and change the practices that are deemed legitimate by others (i.e. habitus).

Capital: The concept of capital refers to ‘all the goods, material and symbolic, without distinction, that present themselves as rare and worthy of being sought after in a particular social formation’ (Bourdieu, 1977: 178). It is, in essence, a source of power (Everett, 2002; Wacquant, 1993). Bourdieu (1986) distinguished between four types of capital: economic capital, i.e. actors’ ability to access and mobilize material resources such as money, land, and productive property (Everett, 2002); social capital, i.e. a resource whose value derives from the ability to access and mobilize interpersonal relationships (Coleman, 1988); cultural capital, i.e. a resource whose value derives from the ability to access and mobilize institutions (e.g. family, schools, religious organizations), knowledge, and cultural products of society (Lyon, 2004); and symbolic capital, i.e. a ‘meta-version’ of the other forms of capital in that it represents the skill to use and manipulate symbolic resources such as language, writing, and myth to legitimize the other forms of capital (Calhoun, 2003; Mahar et al., 1990).

Habitus: Habitus is the ‘durably inculcated system of structured, structuring dispositions’ within a field (Bourdieu, 1990: 52). It is the embodied practical sense of the ‘game,’ which is historically constructed through a variety of experiences that an individual has as a member of a field (Calhoun, 2003). Each field demands social actors to display the field-appropriate habitus (Entwistle & Rocamora, 2006). Habitus is the taken-for-granted mode of conducting oneself, which provides a degree of consistency to an individual’s actions (Holton, 2000) but also endows her or him with the ability to act.
artfully and to improvise (Calhoun, 2003). Therefore, although habitus structures an individual’s actions, it is not overly deterministic and is not only structured by the field but also structures the individual’s perception of the field (Bourdieu, 1998).

Applying the concepts of capital and habitus to the context of entrepreneurship, we argue that it is easier for powerful entrepreneurs – especially those with access to symbolic capital – to generate discourses that legitimize their practices, thus making them more inclined to preserve the status quo of the business field with which they are part. We also suggest that less powerful entrepreneurs will be inclined to develop discourses that challenge the dominant discourse of the field, thereby altering the business field’s power structure. Finally, we contend that the application of the theory of practice to the role of entrepreneurial discourse considers entrepreneurship as a meso-level phenomenon, in that it operates at the interface of the macro-level (i.e. the field) and micro-level (i.e. individual practice), with the concepts of habitus and capital connecting the two. Consequently, we suggest that a practice perspective on entrepreneurship enhances our understanding of entrepreneurial behavior in that it acknowledges the interplay between characteristics of the individual entrepreneur’s discourse in combination with the broader objective and discursive context.

**Keywords:** Bourdieu, entrepreneurial practice, power, discourse

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Narrating the organization using useful stereotypes: the meaning of "nation" in expatriates engineers discourse from the oil and gas supply industry

Hugo Gaggiotti
Kazakhstan Institute of Management, Economics and Strategic Research
gaggiotti@kimep.kz

ABSTRACT

In the bipolar construction of Simmel, the stranger could be that one who comes today and goes tomorrow (as a tourist) or a person who comes today and stays tomorrow (an immigrant). But, which is the description the expatriates organize for themselves? Should be possible for them to be consider in the two positions, a person who comes and goes (in the space of the country, the headquarter and the host) but a person who also comes and stays (in the company), a stranger in their own company or in their own country? This paper analyzes the discourse regarding the expatriation as a stranger experience using interviews with Italian expatriates engineers from one of the 4 companies took over by an Argentinean multinational corporation.

To construct the narrative of the stranger, the references to the nationality play a substantive role. The paradox is that mainly of the Argentineans were born in Italy; they are descendents of Italians second generation and in most cases speak Italian. Why the Italians use this strong reference to the "nation" to refer to them. The supposition is that "nation" could be a narrative tool to express power relationships inside the company, a "useful" stereotype.

There are four empirical studies that study national stereotypes in managers (Burns et. al (1995); Cooper (1995); Zaidman (2000) and Lowengart & Zaidman (2003). Only in Zaidman's research the international managers were given the opportunity to express their own categories of stereotypes responding to open questions. Zaidman shows that Indian and Israeli stereotypes are constructed as a result of direct interaction with other
managers in highly dependent on a specific context. In my study with Italians, the take
over is a "context" which defines the stereotype.

Vaara mentioned that, in a cross-border merger setting, one can analytically talk about a
'double' acculturation or identity-building process that involves not only organization-
specific but also national identities. However, the metaphoric view emphasizes that the
specific metaphors created can often successfully compress or integrate various aspects
of identities or multiple identities in a single image. Consequently, instead of singling out
specific unit, organizational and national identities, the people involved in mergers may
often come up with unique compact metaphors (Vaara et. al. 2003). In the case study in
this paper, this unique compact metaphor is the "nation".

Keywords: stereotypes, expatriates, narratives, organization

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Never-ending Controversies in Organisation Studies: How Rhetoric Mediate Debates

Olivier Ratle
Lancaster University Management School

ABSTRACT

One of the things that seem to characterise the field of organisation studies is the difficulty its practitioners have to bring closure to controversies: debates take much time to settle, anomalies are tolerated for long, and the same arguments are repeated continuously. The best example may be the debate about advances in knowledge known as the ‘Paradigm debate’ or ‘Unification vs. pluralism debate’, where over three decades of debate have failed to produce a widely shared agreement. This paper mobilises rhetoric in order to reflect on this situation.

Several reasons can be advanced to explain the state of the ‘Paradigm debate’. That debate is about the presumed incommensurability between different perspectives, thus we may think that the debate itself is characterised by an incommensurability of views: different researchers have fundamentally different views about how their field should progress, and it is heroic to think they will ever agree on anything. But rhetoricians are, in general, sceptics about claims of incommensurability. Harris (2005), among others, thinks that in most cases, incommensurability is based on semantic differences or differences in beliefs and values. In both cases, rhetoric can provide a mean to locate points of issues and to contribute resolving them. With that aim, rhetorician of science Lawrence Prelli (1989) developed what he calls a stasis analysis, a procedure designed to identify points of issues (stasis) in scientific controversies, and to help toward overcoming them. Prelli (2005) suggests that “incommensurable problems’ can be remedied when incommensurability is understood as a rhetorical problem of practical communication rather than as a mathematical or logical problem of formal translation” (294). Prelli’s method of analysis is a productive tool, meant to help practitioners of science crafting their arguments and overcoming blockages in controversies. But we can reverse the logic of his apparatus in order to analyse why blockages remain, and to
understand why controversies fail to achieve closure. After all, actors can have good reasons to want perspectives to remain ‘incommensurable’, and can work actively toward creating such conditions (by preventing the discussion of the most relevant issues, for instance).

With those insights, I provide a comparative reading of two controversies which are part of the wider ‘Paradigm debate’: the controversy between Pfeffer (1993; 1995) and Van Maanen (1995a; 1995b) and the one between Willmott (1993a; 1993b) and Jackson & Carter (1991; 1993). My reading shows what sorts of blockages are featured in those controversies, and how they are dealt with. It shows also how the setting and conditions of the controversies mediate its unfolding.

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Involvement work in the Making - an Entrepreneurial Drama

Björn Remneland
School of Business, Economics and Law, Göteborg University
bjorn.remneland@handels.gu.se

ABSTRACT

Over a time period of approximately 2.5 years I have followed the construction of two entrepreneurial initiatives in the West Region of Sweden. What combines the two study objects is their wish to build Internet-based innovation platforms for various actors from otherwise separate social worlds to collaborate in creative effort. For making these projects successful, the entrepreneurs work to involve and engage people, objects and discourses and by doing so stabilizing and materializing the innovations into enduring relationships and structures.

When studying these types of initiatives, there is a seductive temptation to approach already colorful, spectacular and successful projects (such as Linux, Myspace.com or Yet.com) and collect historical accounts about their “success factors” and “major turning points”. These stories make retrospective sense, but are they applicable for entrepreneurs looking into the future? Can past “success factors” act as future receipts for new success? Or is perhaps the risk of hindsight bias rather overwhelming, only fueling the view on entrepreneurship as rational, logical and deterministic? Instead I aim to give an alternative story, by following the entrepreneurs “in the making” (Latour, 1987) of their struggling work toward a future unknown. In the first meetings with the entrepreneurs, vague and not seldom criticized ideas in the emerging stages were being verbalized. Over time these thoughts got modified, concretized, overthrown, replaced, developed and structured, constantly and seemingly never-ending.

By presenting the entrepreneurial process in a narrative approach, I wish to portrait the entrepreneurs’ everyday feelings of happiness and hope but also worries and frustrations. In the midst of the process most things are ambiguous and unsecured, but in order to involve and engage other actors, the entrepreneurs have to act “as if” they are not
(Gartner, Bird, & Starr, 1992). They are urged to traveling with their allies into a visionary future and back, aligning themselves to legitimized discourses and institutions and translating important stakeholders’ proclaimed purposes into their own activities. But no matter how thoroughly they fine-tune their scripts and actions, the anxiety for how the environment will react on them remain – and hence the entrepreneurial drama emerges.

Inspired by Burke’s Dramatism (1945) I will try to analyze and write up the fascinating and intertwined journey of my two study objects. Among other main references I have been influenced by, I will here also mention Czarniawska (1989; 1997; 2004), Gartner (1988; 1992), Weick (1979; 1995), Latour (1987; 1996) and Callon (1986).

The active interview transcriptions (Holstein & Gubrium, 1995) will build the foundation for how the interviewees and I together enact and emplot the story over time. This is backed up by various documents, photographs, e-mails, news texts, webpages and diary notes. Involvement work “in the making” is stained with dreadful backlashes, irrational proceedings and self-defense mechanisms but most of all it is filled with a hope for a prosperous future; the hope of for a victory and a drama that is finally over. Will it ever?

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Discourses and Institutionalization in Pursuing Economic Growth
– A Development of Conceptions
in the Interplay Between National and Regional Level

Lisa Svensson
Gothenburg University

Lisa.svensson@hgus.gu.se

ABSTRACT

A general assumption in the modern society is that economic growth stimulate prosperity and therefore is desirable. A highly current subject in the political debate is therefore how to formulate and implement economic policies that results in economic growth. However seeking to stimulate the economy is not an exclusively new phenomenon, similar attempts have occurred ever since the turn of the 19th century (Nelson, 1996, Van de Ven, 1998; Fagerberg, 2005). In the process of pursuing economic growth, the development of different models and tools has become normative ideal for current economic policies. Governments and other public organizations seek to stimulate economies and offering different tools on how to proceed. Some major concepts are widely referenced and implemented in policies as well as frequently used as tools for accelerating economic growth. The concepts are also spread worldwide. Nevertheless research has shown limitations on how those concepts actually contributes to regional economic development. (Mowery and Sampat 2005; Edquist, 2005)

The Swedish government has initiated programs for developing and financially supporting regions in their effort to create economic growth. The widely used concepts, such as cluster (Porter 1990, 1998) and Triple helix (Etzkowitz and Leydesdorff, 2000), are also implemented in Sweden to boost regional economic growth. At the same time different concept appears in the vocabulary, such as clusters and triple helix, innovations
system and regional districts. The concepts are often confusing in their definition and content. The study put forward the importance to identify the underlying discourses that can be seen as general and prevalent systems for the formation and articulation of ideas in particular period of time and settings. Therefore this study will initially identify the discourses that economic policies, on different levels, refer to and use as legitimate tools for actions.

From a discourse analytic perspective, an institutional field is not characterized simply by a set of shared institutions but also by a shared set of discourses that constitutes these institutions and the related mechanisms that regulate implementation (Philips et al, 2004). Accordingly there is not only one discourse but rather a multiple sets of more or less structured discourses. The study firstly aims to identify the discourses holding in place the institutions that constrain and enable the behavior of actors across the field. Secondly, the study will analyze the interdiscursivity and how the institutional field is susceptible to the influence of changes in broader discourses.

**Keywords:** Discourse analyze, institutional theory, economic growth, regional development, policy, the practice of language

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A Narrative Approach to Lead an IT Change Management Project

Maria Bolin
IT-University – GOTHENBURG
maria.bolin@guide.se

ABSTRACT

Change is a central concept in business and management. It is addressed under different names, such as organizational restructuring, transformation and development. It is a vital part of most theories, methods and approaches dealing with organizational development, even if change and change management is not always addressed explicitly. Despite this interest for developing knowledge, methods and approaches for change, more than 70 % of organizational change programs fail or get stalled (Boonstra, 2004). Other reasons are for example individual uncertainties and psychological resistance to change and organizational culture (Boonstra 2004) There is by now a rather substantial literature on narratives in organization theory (e.g. Czarniawska, 1998; Boje, 2001; Gabriel, 2000), but very little of this research has focused on narrative as a support for a change manager. Most books on management change describe techniques for change in a prescriptive way or try to formulate criteria for successful change.

Also Kotter (1993) notices the tendency to underestimate the role of diversity in organizational culture as a hindrance towards reaching change goals in organizations. In this paper I focus on organizational culture. By taking a social constructivist perspective it becomes possible to take into account the whole organizations’ beliefs, interpretations and opinions. Here focus is not on the employees’ behavior per se, but on language, or what Morgan calls management of meaning (Morgan, 1996). The cultural perspective is one of the most important when improving the creativity in a change management process, because the standards and values within an organization influence the course of action for change and the ways problems along the way are addressed and solved. Culture organize behaviors and hence the members’ of the organization ability to change (Schein1992; Cummings & Worley 2001). Social relationship builds on the rules, habits, language, communication, symbols, and definitions of reality that groups use as starting points for mutual interaction. In this
Perspective change managers have a lot of difficulties in changing standards because they have come to see their own way of behaving as individuals in the change process. In this paper I outline an alternative method for driving change with narratives and thereby to support change management and change facilitation. The overall research question is:

*How can the power of narratives be used to drive a change process and how can a change manager drive the change work as a narrative?*

In an action research study I investigated how stories and old myths could be used as a method to create a creative and dynamic organizational culture during a change project and be a tool for managing change processes. The context of the study was a multinational industrial company, which is about to implement a new IT solution for the manufacturing and logistics processes. The goal for this change project was to roll out a system in order to standardize business processes and increase collaboration in the company.

The starting point of action research is the possibilities to increase the knowledge of social system by attempting to change them. This action research study (Greenwood & Levin, 1998) was conducted with the help of group activities as well as individual activities during a continual period in the form of monthly seminars during one year. Between these sessions workshops and in-depth interviews were conducted. The driving force in a participative change process is experimentation and learning. Organizational transformation results from participants conscious experimentation and reflection in order to develop solutions that make the organization work better (Argyris & Putnam1985). The goal in this case study was to achieve an iterative process where storytelling and reflections about myths and tales was related to specific problems, challenges and goals in the organization's change management project. This results in a change management process *driven by and reflected through myths and stories*. The purpose behind using narratives in this way was to give the change management work a more solid base and allow the participants to see their contribution in a larger context. This will, I predict, increase their motivation to change, as well as increase their willingness to accept new roles and ways of thinking in a changed organization.

The myth in question will share the same elementary building blocks as, for instance, a classical Greek myth (Campbell 1973).
To use myths and tales as a driver for the change management processes is also connecting with the way of using metaphors in organizational change. We use metaphor whenever we attempt to understand one element of experience in terms of another. Thus metaphor proceeds through implicit or explicit assertions that A is (or is like) B. (Morgan, 1996). Narratives seem to be a universal human activity (Ricoeur, 1985). It is fundamental for all human thinking and creating of knowledge. When telling stories we create meaning based on our experiences. Myths can speak about organizational entities, such as a family or a company. By starting the other way around, and relating an organizational entity to an appropriate myth, it can help seeing and understanding roles and the social interplay within this entity as well as in relationship to the surrounding world. Myths and stories have an important role in the social construction of reality and the social construction of change and incitements for change. It is therefore not surprising that scholars such as Paul Ricoeur (1985, 1988) who discusses literature, and Barbara Czarniawska (1997, 1998) who discusses organizations, understand stories and myths as a way to recognize social life in itself. Myths create both familiarity and distance. In the paper I will outline more the result of using myths and tales metaphorical in a change management processes.

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Serious Games Or Funny Work? Storytelling At Lunchtime: A Narrative Approach To Organizational Identity

Fabrizio Montanari
University of Modena and Reggio Emilia & SDA Bocconi School of Management
fabrizio.montanari@unimore.it

Nicola Bigi
University of Bologna
bigi.nicola@gmail.com

Giulia Battilani
University of Modena and Reggio Emilia
giulia.battilani@gmail.com

Jordi Trullen
ESADE, Universitat Ramon Lull
jordi.trullen@esade.edu

ABSTRACT

Organizational researchers have been interested in workplace humor for a long time (Collinson, 2002; Duncan, 1990), and they have provided several explanations for the role that humor has in the workplace. Some have argued that humor contributes to organizational consensus and harmony by defusing workplace conflict and tension (Bradney, 1957; Coser, 1959; Hay, 2000), whereas others have understood humor as an instance of misbehavior (Ackroyd and Thompson, 1998) or resistance (Taylor and Bain, 2003). A third group of researchers have highlighted its symbolic importance as a medium for fostering group culture and identity (Bradney, 1957; Coser, 1959; Dwyer, 1991).

Lennox, Terrion and Ashforth (2002) examined the process through which putdown humor helped foster identity and cohesion in a temporary group. The authors argued that humor was a potent medium for fostering a sense of belonging and meaning, as when a joke was shared, and for learning and the sharing of learning, as when a joke was used to test or transmit an interpretation. Through humorous stories and jokes, definitions of normal and appropriate attitudes, feelings, and behaviours were transmitted
to new recruits and reinforced. In another study, Tracy, Myers, and Scott (2006) explored how humor enabled employees to manage their professional identity, and to make sense of their work in relation to preferred notions of self, resisting interpretations that threatened a secure sense of self.

Previous research in organizational identity has partly focused on how organizations respond to external events that members perceive as threats to core aspects of their organization (c.f. Dutton and Dukerich, 1991). In connection with organizational threats and also beyond those, researchers have also been interested in members’ identification and disidentification with their organizations (Elsbach, 1999). The theoretical research foundations for studying both identity and identification at the organizational level are mostly found in social identity theory (Asforth and Mael, 1989). And yet, although a lot is known about antecedents and consequences of identification (Elsbach, 1999) as well as the ways in which organizational identities can change (Gioia and Thomas, 1996; Gioia, Schultz, and Corley, 2000; Corley and Gioia, 2004), there are not that many studies that describe how organizational identities are formed and reinforced on a day-to-day basis. Some researchers have already pointed in that direction by carrying out case studies of narratives and counter-narratives of identity in organizations (Humphreys and Brown, 2002), building on previous work in this area that focused more on the links between narratives and organizational culture (Boje, 1995; Martin and Frost, 1996).

Our study builds on this narrative analysis tradition to concentrate on the role of workplace humor as a medium for organizational identity construction. We take a linguistic-anthropological approach and understand language not only as a mode of thinking but, above all, as a cultural practice, that is, as a form of action that presupposes, and at the same time brings about ways of being in the world (Duranti, 2001).

Data for this study was collected by one of the researchers over the course of 9 months (February – October, 2006) in a small design firm in Northern Italy. This researcher acted as a participant observer while working in the organization during that period of time. He collected different kinds of data: ethnographical notes, observations, audio-video recording of meetings, coffee-breaks, lunch-time and work-time moments, and several in-depth semi-structured interviews. In this paper we will analyze some of the
conversations that were recorded, in which there appeared instances of humor use. We base our analysis of those conversations on the narrative dimensions of tellership, tellability, embeddedness, linearity and moral stance (Ochs and Capps, 2001). We show in the analysis the ways in which the use of humor in the workplace shaped organizational identity building processes.

During our analysis of the conversations at the research site, we identified two main types of narratives that related to humor (i.e. stories about events happened inside or outside the organization, and stories about games played during work time or about fun at work). These different stories shared some features in terms of narrative dimensions (Ochs & Capps, 2001) that we will describe in detail in our paper. For example, they all displayed high levels of tellership. This means that when someone at the research site was telling a story, conversational partners were usually highly involved in the actual recounting of the narrative, becoming to some extent co-authors of the story. Furthermore, all stories showed high levels of tellability, which means that stories about organization could be told many times without a reducing the audience’s appreciation. Since we focused on ordinary stories, high levels of tellability were not related to sensational characteristics of events narrated, but to the significance of such events for interlocutors. Such consideration was also supported by the analysis of moral stances embedded in these stories. Everyday narratives of personal experience, in fact, encode and perpetuate moral worldviews about what is good or bad in the organization. In particular, the fact that these stories could be told many times without taking away from audience’s appreciation, provided a discursive forum for organizational members to reinforce appropriate behaviors or punish inappropriate ones. In other words, such narratives represented an effective mechanism to shape the organization’s culture and also its identity.

All the conversations analyzed also shared an ironic approach to issues and events regarding directly or indirectly the organization, producing humor and laughing. Through irony and paradox though, these conversations vehicled strong messages for organizational members about what was perceived as appropriate behavior and what was not. In the paper we will describe in more detail some of the ways in which this
happened. Humor can be understood as an interactional process that serves to select, maintain, reproduce, and reify preferred interpretations of work, organizational identity and images. Humor becomes a shared reference that allows members to interpret a situation, develop shared understanding, and build knowledge that could be retrieved in future similar contexts.

Finally, our analysis highlights the relevance of convivial moments such as lunches as perfect arenas in which organizational narratives are shaped. Lunches and coffee breaks are the only moment during a regular workday where employees can tell stories without being interrupted by telephone, colleagues, or clients and in a relatively safe environment, in which they can speak freely without the constraints of their job roles.

**Keywords:** irony, workplace humor, organizational identity, narrative analysis

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GLÜCKSELIGKEIT / BLISSFULNESS: WHAT ELSE?

Johannes M. Lehner
Institut für Organisation, Johannes Kepler University Linz, Austria
johannes.lehner@jku.at

ABSTRACT

Advocates of transformational leadership e.g. (Bass, 1985) and of charismatic leadership (e.g. House, Woycke, & Fodor, 1988) claim that leaders should be inspirational, stimulating, and visionary. By this they should change the attitudes, motivation and the view on the future of their followers. All of these attempted states have in common that they should be associated with positive emotions. Further, leadership is a reciprocal process, giving those people who are able to provide their peers with positive emotions an increased likelihood for talking over leadership functions. States with such positive emotions may be characterized as felicity, happiness, or blissfulness. Already Aristotle stated felicity or blissfulness as the ultimate goal of rhetoric. In German this is translated through Glückseligkeit, which combines Glück (luck, felicity, happiness) and Seligkeit. The latter has no clear equivalent in English (in dictionaries: blessedness, beatitude), describing a state of innocence and a lack of sorrows or fears. In this paper I propose that any person who is able to initiate these two states – Glück (felicity) and Seligkeit (innocent lack of sorrows) – or its combination, with blissfulness as the closest English equivalent, will increase its status within a group, will more likely attain leadership positions, will be more likely perceived as a transformational leader, and will be more effective as a leader. To achieve this, rhetoric has to appeal to the audience’s value, which is also maintained by the new rhetoric (Robinson, 2001).

There is surprisingly little literature on the emotional impact of communication in general, in organizations. Some insights may be derived from studies on charismatic and transformational leadership, for reasons already mentioned above. For example, when leaders express vision, they do this by expressing confidence in the future, presenting an optimistic picture of the future, highlighting the potentials of the future, stating the
importance of followers, linking the vision to intrinsic and extrinsic motivation (Berson, Shamir, Avolio, & Popper, 2001). The latter aspects of the vision are intended to install Glück (felicity), whereas the former description of the future rather intends to produce an emotional state of Seligkeit (blessedness). In accordance to that, Aristotle’s definition of blissfulness or felicity (Rhetorics, Chapter 5) not only contains references to wealth and health but also to contentness and safety. Studies on the effects of transformational or charismatic leadership show especially robust results in regard to its effect on attitudes but hardly effects on performance (e.g. Kirkpatrick & Locke, 1996; Towler, 2003).

Although not the only possibility, rhetoric is the probably most important tool for instilling a state of blissfulness among members of a group or of an organization. Many communication patterns which are defined as part of charismatic or transformative leadership, of powerful language and others are prime candidates for installing highly positive emotional states. Beside those mentioned above, the use of metaphor and narratives or self-efficacy increasing language may also have such effects. Even the appeal of simplicity e.g. (Eisenhardt & Sull, 2001) might be due to its association with positive emotions. Obviously, humour is not only a status-enhancing device (Robinson, 2001) but contributes to felicity in the group. Further, the dramaturgical perspective on organizations provides a rich reservoir of communication patterns which increase the status of the speaker by putting the receiver in a positive mood. Clearly, however, not all rhetorical devices have positive emotional effects. For example, out of Silliance’s (2005) distinction of four rhetorical processes in organizations two may invoke blissfulness (integration rhetoric: creating consistency, creating purpose) through an increased sense of unification and increased motivation, whereas the other two may have varying effects (differentiation rhetoric: emphasizing context, switching perspectives). Accordingly, Silliance proposes that top management will use rather integration rhetoric than differentiation rhetoric. In contrast, rhetoric of middle management and rhetoric used for implementation of cost cutting might particularly induce negative emotions (Grint & Case, 1998).
For this paper meetings are analyzed with the goal to examine rhetorical patterns in regard to their impact for emotional reaction, in particular how rhetoric contributes to good or bad atmosphere within a group. The following two vignettes provide an example for this.

In an initial meeting with the purpose to explore the feasibility of a proposed project, Anita takes informal leadership by using a large proportion of talking time, referring to previous experiences outside of the firm and by taking strong positions in a certain direction. The meeting adjourns without a decision.

In a board meeting, the CFO presents his report on the current financial state of the company. Belinda comments after his presentation by referring to the state of the environment the company is operating in. She uses only one statement which is, however, rather long. Afterwards the discussion proceeds among others. Finally Belinda’s position is accepted.

The emotional reactions to Anita and Belinda are quite different, being between neutral and negative in the case of Anita and clearly positive in Belinda’s case. They provide two examples for an association of, first, rhetorical patterns and emotional reactions and, second, for effectiveness in regard to leadership or status. The paper shall provide systematic and detailed analysis of meeting protocols. These protocols are collected through so called Focused Participant Observation: Practitioners collaborating with the author are trained in interaction analysis based on a set of categories, developed for the goal of the study. They are asked to do this in meetings of either rather new groups or in meetings where significant changes are discussed.

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Narrating the Entrepreneur
Franchising as a Shakespearean Romantic Comedy

Joanne Larty
Management School, Lancaster University
j.larty@lancaster.ac.uk

ABSTRACT

The study illustrates the importance of literary frameworks of analysis in furthering our understanding of the entrepreneur and small business owner. With over 750 franchisors and 330,000 people employed by franchised businesses in the UK (BFA/NatWest Survey, 2006), franchising represents an important form of small business ownership. At the same time as owning their own business, the franchisee must also work within the controls of the franchise organization, characterising a hybrid form of small business ownership.

Despite the importance and unique context of franchising the role of the franchisee remains poorly understood by both the practitioner and academic communities (Hoy and Stanworth, 2003). Some see the role of the franchisee as similar to that of the entrepreneur (e.g., Tuuanen et al, 2005) but other studies have viewed franchising as the anti-thesis of entrepreneurship, with the role being more similar to that of the branch manager (Kaufmann & Dant, 1999). There remains little consensus within this area. Through a narrative approach, this paper presents a new way of looking at the role of the franchisee, illuminating striking differences between the stories of franchisees and those of entrepreneurs.

By applying a framework of analysis based on Northrop Frye’s (1957) *An Anatomy of Criticism* the paper explores the narratives of 15 franchisees as they tell the stories of their journeys into franchising. The stories are analysed through the lens of Frye’s (1957) Shakespearean Romantic Comedy, or what he sometimes refers to as the ‘Green World’ comedy. The study illustrates how franchising is portrayed as the ‘Green World’ of small business ownership, offering a safe and secure environment in which to live out the dreams of being in control and owning your own business. This marks a significant difference to the canonical narratives and stories of the entrepreneur, providing a strong
platform for further research looking at other heterogeneous forms of the small business owner.

**Key Words**: Narrative, Literary Analysis, Small Business, Entrepreneur

**References**

It's Natural and Everywhere: How Auditing Permeates the Organization?

Florentine Maier
Vienna University of Economics and Business Administration
florentine.maier@wu-wien.ac.at

Julia Brandl
Vienna University of Economics and Business Administration
julia.brandl@wu-wien.ac.at

ABSTRACT

Recently, neoinstitutional scholars have raised the importance of language for doing institutional research. For instance, Phillips, Lawrence and Hardy (2004: 706) propose that institutions are represented in language and propose discourse analysis for studying institutionalization. In line with this, Hasselbladh and Kallinikos (2000: 707) argue that “institutionalization in organizational settings must include a comprehensive analysis of discourse”.

Agreeing with this view, especially with regard to the understanding of institutionalization levels and processes, we emphasize that such a synthesis should avoid any dichotomy between “only talk” and “real action”.

The importance of social practices and the constitution of roles for examining institutions have been emphasized already by Berger and Luckmann (1966). Hasselbladh and Kallinikos (2000) have recently addressed the incorporation of action for conceptualizing institutions in their distinction between important ideals, discourses and techniques for organizing. Accordingly, institutions consist of “basic ideals that are developed into distinctive ways of defining and acting upon reality (i.e. discourses), supported by elaborative systems of measurement and documentation for controlling action outcomes” (Hasselbladh & Kallinikos, 2000: 704).

Ideals express a general idea that is important to be realized; their importance is validated through their relation to major concepts of a society (e.g., modern personhood, science). Since ideals are vaguely defined they need to be specified in order to become practically relevant and to function as guidelines for concrete behaviour. Discourse
elaborates ideals to specific knowledge by defining “the significative content or meanings of ideals and the specification of the relations and items involved” (Hasselbladh & Kallinikos, 2000: 706). Categories of discourse are embedded through various systems of classification, measurement and control techniques.

Generally, an ideal is composed of multiple rationalities and practices. Berger and Luckmann (1995: 16) argue that “all institutions embody an “original” action-meaning which has proved itself in the definitive regulation of social action in a particular functional area”. While this implies that the production and distribution of meanings must be explained within a historical context, that is regulated by the apparatus of domination, in post modern societies, the conditions of meaning production are similar to an open market (Berger & Luckmann, 1995). Practices can be reflected according to different rationalities and organizations can legitimate their activities on a multiply of norms. Since meaning budgets persist, meanings do not disappear but develop cumulatively. In turn, the expansion of meanings contributes to the persistence of a practice because it can be now legitimized by different rationalities and thereby, is able to integrate interests of different groups. In short, the “rationality base” of the institution expands. An ideal contains more than one practice that serves to reach the ideal. Theorizing builds a base for the diffusion of new elements (Strang & Meyer, 1993). The practical base of an institution expands for two reasons. First, every practice is legitimated based on its suitability for contributing to a legitimate objective. Since existing practices can be continued if their relevance for a legitimate objective is given, their contribution to such objectives is indicated. Second, since the implementation of practices also shows their limitations to reach desired effects, they are supplemented or replaced by more promising practices (Brunsson & Olsen, 1993; Power, 1997). Since the ideal has an overreaching relevance, it generates a continuous demand for new practices which suggest to contribute to the realization of objectives related to this ideal.

Based on this understanding of institutionalization, we are interested in uncovering the mechanisms by which important ideals permeate concrete organizations.
We combine discourse analytic and institutional concepts to a model that explains how important ideals, once they have gained foothold in an organization as bounded fashions, tend to turn into universal institutions by being relevant for more and more activities and by becoming increasingly taken for granted (see fig. 1).

<table>
<thead>
<tr>
<th>diffusion</th>
<th>institutionalization</th>
<th>questionable</th>
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<td>loosely coupled</td>
<td>bounded fashions</td>
<td>bounded institutions</td>
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<tr>
<td>tightly coupled</td>
<td>universal fashions</td>
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Fig. 1.: The permeation of an organization with audit ideals

We use auditing as an example for illuminating the permeation of organizations with important ideals. Power has highlighted the critical role of audit objectives for explaining the audit boom taking place in many societies (e.g. Power, 1997). According to Power the objectives which are related to auditing describe expectations as well as hopes, which are crucial to the various auditing methods and procedures, as they provide sense and legitimacy to them. While methods and techniques have always tended to be very heterogeneous and have changed over time, the objectives of auditing and the programs involved aim to integrate different auditing methods and auditing practices from various
areas of life and by so doing to secure the long-term preservation of the concept of auditing. This function becomes clearly visible in situations where the ideal of auditing as a distinctive way of problem solving is still seen as useful and legitimate though particular auditing practices have failed.

We argue that under the conditions that multiple (internal and external) audiences constantly support the ideals of auditing, tight rather than loose coupling of audit-related activities is likely and taken-for-grantedness is promoted. We propose the following hypotheses concerning the permeation of an organization with audit ideals:

1. Audits possess an inherent dynamic from questionability to taken-for-grantedness. This works mainly through personnel turnover, so organization members can no longer remember and imagine an organization without audits (“forgetfulness” of organizations, Brunsson & Olsen, 1993:42). This dynamic works at the intra-organizational level.

2. In the interaction of the single organization with its audiences, audits take on a dynamic from loose to tight coupling. The more audiences outwardly display support towards auditing, the more activities within the organization follow an auditing logic (Oliver 1991).

3. Increasing diffusion of audit ideals within the organization further accelerates the taken-for-grantedness of audits (Scott & Dornbusch, 1975). This works through an escalation of rhetorical congruence and persuasiveness.

The model is developed conceptionally. We conclude the paper with exploring options for adding persuasiveness to our narrative by future empirical study.

Key words
Auditing, institutionalization, diffusion, new institutionalism, discourse analysis

References:
Virtue To Virtue Combat Narratives From The Battle For The Moral High Ground Of Public Sector Reform

Mervyn Conroy
Lancaster University Management School
m.conroy@lancaster.ac.uk

ABSTRACT

‘A virtue is an acquired human quality the possession and exercise of which tends to enable us to achieve those goods which are internal to practices and the lack of which effectively prevents us from achieving any such goods.’ (MacIntyre 1981: 191)

The focus of this paper is an analysis of managers’ narratives of mental health service reform using MacIntyre’s virtues-goods-practice-institution schema (1981). It is argued that this approach has the potential to enrich the concept of public sector organisational change and to open an avenue for management learning.

Significant investments in time, resources and energy (both physical and emotional) are being made in ‘modernisation’ programmes across Western Europe yet little is known about what ‘leading change’ means to managers in the midst of reform. Blackler (2006) offers a bleak picture of the UK NHS Chief Executive (CE) leadership reality, but what about the other managers from CE down? What is life like for them? This paper is an extract from a study that has uncovered many different stories and meanings of change implementation. Here we explore a recurring theme of virtue conflict and disjuncture in managers’ enacted narratives. The study finds narrative enactments of reform reflecting much wider conflicts between moral traditions. Specifically, this paper describes the virtues at stake for a group of managers in the midst of mental health service redesign. Rather than a narrative enabled moral unity, in this study we see considerable disunity in the midst of reform which, it is argued, constructs cynicism, anger and mistrust towards any reform initiative and contributes to low morale. Rounding off the paper, we report on
an evaluation of a pilot application, a series of themed network events for public sector managers, which was informed by the findings from the research.

Managers’ narratives, in this micro-case study of mental health service reform, are interpreted as conveying a multitude of virtue conflicts and disjuncture. Under extreme pressure to meet government targets, managers enact a variety of options in their narratives in response to their moral conundrums. Their narratives convey a sample of the social reality in situations where there is apparently no solution, where their personal values, patient needs, government policy and public interests are at odds with each other. Epic, tragic, comic and romantic ‘poetic story modes’ (Gabriel 2000) are discerned to show the variety of options they choose to narrate the ‘virtue to virtue’ combat on the ground. These include epic stories of ‘finding the flow’ and ‘being subversive’, tragic stories of ‘wasted talent’ and ‘nobody to get angry with for the loss’, comic stories of ‘shredding it’ and ‘going shopping’ and romantic stories of ‘my staff needing me’ and ‘buffering staff from a barrage of must dos’. By viewing stories of virtues in conflict as reflections of different ideological horizons and the drama as scenes in the movement of history, this paper attempts to build on other Western European public sector reform studies which describe, for example, ‘tensions’, ‘disempowerment’ (Blackler 2006), ‘frictions’, ‘old vs. new’ (Czarniawska 1997) and ‘identity fragmentation’ (Humphries 2002) to deepen understanding of what it means to be ‘leading’ change and the needs of managers who, it is argued, are fighting on behalf of different moral traditions to secure the moral high ground of reform.

One suggested implication for leadership learning would be to build on MacIntyre’s notion that it is through conflict and sometimes only through conflict that we learn what our ends and purposes (telos) are, with the question ‘Of what (wider) conflicts is (my conflict) the scene?’ (adapted from MacIntyre 1981). Finally, the paper discusses some early work with a group of healthcare leaders, in response to their expressed needs, to follow this line of enquiry. The programme attempts to discover options that, in the midst of massive reform, still offer them ‘internal goods’ in their management practice and that are faithful to a collective telos of improving the quality of health care offered by the
services they manage. With wider insights on their dilemmas, some of the programme participants claim they have (re)constructed the virtue of courage to enable them ‘do the right thing’ in the midst of competing and conflicting interests.

**Key words:** narrative, organizational change, public sector, virtue, ethics

**References:**


Good Life and Efficiency in Organizations:
A Real Possibility through Dialogue

Marja-Liisa Kakkuri-Knuuttila
Helsinki School of Economics
kakkuri@hse.fi

Kaisa Heinlahti
Helsinki School of Economics
kaisa.heinlahti@hse.fi

ABSTRACT

Professional ethics is an interdisciplinary area of studies combining philosophical conceptualisations with special knowledge and experience of the particular profession in question. This study aims at clarifying certain issues in organisational theory with the help of categories from Aristotelian virtue ethics, namely that of practical wisdom related to practical action as doing and technical knowledge related to productive activities. We argue that there are cases where good life in organisations in the Aristotelian sense of good life (eudaimonia) is possible to marry with the efficiency of the organisation. Our case here is knowledge intensive service organisations where effective performance requires the adoption of distributive leadership. For deepening the process of distributive leadership, the organisation has to adopt principles of procedural justice and reciprocal justification which are best realised in dialogue type communication practices. We shall argue that dialogue, expressing high professional qualifications both of the experts and managers of knowledge intensive service organisations, involves good life to the participants, and simultaneously leads to effective organisational performance. In our argument we shall rely on Peter Senge’s conception of the dialogue as well as on empirical research on effective team work by Marcial Losada and Emily Heaphy.
A peacock dance of leadership
- Negotiations of rhetorical ethos and virtues of leadership, seen in the General-Secretaries of the UN

Lena Andersson
Stockholm School of Economics
ala@hhs.se

ABSTRACT

The first phase of research about leadership dealt with the character traits of leaders (about 1920-1950, see overview in for example Bryman, 1999). Leadership was seen as something you were born with, and the researchers were searching for the character traits that would be the key to understand leadership. What they found was an endless amount of words to express characters. In an attempt to summarize the research, RD Mann found more than 500 traits (Mann, 1959). The area seemed to be a dead end and was abandoned.

Even though the area was abandoned in theory, the interest in how leaders are, seem to still be of interest in practice, for example seen in studies of CEO headhunting – finding persons that has the right stuff, or in management training – teach managers-to-be how to behave and how to act. For example, one leadership training company in Sweden is named “Tough Leadership Training”.

Why is the issue of character of leaders still hot? One answer can be found in classical rhetoric. Let’s define leadership as influence (PG Northouse, 1997/2007). And then turn to Aristotle, who said that the strongest tool for persuasion is ethos, the argument of character. Hence, Aristotle can give us one possible explanation to why management training is all about learning to be of “the right stuff”. Then, what is being of “the right stuff”; having the ethos of persuasive leadership?

In modern leadership theory, leadership is seen as a process, as something that is negotiated between leader and followers (Sjöstrand et al, 2001). This reasoning is also
applicable on the speaker-audience situation. Ethos is sometimes defined as the character that the speaker presents, and sometimes defined as the character that the audience thinks that the speaker has. Leadership as well as speaking can be seen as a process of negotiation. In both situations, we can see the leaders/speakers character/ethos as negotiated.

To avoid ending up with hundreds of words to describe traits in ethos, the concept of virtues are introduced. The virtues used in the study are the seven classical virtues, as presented in McCloskey (2006). One advantage of virtues is that they can label both individual traits as well as cultural norms. The use of virtues is one analytical tool in the analysis of the ethos of the General Secretaries.

The General Secretaries of the UN are global leaders without real power, what they have is rhetoric. Therefore they are suitable objects to study. The empirical material consists of the installations of the eight General Secretaries in the history of the UN. The eight installations has taken place in the UN General Assembly. The latest one took place in December 2006 when Ban Ki Moon of South Korea was installed as new General Secretary.

The President of the General Assembly congratulates the elected, and presents him. The new General Secretary swears his oath, and is then keeping a presentation. After this, delegates from different nations and configurations (such as EU) holds presentations in which they congratulate their new leader.

In the study of this material, I have found that these installations consists of much more than just thank yours and congratulations. These meetings are like dances of peacocks with a lot of showing off feathers, courting, love bites and more. Also, the material says quite a bit about attractive leaderships character traits.

Lets take a little bite, tasting the study. The General Secretaries are thankful, and very humble. And they are dedicated and will do their very best. But they are also telling the member states how they are expecting them to cooperate. The delegates are congratulating the newly installed leader, and are expressing their happiness over the good choice of such a good person. This person is competent, knowledgeable, friendly
and much more. And luckily, since the new leader is such a wise person, he will totally understand the situation that the delegates member state is in.

The (early) result of the study is that important virtues in an ideal leader ethos are:

1) Prudence, as in wisdom and knowledge,
2) Faith, as in identity and strong integrity and
3) Love, expressed in dedication, passion and friendship.

This study of the constructed, negotiated ethos and virtues of the General Secretaries of the UN, might help us understand the constructions of leadership and our understandings of how leaders are expected to be.

References


Constructing Identity through Narratives on Numbers

Paris de l’Etraz
Universitat Ramon Llull – Esade
Paris.Deletraz@esade.edu

Eduard Bonet
Universitat Ramon Llull - Esade
Eduard.Bonet@esade.edu

Members of GRACO Research Group

ABSTRACT

The process by which identity evolves is still very much unexplored (Van Maanen and Schein, 1979). Vygotsky (1978) and his translator Bruner conceived identity and learning as grounded in participation and collaboration within a socio-cultural context. Lave & Wenger (1991), extend this argument and propose learning is essentially the development of an identity of participation. Following them, I look at how an individual comes into being in his new environments. I focus on the idea that we can develop a particular “situated agency” or identity that is the result of our participation within the organization.

Much is being written about “provisional selves” and “possible selves” as the result of temporary solutions people use to bridge the gap between their current capabilities and self-conceptions and the representations they hold about what attitudes and behaviors are expected in the new role (Ibarra 2000). While peers and social networks are important for newcomers, researchers still struggle with whether few relationships or many relationships; tight relationships or looser relationships; diverse relationships or more homogeneous relationships are more important for socialization (Morrison 2002). The process by which people negotiate, with themselves and with others, what identities they craft as they assume new roles has received little empirical attention (Ibarra 2000).
The object of this study is to help gather empirical evidence with case studies and develop theory about the process of identity construction through self-regulated socialization in ambiguity intensive work environments. It is based on longitudinal case studies about an individual which tries to adapt to three different organizations. Particular emphasis is placed on studying the changes that this individual undergoes as he moves from company to company and within the companies, forcing his eventual departures.

The methodology used includes primarily ethnographic research including open-ended interviews, direct observation and analysis of documents as well as triangulation methods. The study takes place over a two-year period that includes one-week sessions at three of the companies as well as periodic interviews of the individual along the two-year period. The one-week sessions include interviews, of both, the individual as well as peers, superiors and in some cases, clients.

References


The use of rhetoric in entrepreneurship: 
3 case studies

Xavier Barrull  
Universitat Ramon Llull - ESADE  
xavier.barrull@esade.edu

Dr. Eduard Bonet  
Universitat Ramon Llull - ESADE  
eduard.bonet@esade.edu

Members of the GRACO Research Group

ABSTRACT

This paper presents 3 case studies of entrepreneurs who create new organizations following the model of reasonable agents exposed in a former work (Barrull, 2006). The model considers that agents are not rational but reasonable, spurring them to negotiate and settle values through rhetoric, argumentation and persuasion. Perelman and Olbrech-Tyteca’s (1969) view of rhetoric including one self’s persuasion allows to consider learning as a sensemaking process where narratives (Czarniawska, 2004) and rhetoric play a central role as a way to persuade entrepreneurs for action. Departing from McCloskey and Klamer’s (1984) work, the paper analyzes with empirical data how entrepreneurs self-persuade and persuade economical agents using rhetoric to create value.

We obtained empirical data triangulating deep interviews, observation and documents of the created companies. In one case, interviews were conducted in a 3-year period in order to capture the entrepreneur experiences in actual situations. In the first case, the entrepreneur narrates how he decides to create a new company in the meat-dealing sector with some relatives and the further company’s evolution. In the second one, a former MBA student explains how he finally decides to create a new company although he initially does not even know in which industry to create it. In the third one, a business
school professor explains how he finds reasonable the idea of one of his students and persuades some friends to create a new company to exploit it.

Main findings show that entrepreneurs consider the process as two main differentiated experiences; the first one, before the creation of the company and the second one, once the firm is established. In every stage, entrepreneurs share and differ at some points in their experiences, allowing us to highlight their main common experiences and proposing some prototypes.

Results show that entrepreneurs have a strong need to talk with relatives, friends or expert people in order to persuade themselves of the project viability and their ability to perform adequately in that venture. Another significant finding is the deep influence of initial motivations shaping their experiences and decisions in the whole process, connecting the two mentioned stages.

In the first stage, we found two prototypes of entrepreneurs, depending on when they define their business idea. Entrepreneurs with a well-defined idea from the beginning experience the period as a proceeding. On the other hand, those who decide to entrepreneur without having a precise idea, experience social incomprehensiveness, fear and a sense of irrational behavior as they decide to begin without really knowing what to do.

In the second stage, we found three prototypes. Entrepreneurs experiencing their activity as a way to earn money exploiting an opportunity, those who interpret it as a way to develop their imagination and need of freedom and those who understand it as a way to maintain family bounds.

References


“Business history, by definition, must use the records of business companies. The only way that business historians can normally get access to those records, however, is to be commissioned to write company histories.” Coleman (1987).

Coleman goes on to blame corporate sponsorship for the sad fate of most multi-volume commissioned company histories which he claims “sit in their well-bound splendour on the shelves of university libraries, untouched by historians, ignored by economists, unnoticed by the general reading public”. However, there are worse fates. This case study is of a company history that was commissioned but was never published. It exists only in three copies, one of which is incomplete. This paper will describe the background to the writing of the story, give some samples from its pages, and speculate as to why the work remains “secret” and thus silent.

I came across three of the four completed volumes while carrying out research into a textile company where I had access to the archives in Head Office. My research was then into language and change and my interest was centred on the last decade of the company’s activities (from 1996-2006). The four volumes that comprise this commissioned history span the years 1815 to 1960 so the company has had an uninterrupted lifespan of nearly two hundred years.

The history, which is titled The Story of Coats, was never published and the frontispiece of the typed carbon-copied works has no author’s name. I carried out some desk research into who wrote the history and at whose behest. I was able to study three of the volumes first hand and became drawn into the re-creation of the events that the company historian
described with such authority and precision. The footnotes and citations from archived documents and references to other publications, recorded facts and sources of quoted texts assure the reader that this is indeed a historical piece and not a work of fiction. This paper is about a “secret history” that took seven years to write but that virtually no-one has ever read. The story and the artefacts and texts behind the story, which are well-documented and authenticated from public archives, make compelling reading for any student of management and business research. It provides an unusual insight into business history as narrative and story telling. To my surprise, I found I was not the first to discover this.

The contents of the four volumes are listed at the end of Volume 1V. This is lucky since Volume 1 is not available. However, we know something about Volume 1 from an article published in 1987 in the journal “Business History,” Volume 29 which describes “The Early Growth of Messrs J. & P. Coats, 1830-1863”. Further academic interest in the past financial and management operations of Coats has resulted in two scholarly articles appearing in the last six months, both published in “Business History” by Dr K. Kenninmonth. This researcher has been able to enlighten me about some of the main business elements related to accounting and capitalisation which made Coats a model of financial control.

What makes the “story” of the Coats worth reading is the fact that the carefully typed pages of the “Story of Coats” have much more than dry figures and quotations of thread numbers from old minute books. Throughout the volumes I have seen, there are appearances and descriptions of heroic characters who stride through the pages like conquering knights, as well as tales of daring and courage, folly and danger that add colour and verve to the plot. Some named characters from the Coats and Clark families lived fairly quiet, albeit eccentric lives, while others were larger than life and spilled over into recorded political history and diplomatic incidents all over the globe.

As a conceptual framework I will draw on work by Barbara Czarniawska and Hayden White in order to interpret the history in terms of narrative and story-telling in
management, giving examples where appropriate from the original text. The real identity of the author(s) is now clear and the story of how the volumes came to be written is interesting in itself. One question that remains unanswered is why the history was never published, and if the possible reasons for this might be found from within the story itself. Was it because of the writer and his interpretation of the events he chose to narrate? What story does this history actually tell? Why did it end when it did? Whose company does the history portray? In what way is the Story an “official” version? Does the history speak to the workers or to the family? Is the story that I have read a strictly personal and private assembly of facts arranged to make a tale brought into being by the historian himself? In my paper I will speculate as to the answer.

**Keywords**: narrative; company history; identity
The Use of Conversational Strategies for Overcoming Change Barriers in the Transition to Process Orientation

Henning Dröge
Universitat Ramon Llull - ESADE
henning.droege@alumni.esade.edu

Dagmar Hildebrand
Universitat Ramon Llull- ESADE
Member of the GRACO Research Group
dagmar.hildebrand@alumni.esade.edu

ABSTRACT

Not long ago, continuity and stability were the watchwords of the management of organizations. Nowadays, business enterprises face severe competition and increasing customer demands in a changing environment and in consequence, they put strong emphasis on flexibility, competitiveness, and the customer-orientated management of business processes. However, organizations often face intense difficulties when changing from the functional, vertical structure towards a more horizontal, process-oriented management. The purpose of this theory-based paper is to investigate the role conversation plays in the change effort of organizations to shift from a functional towards a process-oriented organization. By doing this, it addresses the question why organizations often fail in their aim towards an implementation of process-orientation. The elaboration of our ideas will follow a threefold structure: Firstly, we provide a clear overview of the characteristics of a process-oriented organization. Secondly, we identify possible barriers to change, namely the constructs of “failure to understand”, “cognitive opposition”, as well as “identity gap” (Reger et al., 1994) and relate them to the characteristics of process-orientation. Finally, we map the concept of conversational change strategies by application of Ford & Ford’s model (1995) of “conversations for change” to these specific change barriers. We suggest propositional pathways how this conversational strategy might help to overcome the presented barriers to change. The
contribution of this article is the application of the theory of conversations on barriers to change towards process-orientation.

References


I Am From Austria? Conceptualisations Of Careers And Career Success
In Austria – A Qualitative Study

Katharina Chudzikowski
Wirtschaftsuniversität Wien (WU-Wien)
katharina.chudzikowski@wu-wien.ac.at

Barbara Demel
Wolfgang Mayrhofer

ABSTRACT

Careers, career success and their management are of crucial importance for individuals’ working lives as well as organisational success and heavily influenced by contextual factors, most notably the institutional and cultural context. They are an integral part of management activities and have been subject to extensive and multi-disciplinary research (e.g., Arthur, Hall, & Lawrence, 1989b; Gunz & Peiperl, 2007 forthcoming).

In terms of content, surprisingly little is known about the specifics of career concepts (Arthur, Hall, & Lawrence, 1989a) and career success (Gunz & Heslin, 2005) in different countries and cultures (Tams & Arthur, 2007), age and professional groups. This has been acerbated by an increasing variety of careers, discussed under labels such as boundaryless (Arthur & Rousseau, 1996) or protean (Hall, 1996) careers, and significant changes in the relationship between organizations and individuals such as changing psychological contracts (Rousseau, 1995). These developments potentially affect individuals’ conceptualisations of careers and career success since the influencing factors on careers and careers themselves become more complex (Arthur, Khapova, & Wilderom, 2005; Sturges, 1999). There is considerable work on the meaning of careers and career success within the evolving new careers (see, e.g., Collin & Young, 2000; Arthur, Inkson, & Pringle, 1999). However, research on individual conceptualisations of careers and career success, both of which are closely linked with individual values, from
a culture-comparative angle and focusing on specific national contexts has been widely neglected (Brown, 2002; Heslin, 2005; Spokane, Fouad, & Swanson, 2003) although it has been shown that work-related values are influenced by national cultural differences (Hofstede, 1996; Triandis, 1994).

At a methodological level, there is an increasing interest in the construction of the nature and central aspects of careers (Chartrand & Camp, 1991; Collin & Young, 1986; Young, Valach, & Collin, 1996) and how careers are conceptualized in interactions (e.g., Cohen & Mallon, 2001; Coupland, 2004).

This exploratory study contributes to the discussion at the content and methodological level by focusing on Austria as a specific national context, placing itself in a broader culture-comparative perspective strengthening efforts to understand careers through interpretative studies and trying to better understand contemporary careers and its influencing factors. Specifically, it asks the following questions: (1) How do people in Austria conceptualize career and career success? (2) What are major influencing factors on both careers and success in the Austrian context?

References


Threats Disclosure of chairman’s statement on the tobacco industry

Ricardo Malagueño  
Universitat Ramon Llull - ESADE  
ric.malagueño@alumni.esade.edu

Cynthia Rocha  
Universitat of Barcelona  
rochacynthia@hotmail.com

Lidija Lovreta  
Universitat Ramon Llull - ESADE  
lidija.lovreta@alumni.esade.edu

ABSTRACT

Annual report is the major communication device companies use to make their performance transparent to the public. Therefore, accounting narratives, and especially the chairman’s statement, play an increasing and significant role in the impression management. So far, literature has documented the increasing importance of accounting narratives. Nevertheless, limited emphasis has been placed on the disclosure of the industry threats and communicative strategies used when reporting bad news.

The objective of this paper is to identify communicative strategies in accounting narratives used by chairmen in a specific scenario of companies that are suffering strong external vigilance.

In the theoretical background we discuss the use of accounting narratives as an instrument for constructing company reality (Hines, 1988; Hopwood, 1996), the different perspectives of the annual reports researches, the impression management theory (Neu,

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In the empirical part of this study we examine the narrative of chairman’s statements on quarterly, interim and annual financial reports of the British American Tobacco (BAT), second largest tobacco producer in the world, from 1998 to 2006. The tobacco industry was not selected by chance. This industry, which is in the center of a world wide debate, seems to issue a different level and type of information that are not observed in other industry sectors (Tsang, 1998). We conduct a content analysis on thirty-three chairman’s statements.

Two types of categorization emerged from coding. The first categorization indicates the existence of recurring themes, which were based on the meaning of the words. Among them emphasis was given to the categories Threatening words and Good Performance words. Second categorization was conducted classifying words into three classes: positive, negative, and neutral. Results suggest the existence of a strategy of disclosure of Threatening words. In this strategy a pattern of usage of Good Performance words and Threatening words is observed. Moreover, in this relation the number of Good performance words always exceeds the number of Threatening words.

Keywords:
Annual Reports, Content Analysis, Tobacco, Chairman, Statements, Narratives

References


ABSTRACT

This work is about quality in organizations, about some of the meanings and social practices related—in the present historical moment—to the quality management discourse. Such a clear and neat speech that it apparently avoids politics and pleads for efficiency, productivity and competitiveness. Thus, to define quality means to define the limits of our way of thinking up organizations, their practices and even their critics.

First of all we are going to explain the premises that are necessary to understand this paper. To be more precise, we are going to explain what we understand as social psychology and psychology of organizations. According to our approach social psychology must be understood as a deconstructivist mechanism that is able to ease the understanding of the world surrounding us (Ibáñez, 1989). A social psychology that seeks comprehension (against explanation), and knows that the only way of reaching that comprehension is to admit that language and meaning prevail on the construction of social world, since “social practices are discursive practices as far as discursive practices are social practices” (Íñiguez, 2002). From this view of critical social psychology we will try to think of quality as a socially created term. Indeed, social objects are not only the result of human activity, but “they remain only by the same practices that make their existence possible” (Ibáñez, 2002), so from this point of view, we will tackle quality management as a fluent object that exists thanks to a series of practices that are constantly producing and reproducing it.

In the second place, following the previous explanation, we will talk from a critical view in psychology of organizations that has as its key points the criticism to the
representationist approach of knowledge and “the critic to the metaphors used when describing organizations” (Rodríguez, 1992). These metaphors appear in narratives with very powerful effects. We will also specify our conception of the organization according to a postmodern meaning, that means as a relational idea that is produced by social actors through their discursive contextual practices (Gephart et al., 1996). From this view of psychology of organizations as a discipline that relates histories (Boje, 1994; Boje et al., 1996), we will explain a story of the practices of quality management that happen inside an organization, as practices that are produced in a concrete social and historical context.

References


Arguments on CEO Compensation in the Light of the Rhetorical Turn

Andreas Hanhardt
Universitat Ramon Llull – ESADE
andreas.hanhardt@alumni.esade.edu

Mariarosa Scarlata
Universitat Ramon Llull – ESADE
mariarosa.scarlata@alumni.esade.edu

ABSTRACT

The increase in the amount of executive compensation has not only triggered a large amount of academic research but also provoked high public interest and debates. On the one hand academic scholars have rooted their studies on executive reimbursement on either the conceptual backgrounds of agency theory (cf. Jensen & Meckling, 1976; Fama, 1980; Jensen & Murphy, 1990; Bebchuk & Fried, 2003; Gabaix & Landier, 2006) or those of stewardship theory (cf. Chung & Pruitt, 1996; Wasserman, 2006). Yet, due to the differences in the theoretical frameworks considered, conclusions often diverge. In fact, owing to the inhomogeneous theories and thus the diverse implications, academics have been striving to find a proper benchmark for top management remuneration (cf. Murphy & Zabjonik, 2004; Whitehead & Block, 2004). This has created the background for a variety of very practical academic discussions. On the other hand, the widespread public, i.e., the media, politicians, shareholders, lobbyists, and interest leaders, are often devoted to bring executive compensation under scrutiny. Hence, not surprisingly, Bok (1993) shows that the majority of the American public believes that top executives are overpaid. But, given all these diversities, what constitutes the persuasive backbone of scientific research and public discussions?
Irrespective of their conceptual background chosen, most modern economists typify agents in the market in order to use statistical methods while examining the concern of CEO compensation. However, rather than merely using their statistical results to corroborate their hypotheses, they seem to exert their numerical findings as rhetorical devices, even if they are not aware of it. When it comes to the issue of CEO remuneration, public debates suggest that individuals create their beliefs prior or regardless of any modern statistical results; this is to say that the general judgement is something beyond statistical significance (McCloskey, 1983, 1986). In fact, following in the footsteps of social constructivists, who remark that the development of a theory requires the consideration of the unique backgrounds of the people to be persuaded (Schutz, 1953), the media seems to assert that the ordinary man forms his perceptions based on his personal experiences, which may considerably differ from those of a highly compensated CEO.

Given the considerable role that the means of persuasion plays in both academic discussions as well as public debates that deal with CEO remuneration, we base our conceptual background on rhetoric. We follow up on what Rorty (1967) once coined the “linguistic turn” in his effort to put linguistic considerations at the centre of philosophy and what has later on been conceptualized and diffused as the “rhetorical turn” by Nelson et al (1987), Simons (1989, 1990), and McCloskey (1994). Embedded in this framework, our objective is twofold. First, we aim at identifying theories and common views in which discussions on CEO remunerations are based. Secondly, we intend to identify and discuss the rhetorical means of persuasion which are used by both academic scholars and the widespread public. Our main consideration is thereby to illustrate how numbers are used as rhetorical devices by both academic scholars as well as the public in their efforts to let these numerical figures become humanly persuasive (McCloskey, 2002: 8).

More particularly, we argue that modern academic studies and the widespread public in form of the media, politicians, lobbyists, etc. investigate the same problem from different angles; i.e., while the former test theories by assumptions, the latter do so by focusing on the conclusions and especially normative considerations. In providing an
overview of modern economic studies on CEO compensation, we show that conclusions often diverge as they depend on the respective assumptions and theoretical framework chosen (i.e., agency theory, stewardship theory, or any other strand of comparison), making the use of rhetoric indispensable in the justification and comparison of the results. In considering the fundamental problem of the “optimal contracting approach” (Bebchuk & Fried, 2003), we thereby offer a synopsis of the various benchmarks used by modern economic researchers and how those are justified with the help of rhetoric.

We then contrast our findings for the academic literature with the benchmark used by the widespread public, i.e., the reference point of the ordinary man. Specifically, in analyzing and interpreting newspaper articles, journals, as well as trade union proclamations, such as those of the American’s Union Movement (AFL – CIO), we suggest how the media and trade union leaders, amongst others, use various means of persuasion to address the unique circumstances of time and place in order to shape the normative perception of people with respect to CEO compensation. We suggest that the normative and widespread public discussion on executive compensation is primarily rooted in the ideas of socially constructivism; in other words, people are not merely driven by the presentation of statistical findings, but by how and in which context numbers are presented.

We eventually denote that the investigation of executive compensation is in fact a normative question that explicitly involves all kinds of means of persuasion, regardless of whether the proposition examined stems from academic or public sources. For the study of these persuasive means, we take a look at Aristotelian rhetoric (Kennedy, 1991; Bonet et al, 2003). The findings of this paper may help to provide further support to the considerable role that rhetoric plays in economic research; albeit, this study may also reveal the power and impact of rhetoric in a society. In this regard, our findings may help to obtain new insights on the drivers of personal perceptions, especially under the consideration of people’s unique personal backgrounds and intersubjective surrounding (Berger & Luckmann, 1966) being opposed to the typified individual agent of modern economics.
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The Use of Rhetoric Power That Changed the Course of the Cola Wars

Gürsel ilipinar
Universitat Ramon Llull – ESADE
gursel.ilipinar@alumni.esade.edu

Chad Turnbull
Universitat Ramon Llull – ESADE
chad.turnbull@alumni.esade.edu

Jose Antonio Sanabria
Universitat Ramon Llull – ESADE
Joseantonio.sanabria@alumni.esade.edu

ABSTRACT

In 1986, PepsiCo USA's then-President and CEO, Roger Enrico, made the following observation in his book, *The Other Guy Blinked: How Pepsi Won The Cola Wars*:

“By comparison [to the major battles of history], of course, the battles that Pepsi-Cola and Coke fight in the Cola Wars are trivial. There are no final defeats. The ammunition we fire at one another is often damn silly stuff. But for all that, our battles are very real. Tens of billions of dollars are at stake. And "market share" - the sales performance of a soft drink compared to others in its category. And something intangible, but no less important: Pride. That last reason is, in this story, perhaps the most important ingredient”.

The purpose of this paper is to analyze Pepsi vs. Coke case from the art of persuasion perspective. The study will be based on a reinterpretation of Roger Enrico’s presentation emphasizing rhetorical means used by both sides and the roles played by superstars. We will highlight the assumptions and the rhetorical techniques which may not be known for by the author at the time the book was written.

The findings of this study show that rhetorical means of persuasion, kinds of arguments may be applied not only to the beverage industry but also in other industries,
cases and situations. Drawing on Wittgenstein’s concept of “language games”, we develop a phenomenological framework to strategic management and business-to-business marketing, more specifically creative advertising using superstars. This subjectivist perspective is based largely on the works of Alfred Schütz.

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Doctoral Education In Entrepreneurship:

A European Case Study

David Urbano
david.urbano@uab.es

Nuria Toledano
Autonomous University of Barcelona
nuria.toledano@uab.es

Marinés Aponte
University of Puerto Rico
m_aponte@rrpadm.rrp.upr.edu

ABSTRACT

The purpose of this paper is to analyse a European doctoral programme in entrepreneurship. The specific objectives are the following: (1) to illustrate the process to design and launch the doctoral programme; (2) to describe their main characteristics and (3) to explore the conditioning factors to their success.

Concerning the methodology, a systematic application of a longitudinal case study approach is applied. Multiple sources of evidence were gathered; these included interviews with key informants and documentary evidence. Additionally, a participant observation approach was adopted. Concerning the theoretical approach, the related literature in entrepreneurship education was reviewed.

The main findings of the research support the notions that the launch of a doctoral programme is similar to the process of creating a new business. The results emphasize the importance of the founder’s personality, the network ties between universities and the strategic vision in order to achieve the success in an entrepreneurship doctoral programme.

As a future research line, a multi-case study approach would allow the development history of several doctoral programmes to be studied and compared. Very useful practical
implications could have the study for universities that are planning to offer a doctoral programme in entrepreneurship.

**Keywords**: entrepreneurship, education, case study, doctoral programme, Europe.
Independence of the Regulatory Agency of Energy in Peru

Edwin Quintanilla

ESAN, Perú

ABSTRACT

The regulation of the public utilities in developing countries has become, in the last decade, an important part of their performance due to the growing need for investments with economic and social impact. Regulation is potentially vulnerable to both the political power which may try to expropriate the investments and to the companies who wish for the setting of high tariffs. In this context the research examines and explains the relations between the institutional endowment of a country and its influence on the design and operation of the regulatory agency’s independence, identifying and defining the attributes that contribute to its strength against the risks of regulation in such a way as to make a framework possible for both an effective administration and the fulfillment of the regulatory agency’s objectives.

The investigation applies a constructivist perspective and the methodology of an instrumental and explanatory case study, considering a narrative approach. The result of the applied model to the regulatory agency of energy in Peru is shown, considering a retrospective historical perspective for the period 1985-2005 (three political cycles). These cycles are identified with different degrees of independence and explained with the attributes that characterize it.

The narrative approach revealed the connection between the given events that occurred throughout the analyzed experience. The objective was to analyze a relevant prior period and to understand the process in study. The narrative was chosen as the way to represent and understand the previous experience through the criteria of continuity and interaction and to provide a methodology to summarize the experiences of the past by a sequence of events associated to its causality. This study sought the chronology with representations of the sequences, with a meaning through their evaluation, in as much as they are socially inherent.
“Small Business, Little Knowledge: Three stories of small companies”

Boris Herrera
ESAN (Lima)
herrera@boris.herrera.com

ABSTRACT

In Chile there are about 1.4 million Micro and Small size companies, from which 684,000 legalized ones represent 97% of formal country companies and they provide employment to population about 62.5%, according to gathered information in 2004 (Chile Emprende 2005). The economic performance is poor and it has been falling from the contribution of 16.9% to the total sales in 1999 to 12.9% in the 2003. These companies are formed for less than ten people and they are managed mainly by the entrepreneur, who manages and develops the main business activities and even a lot of them are formed only by the single manager (Chile Emprende 2005).

Later 80’s, Paul Romer introduces the concept of endogenous growth and highlights that the knowledge is a decisive factor for economic growth (Romer P 1994), complementary to the capital and work, factors already studied by Robert Solow and the neoclassical economists (Solow R 1956). Using the principles proposed by Romer, Paul Krugman predicted the Asian crisis, highlighting that the success of these countries is incidental and it is due to capital accumulation, and there are not evidences of an equivalent knowledge generation that allows to sustain for a longer time these high levels of growth (Krugman P 1994), at the end Krugman was right and his work was very important to understood the Asian Crisis origins and also to found the solution.

Based on that the knowledge is a factor in the economic performance, just as Romer outlines, this exploratory study seeks, to discover the knowledge bases that the small managers have, and the regulations that come form government and not government institutions, which are product of knowledge created by these institutions and what is the middlemen role that help in its development as well in their own knowledge handling,
the creation of new knowledge being this Technical or administrative and also in making more accessible to managers the institutional regulation understanding.

To obtain a detailed knowledge of what happens in this area of economy and the knowledge, it was used as methodology to “collect stories” and to establish theories based on the basis found in the analysis of these Stories (Czarniawska B 2004), three stories were gathered, which are presented here and they serve us as a base to speculate a conceptual frame that allows us to study the relationship between knowledge and economic performance in the small size company settling down.

The first story is a longitudinal study during two years, related to an entrepreneur that start business for selling ice creams in the middle of the most arid desert in the world, to which the mining companies from the area decide to help him to increase their revenues and for this they help him to be settled in a legal way, installing a kiosk and to training him in the basic aspects of a business. However, the good intentions are stuck only in that, causing a serious damage to the entrepreneur instead the offered benefit.

The second story is about an undocumented immigrant who in New York improves the conditions of a small size business, what is to implement cars to sell peanuts in the street, transforming it in a very lucrative company. It happens because he realized how to manage the context surroundings to reach his goals and uses the tools of formalization and the knowledge elements accessible for every one to manage his business and put entry barriers to the competitors. After he carry out his idea in his own country and then to expand it to several others countries, installing a very successful business.

The third story locates us in a rural region, where small farmers run a flower selling a quite rudimentary flower selling business, the government through his development offices lends help to these modest farmers and gives them an economic contribution, technical assistance and training, being in an astonishing success from the point of view that they obtain better products, however also it became in a firm failure from the
business perspective since the new managers don't have market to sell their flowers, because they don't know about marketing, distribution channels and sales.

The conclusion is that in the small size companies a relationship arise among acquired and previous knowledge (Cook S & Brown J.S. 1999) by the small managers, the knowledge created by the institutions (Nonaka I & Takeuchi H 1995) and the shared knowledge (Davenport T & Prusak L 1998) by the brokers; that it is showed in the use of these kind of knowledge and it affects the economic performance of small size companies.

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Writing research as a dialogized heteroglossia?

Marja Flory
Erasmus University

Lately there has been a big interest in the theory of Michael Bakhtin and this theory has been used as a methodology to study organizations. This theory has also provided a way that researchers have used to write about storytelling in their academic research texts. However there are some difficulties in using this theory. In this article I would like to explore the paradoxes a researcher is confronted with if he/she uses the concepts of Bakhtin.

Hazen in her article “Towards a Polyphonic Organization” emphasizes the importance of Bakhtin for writing about an organization as an arena in which multiple voices can be heard (polyphonic). According to her every person has his or her own voice in organizations, some are louder and more powerful than others. With her notion of polyphonic she tries to give justice to all different voices that coexist in any given organization.

If we get back to Bakhtin definition we see that he uses polyphonic in the study of Dostoevsky’s novels to indicate different voices. Each character in Dostoevsky's work represents a voice, an individual self, distinct from others.

Unfinalizability in Bakhtin’s work means that individuals cannot be fully known, because they are in a constant dialogic relation with others. According to Bakhtin, every person is influenced by others in an inescapably intertwined way, and consequently no voice can be said to be isolated.

Language reflects this as every communicative acts responds to a multiplicity of other communicative acts and as a result all language is dialogic.

As Zappen argues, this dialogized or dialogical language is not only a multiplicity and diversity of voices, a "heteroglossia," but an act of (and an active) listening to each voice from the perspective of the others, a "dialogized heteroglossia." Its purpose is to test our own and others’ ideas and ourselves and thus to determine together what we should think and how we should live.
Hazen, Rhodes and Boje use the concept of polyphony and heteroglossia to explain the importance of hearing the different voices in organizations and not to tell only the grand narrative of the organization.

If we make sure that all the stories are being heard we have to take some things into consideration. Stories are not real life, they are reconstructed representations of experiences and it is impossible to tell a story without putting our own interpretations into it. Stories are always subject to further interpretations either by the storyteller or the reader. At the same time as we use the method of storytelling we as researchers sincerely believe we are doing a research in which we let the people of the organization speak but we must not forget we are the ones who are telling the stories, we are the ones who are choosing what to tell and what not to tell to our readers and when writing the stories down we not only represent meaning but we construct meaning.

Rhodes tries to solve this issue, by seeing the researcher as a "ghost writer". Where the initial role of the researcher is merely to textualise the story. “Research findings” he says “can be represented as they were discovered --stories told in the first person. Following the recounting of these stories, the researcher can textualise his or her own story relating to how the stories were gathered and his or her interpretations of the stories.”

He comes to the conclusion that if we see organizations as multiplicity of stories then it is important to realize that there are also multiple ways of writing about this stories as well as multiple are the effects that these ways of writing can have. He explained this with the concept of heteroglossia.

But what kind of method of writing can we use to show this heteroglossia? Is it sufficient enough as Rhodes does to put two completely different writings on one paper? One an academic text the other a reflexive text on his thinking and writing? I think that what we see here then is the dialogue within himself.

So the question remains in what form should the research be written down, is it possible to give an account of polyphonic organization in an dialogized manner? Is it possible to get out of the loop of perpetuating our own identity as researchers? Is it really possible to understand processes from within as Shotter suggests and thus express the plurality of experiences in organizations?
In the academic world it seems there is only one way of writing especially for a phd. We have to stick to the rules of academic world, that are often time monologic writing. What I am arguing here is that research is like producing a text and polyphonic concept has been used to describe situations in organization where different voices come into play, but often organized by and expressed by a single author in a monologic way. There are a number of authors that have provided polyphonic texts but always from one unifying perspective. I would like to emphasize the unfinalizability, the relational and dialogical aspects but also show how this becomes a paradox for researchers, because of the difficulties of representing this in academic texts.
Chester Barnard, almost 70 years ago, in his classic “The Functions of the Executive” was probably among the first writers to emphasize the importance of persuasion for governing organizations. He insisted that it was to him ‘a matter of common experience that material rewards are ineffective beyond the subsistence level except to a very limited proportion of men”; and that ‘both present experience and past history that many of the most effective and powerful organizations are built up on incentives in which the materialistic elements, above mere subsistence, are either relatively lacking or absolutely absent.”. He cited as examples the military, political and religious organizations.

A crucial element in management is uncertainty. Uncertainty moves business decision-making away from the area of certainty into an area of probability. When uncertain and unpredictable situations exist, audiences are normally unsure and somewhat under motivated. As a consequence, logical arguments alone are usually not enough to convince people, unless there is a clear factual basis to the argument. The Cartesian approach based on rationality alone will be insufficient. Something else is needed, as ultimately the successful communication of a message can only be measured by the audience’s acceptance or rejection of it.

Aristotle distinguished three modes of persuasion: “the first depends on the personal character of the speaker (ethos), the second on putting the audience into a fit state of mind (pathos); the third on the proof or the apparent proof provided by the words of the speech itself (logos)”. Therefore, the authority of a particular argument is closely related to how we evaluate the writer or the speaker. If we think the author’s character and expertise to be worthy of confidence, the argument will be considered authoritative. However in the area of management literature, if the third proof, logos, is not reasonably established, then credibility alone may not be sufficient to get our decisions accepted in an uncertain environment.
In this paper, we attempt to develop the above arguments, putting together classical management theory and the Aristotelian analysis of persuasion. We try to show that the principal means of appeal in management decision making would be a mixture of logos and ethos. With the uncertainty in business decision-making, ethos has a major role to play in our audience’s reaction. In many ways, credibility becomes the most important of the three proofs. It is this way because Aristotle knew very well how easy it is to abuse the process and that persuasion can become propaganda.

Thus, ethos has to be based on facts. The credibility has to be based on trust, which has to be established more on the basis of the leader’s actions (his/her past track-record) than in the (possibly empty) words. An the leader’s actions have to have as a basis a good sense of mission, both looking inwards (to the workers) and outwards (customers).
Corporate Social Responsibility Definitions:  
the influences behind the actions

Itziar Castelló Molina,
Universitat Ramon Llull - ESADE
Member of Research Group GRACO
itziar.castello@alumni.esade.edu

Josep Maria Lozano,
Universitat Ramon Llull - ESADE
josepm.lozano@esade.edu

ABSTRACT

Business today is at the heart of the public debate about the impact of their practices in society and the environment. Behind this debate there are hundreds of people working on developing the Corporate Social Responsibility (CSR) agenda: defining CSR, developing accountability mechanisms, publishing reports and ratings. Some may argue that CSR is a fashion, a marketing strategy. Others may say that is a movement trying to provide some kind of answers from the corporate world to some of the big problems of today’s globalized world. With time, the CSR term has been defined and used in a number of very different ways and with different meanings. Each actor in the CSR movement claims the universality of their definition aiming to provide to the term and the initiative of CSR a meaning that matches their interests.

Although some actors say that the problem lays on the difficulties of translating words into actions, corporations, practitioners and people in the street claims for definitions, words, terms that help them to understand, classify and judge the CSR initiatives. The way corporations, institutions and civil society defines and uses CSR should reflect their implicit intentionality and consequent action (Searle 1995). They way corporations,
institutions and civil society understands and defines CSR may typify our knowledge. In Schutz words, it will constitute the believes that are considered valid for the group (Schutz 1953).

Aristotle once said that rhetoric is the art of persuasion by words. Aristotelian rhetoric emphasised the importance of the combination of authority and feelings in the communicative acts (Aristotle 1991). This paper focuses on what we may call “the rhetoric of CSR” and analysis the means of persuasion of some key CSR actors using the definitions of CSR. Is there any dominant rhetoric in the definitions used by different corporations when referring to their CSR strategies? Where do they come from? The paper also analyses the process of influence and power dynamics that the different actors in the CSR field have develop to introduce their constructs in the corporate language.

Corporations are starting to be classified by their ability to report. In the analysis of the top 12 world wide companies recognized by their rhetoric strategy in CSR it can be designed the pattern of the evolution of the CSR field. The higher they are in the list the more key words they use. The influence of these key words is also traceable. The United Nations (UN) “sustainability” term appears in almost all the cases, the same could be said for the influence of the “materiality” term popularized by both think-tanks AccountAbility and Global Reporting Initiative. The Global Agenda is also becoming the new big issue in corporate rhetoric lead by the UN Development Goals.

The influence of the corporation rhetoric has a clear political influence; however some key think tanks are managing to get through some important words that start to shape the field. Why does this matter? If what we say is what we are and what we do, the following questions should be how think tanks and traditionally voiceless stakeholders can influence the rhetoric strategy of the corporations? What are the most effective strategies, communication channels and means of persuasion? These are still open questions that should be solved in following papers.
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