

Employee Coping Strategies in an Uncertain Work Environment

Keith Eales

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Keith Eales

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Abstract

This qualitative research investigated, on a longitudinal basis, two issues with regard to a small family business owned and managed by a husband and wife. Firstly, it considered why non-family employees sought to remain with the company despite breach of their psychological contracts following a dispute with the family members and the significantly hostile work environment that ensued. Secondly, it investigated the coping strategies adopted by employees to make the work environment more tolerable to them.

Undertaken from an insider perspective, and using semi-structured interviews and participant observation to collect data, overlaying the study are insights and reflections on the challenges and difficulties faced by a manager researcher in undertaking research into sensitive issues within their own workplace.

The research has made a contribution to under researched areas within the family business literature. Specifically, it has identified new factors which moderate perceptions of breach and violation of the psychological contract and encourage staff to remain with the company. These are, firstly, the way that work is organised, offering scope for individual responsibility to relatively junior members of staff and for the expression of individual identity and, secondly, the development of group unity.

The research also found that staff have adopted a number of coping strategies, such as talk, unity and managing work practices and their time commitment, to deal with the hostility towards them in the workplace. The motivation of employees behind these strategies has been identified as being to survive, to exercise a degree of control over their work environment and their contribution to it and to assert a degree of identity.

Finally, the research has contributed to personal and professional practice through identifying the vulnerability of employees in small and family businesses in the absence of developed HR policies and procedures.

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Finally, my warmest thanks must go to my supervisors, Dr Julia Kiely and Dr Paul Freedman. Undertaking research as an insider is not the easiest of tasks and the reader will appreciate some of the challenges and strains produced by this study. Their encouragement, support and advice over the last three years has been particularly valuable and appreciated.

CHAPTER ONE

A RESEARCH OVERVIEW

Introduction

The purpose of this first chapter is to set the scene for my thesis and to give an overview of the research I have carried out over the last three years.

In some senses it seems strange writing the introductory chapter at the end of my research when my approach throughout has been to capture the evolving nature of my work by writing sections as I have gone along. However, it has become increasingly clear to me that the reader will benefit from an overview of my research at the outset. The longitudinal nature of my work, the incremental approach to identifying and addressing research issues, the use of cycles of research to address these issues and my evolving understanding of events reinforce the need for an overview at the outset.

The purpose of this first chapter is to provide this overview. I will set out my perceptions on the company I joined in June 2000, my initial thoughts on what seemed to be an unrecognised goal divergence and the reasons for which formed the basis of my first cycle of research. It sets out my growing realisation of the nature of the conflict within the company and my decision to undertake research into employee coping strategies and the psychological contract to bring a degree of understanding to the dynamics, principally from the perceptions of staff, within the company.

In writing this first chapter I have tried to convey my own personal feelings and reflections on the events that I was part of. My three years with the company were quite unlike anything else I have experienced within the workplace. I have tried to convey the impact of these events on me as an individual and manager, and my own sense of frustration and, indeed, inadequacies at times in not recognising or being able to respond to unfolding events in a manner which I would have liked.

I should explain, at this stage, the cyclical approach to my research. My work has been carried out over three cycles of research. Each cycle, lasting about a year, was based on a research issue to be addressed, a review of the literature relevant to the issue, an explanation of the methodological approach to the collection of data and the specific approaches adopted and a discussion of the themes emerging from the research. The final two chapters draw together these cycles and represent a discussion of the main findings of my research and my reflections on the impact of the research experience on me as an individual. In presenting the cycles of research I have used the present tense. To me, this conveys to the reader a clearer sense of my decision making at the time and of my evolving perceptions and understandings as the research progressed.

Initially, I will discuss briefly the company I joined in June 2000, what seemed to me to be an intriguing issue of goal divergence, which formed the basis of my first cycle of research and the growing awareness that some of the tensions I was sensing and witnessing might be attributable to deeper issues. This initial section will provide the reader with an understanding of the research context and the researcher (Stake, 1995) and establish my credentials within the work setting for carrying out this study (Richardson, 2000).

The Company

My research is based within an organisation in which I was employed between June 2000 and May 2003.

Founded in 1975 by the present Chief Executive, the company has two core areas of activity; educational work and consultancy. Most of this work takes place outside the UK.

The company designs and develops educational programmes of study for use by universities, business schools, colleges and other education and training providers. Its principal markets are in Asia and sub-Saharan Africa. The company is also an international examinations board offering over 100 programmes and individual courses of

study. The company also certifies programmes of study developed by education providers within its markets. The company does not undertake direct tuition of students. Students (numbering approximately 100,000 at the time of my research) are required to attend an approved teaching centre.

The second principal area of work is consultancy. Company staff and advisors provide consulting and advisory services to organisations such as the World Bank and the EU, and to national governments and institutions.

The organisation is a registered charity and the pursuit of charitable objectives forms part of the core philosophy of the company. This is manifested in a variety of ways, such as providing free books to students and colleges, scholarships to students to study abroad, and financial support to heritage, conservation and tourism-related projects.

At the start of my research, the company had 10 staff based in the UK and regional co-ordinators in each of its two main markets. The company also had a network of independent consultants on which it and its customers could draw.

When I joined the company in June 2000, the company was facing unprecedented pressure arising from a variety of sources, and this was a key factor in my appointment. The demand for programmes was growing in virtually all of its markets. Whilst at any one time some markets will be in decline primarily as a result of internal difficulties, (for example Zimbabwe, the company's second largest market) in general terms, the trend was one of considerable growth in demand for the company's existing product range in its current markets. After almost two decades of slow growth the company had experienced a 40% year on year increase in turnover in each of the last two years. This growth could be traced to a number of core strengths.

The company had developed extensive and deep knowledge of its markets from, in the majority of cases, a 20-year or more involvement. The Chief Executive had developed an extensive network of contacts over this period of time. The longevity of the company's

operations within its markets helped establish a very strong brand name for practical, relevant qualifications. Alongside this, the company takes a long-term approach to investing in and obtaining a return from each of its markets. The philosophy is to establish the company's product range within a country over a period of 5 or more years rather than seeking to maximise profits from the outset.

The company's pricing policy complements this. The policy is to set low fees and to earn a return on the large volume of students that it has rather than from charging higher fees to each student. This facilitates access to the low-income countries of sub-Saharan Africa which form the bulk of the companies' business. The philosophy of being prepared to wait for a return from a market, and its pricing policy, is particularly suited to these markets (and has deterred competitors in the past).

Prior to my joining the company, there had recently been an expansion in the volume of non-educational work. This was for two main reasons.

Firstly, the Chief Executive considered that it was unlikely that the company could continue to grow at the present rate from its educational activities (which accounted for 95% of its income). Increased competition was considered likely from, for example, UK universities developing programmes in the companies' main markets. As a result consideration was being given to diversifying the activities of the company to seek income streams outside of its educational activities. Two main areas were being given particular attention- the development of tourism consultancy work and the promotion of heritage events and attractions and becoming involved in the design, development and accreditation of training programmes for the small business sector.

Secondly, there had recently been a significant increase in the charitable, social and economic development activities of the company. The additional revenue from the growth of the business has given the Chief Executive the opportunity to increase significantly the resources devoted to these activities. As well as his personal

commitment to this objective, he considered this to be an effective means of building recognition for the company within its markets.

The Perceptions of a New Recruit

On joining the company my initial impressions were of an organisation facing a period of change. The relative stability of the last decade had been replaced by very significant, and somewhat unplanned, growth in the last three years, which the company was now trying to absorb and build upon.

The Chief Executive seemed to have an evolving vision for the company. This involved utilising the financial resources now being generated to fund activities that built on but developed the company away from its traditional educational role. Alongside this, he wished to strengthen the internal operating arrangements within the company. My new position had a significant role in supporting this vision.

Prior to joining, the Chief Executive had discussed with me these various pressures and the opportunities he considered were now available to the company. He referred to the 'buzz' within the company and to the fact that the whole family, as he described the staff, were excited by what the company could now achieve.

However, during my early months with the company I was struck by how little awareness or even interest there was on the part of the staff in the evolving ambitions of the Chief Executive. They demonstrated little interest in the work being undertaken to develop the role of the company and seemed to resent the time spent on these activities. I gained the distinct impression of a growing separation between the Chief Executive and the employees.

Whilst this might not be an unusual situation within organisations, what surprised, intrigued and concerned me was how at odds this seemed to me to be with the Chief Executive's perception. This also seemed strange in such a small organisation, which the

Chief Executive emphasised was more akin to a close knit family than an international business.

It was not readily apparent to me why there was this apparent divergence in goals. The company was trading successfully, the employees had been with the company for many years, from my induction briefings the Chief Executive emphasised that he valued his employees, saw the company as an extension of his family and treated staff well, and he seemed to have ambitions to grow the company and to increase the rewards for staff. And yet there seemed to be little interest on the part of staff in the strategy being developed by the Chief Executive to achieve this. The initiatives being pursued seemed to be considered irrelevant by the staff to the work of the company and the time spent working on them wasted. As I thought about this it became equally clear to me that the Chief Executive seemed either unaware or unconcerned that staff had this attitude. I sensed a distance between the Chief Executive and the staff.

To a new manager this seemed to be an issue that should be of concern to the Chief Executive. It seemed to me that this could only make the achievement of the vision and the strengthening of internal management arrangements more difficult to achieve. And yet it did not seem to be a concern. I was interested in exploring how this situation had come about and to trace the roots of the goal divergence. I felt that this would be of benefit to the company as it faced a situation where there was a lessening in the commitment on the part of the employees to the organisation at a time when the Chief Executive was embarking on a growth and development strategy. And it clearly impacted on my work and the reasons for which I had been brought into the company.

At the outset, I also felt that the research might be of wider interest particularly with regard to the expansion in social and charitable activities. The research might provide an insight into the possible implications for a small business of the owner using the organisation to pursue objectives of this nature. It might also provide an insight into how companies can maintain or rebuild employee support for non-profit making activities.

This, then formed the basis of my first cycle of research-an issue, as I saw it, of goal divergence, and one on which I felt I could make a difference through personal interventions within the company.

The First Cycle of Research: October 2000-August 2001

My early thoughts were based around the idea that the very success of the company might be at the root of the apparent goal divergence. The rapid growth could be generating tensions and pressures that were proving difficult to manage and problems of the nature I was seeing might be characteristic of growing businesses. The literature on business growth was my first port of call.

There seemed to be a rich, if a little dated, literature. This encompassed a number of strands which, at first sight, appeared as though they might be of value to my work.

Firstly, a number of authors have written about organisational growth in terms of it being akin to biological evolution. The literature suggested that businesses passed through various stages of evolution (or growth stages), progressively increasing in age, size and complexity. Authors draw out a range of managerial and administrative problems that arise as organisations pass through these stages.

However, this literature left me feeling a little cold. It did not seem to me at the time as offering the explanatory depth that I was looking for. In part, I saw this as a reflection of certain limitations in this body of literature. In particular the models presented a picture of organisational growth being clinical and sequential nature in nature as organisations tackle the problems that emerge and continue their progression through the life cycle. The models also generally failed to give an insight into why problems might arise as a consequence of growth other than that the organisation is a larger entity to manage.

It also seemed to me that the company did not fit with the picture presented of an organisation moving through cycles of growth, facing problems attributable to its

growing size and complexity. As I settled into my new role I could not see the business struggling to cope with administrative or traditional management problems. I registered this as an issue to pursue through the interviews. I began to feel that the source of the goal divergence must lie elsewhere.

Alongside this was my dawning realisation of just how powerful the Chief Executive, and to a lesser extent his wife, the Director of Administration, were in dictating events within the company. Every decision had to be made or endorsed by the Chief Executive, even when it was clearly not necessary for him to be involved. His influence was pervasive throughout all aspects of the company. It became increasingly clear to me that I would not be able to understand, or intervene in the dynamics within the company without developing my understanding of the role of the entrepreneur in the context of business growth. The life cycle approach to organisational growth and its consequences did not, from my reading, address the human aspects of organisational growth and could not offer the insights that I was looking for. I broadened my reading to look at the motivations of the entrepreneur.

This body of the literature gave me a much clearer insight into the impact of entrepreneurial goals and motivations on an organisation, drawing in a human aspect to business growth and its consequences. The literature offered an interesting perspective on business growth. It challenged the traditional picture of an entrepreneur being driven by the need to achieve business growth by drawing in other motivators, such as freedom and independence. It conveyed to me the possibility of a scenario in which an all powerful entrepreneur might be setting business objectives that might not be in accord with the wishes of staff. However, the problem I faced was that the Chief Executive had made clear his wish for the company to grow and this, he had explained, was the view of all the employees, or 'the family' as he described them. I began to wonder if it was the staff who did not want the company to continue growing. I identified this as a theme to explore in the data collection.

The literature on entrepreneurial motivations was helpful in drawing out the influence of the entrepreneur in determining the direction and operation of the business. I was beginning to see that this would be critical in understanding the situation within the company. However, this literature seemed to assume a degree of rationality on the part of the entrepreneur. I began to wonder why I should assume that actions and motivations were based on rational decision making and, indeed, whether I should accept at face value what I was being told by the Chief Executive in terms of his goals, the support of staff and the strength of the family spirit within the organisation.

Looking back, I find it hard to pinpoint what led to these thoughts. I was, however, beginning to detect an 'edge' to the dynamics within the company. The Chief Executive and his wife seemed to have a very authoritarian, uncompromising and patronising attitude towards staff. In my first few months with the company I was quite surprised by some of their comments about staff and their attitude to relationships with their employees. I cannot claim to have identified at this stage the true nature of the problems within the company or the characteristics of the Chief Executive and his wife's approach to management (although with hindsight I wonder why). I did, however, find myself being drawn to the literature on the psychological aspects of leadership.

One strand in this literature-personality traits- strengthened my views on the significance of the entrepreneurial motivations and character within an organisation. However, it was to much deeper issues that I found myself being attracted.

I began reading literature on the darker side of leadership. For the first time I came across literature that suggested that entrepreneurial actions might not be based on rational actions at all. I could not say at that stage that I had identified just how relevant this body of literature would be. However, perhaps based on the 'edge' I referred to above, and to complete my framework of understanding built from the literature, I felt it important to consider the darker psychological influences on leadership.

For me this literature seemed to capture how the individual personality needs and style of the entrepreneur, which sets the tone for the organisation, may not be entirely rational or constructive. The literature on frameworks of personality styles and their associated dysfunctions might have some explanatory weight in an organisation so dominated by one individual. I began to wonder whether the goal divergence that had first interested might be attributable to a much deeper issue of an individual pathology in terms of how the Chief Executive ran the organisation and related to his staff. This might carry more explanatory weight for the situation I saw in the company, rather than a lack of interest amongst employees about what the company was trying to achieve. This was a theme that I decided to pursue, albeit carefully, through my data collection.

I decided that the issues I wanted to explore during my data collection would best be pursued using a qualitative methodology. I was seeking to uncover the perceptions of staff and this approach would best support these objectives. I collected the data through semi structured interviews.

It was at this stage that events transpired which would affect the whole focus and nature of my research.

Firstly, the interviews provided me with some very forthright views from staff which showed simmering frustration and even hostility towards the Chief Executive and his wife. A number of comments and observations made by the Chief Executive were equally forthright and surprising.

Secondly, shortly after completing the interviews a major dispute arose between the Chief Executive and his wife on the one hand and the administrative staff (i.e. excluding the IT Manager, Regional Coordinators and me) within the company on the other. The basis of the dispute was about overall pay levels and relative pay between staff. How this dispute was handled and the actions of the participants led me to change the focus of my research. I have discussed this event and its consequences in greater detail in chapter four. However, what the interviews, the handling of the dispute and subsequent

comments of the Chief Executive and his wife confirmed to me was that more deeply rooted organisational dynamics issues were behind what had first impacted on me as goal divergence within the company.

My research found that there was a divergence over goals within the organisation. However, whilst some tensions might be attributable to the growth process, for example, problems with internal communication and strains associated with the volume of work, these could offer no more than a superficial explanation for the comments that were made to me during the interviews, views expressed to me by the Chief Executive and the 'edge' that was apparent in the internal dynamics of the company.

From the perspective of the staff, I found a degree of irritation about how the Chief Executive was using the company to pursue personal objectives, that did not appear to them to be relevant to the company and which they found it difficult to relate to. This irritation broadened into a sense of frustration at a variety of different levels-the failure of the Chief Executive to back staff, inconsistency in decision making, the Chief Executive's personal style and how staff perceived their treatment by him.

It should have been apparent to me at the time that the depth of feeling and resentment that I was drawing out in my research would eventually find an outlet. Looking back, I should have seen that the volcano of emotions arising from the combination of an increasingly frustrated and unhappy workforce and a Chief Executive, who was dismissive of their views and contribution to the company, would at some stage erupt. I still wonder, as I write this over two years after the event, whether if I had intervened at this stage many of the events that my research draws out, could have been avoided.

Logic says probably not. As I draw out in chapter four, the analogy to me seemed to be one of a developing family. The staff were growing in terms of their personal and organisational ambitions and expectations as the company matured, and were becoming increasingly frustrated by a Chief Executive who was unwilling to let them contribute more. My analogy sees him as viewing the staff as immature children who were not

sufficiently developed to be treated as adults. I should not have been surprised by the outbreak of hostilities over pay (or a rebellion by the children as I have termed it).

What I still find astonishing was the nature and depth of the reaction to this dispute. The hurt 'parents' reacted in a way that seemed to be intended to punish their wayward children. What this confirmed to me though was the extent to which the Chief Executive was portraying the characteristics of a dysfunctional leader.

It was at this stage that I began to find myself being a little troubled by my research.

Firstly, I began to feel very uncomfortable about the increasingly difficult ethical position my research was putting me in. My reading and reflection began taking me into areas that seemed to be increasingly relevant for my research but which were unlikely to be considered appropriate by my employer, who was funding me to undertake the doctorate.

My ethical dilemmas were compounded when, as a result of the dispute referred to above, I was given managerial responsibility for the UK based staff. The Chief Executive and his wife embarked on a strategy aimed at making the office environment so uncomfortable for the staff that they would leave. The expectation was that I would put into practice many of the measures designed to achieve this.

I recall at the time feeling split emotions- satisfaction at being able to gather valuable research material from the dispute, yet at the same time being expected to implement measures that have made me feel distinctly uncomfortable. I found myself increasingly serving two masters-my research and my employer.

My second broad area of concern related to my wish to intervene within the organisation as a result of my research. At the outset of my work I had lofty ambitions to intervene within the company at the end of the first cycle to close the goal divergence that I initially saw as being the 'problem' within the organisation. As it turned out, this was not the problem but why change my plans to intervene? In theory, my new role in managing the

company on a day to day basis might even have made the interventions easier to achieve. Indeed, it is a powerful argument to suggest that managerially I should have been taking action to address some of the problems that were emerging, perhaps in terms of bringing to the attention of the Chief Executive the basis of the problems as I saw them or perhaps trying to prevent some of the worst excesses of his behaviour and that of his wife. I did not intervene, and to this day I have never doubted the wisdom of this decision.

I could perhaps hide behind the confidential nature of the material that I had collected. I could argue that if the Chief Executive had any hint of the nature of the material I had collected he would insist on seeing the interview transcripts. I could argue that in terms of obtaining the trust of staff it was important for me not to do anything that might lead to further action against them. I could try and make a case for suggesting that my non-intervention was based on a wish to let things settle down after the conflict to see how best to intervene.

I recognise though that to suggest my action, or inaction, was based on any of these motivations would be hiding the truth. The events of the first cycle had left me stunned. I was amazed by the dismissive attitude the Chief Executive and his wife had towards staff, their willingness to get rid of people without justification and the callous nature of their management style. In truth, I was concerned for my own job security. I had a strong sense of wanting to keep the lowest profile possible and to be seen as an ally by the Chief Executive. Anything less than this could well have been terminal for my career with the company. I felt at the time that any interventions I made would need to be very carefully planned and timed to minimise any risk to me. At the end of the first cycle the ways in which I could intervene were unclear to me, and the time was certainly not right.

I was, however, not ruling out the possibility of intervention. I was, perhaps somewhat naively when viewed with the benefit of hindsight, hoping to intervene within the company to improve the situation in some way. When put to the test I wonder today whether I would have acted. Would my concern for self-preservation have held me back? However, at the time I felt that if I was to intervene, I had to deepen my understanding of

the conflictual situation embracing the company and the actions of individuals within the organisation.

As the first stage in this, I had begun to become interested in what life must be like for an employee in this situation. There were two reasons for this. Firstly, the working environment when I finished the first cycle in the summer of 2001 was very hostile and unpleasant. I was finding it to be a very difficult place in which to work. I was intrigued how the staff, who were on the receiving end of some very unpleasant treatment, were coping within this environment. Secondly, my first cycle of research had taken a top down perspective on the dynamics within the organisation. I concluded that depth would be added to my understanding by building a bottom up perspective of the company, through looking at the coping strategies adopted by staff in a hostile work environment.

The Second Cycle of Research: October 2001-July 2002

I began the second cycle of research wondering whether the events that I was seeing within the organisation were typical of how conflict was handled in family businesses. The depth and nature of hostility to the employees within the company, and the somewhat patronising attitude towards staff seemed unusual to someone who had spent their career working in large local authorities. Writing now, I wonder how I could have thought that the company was typical of any business. I did, however, wonder whether the features of a family business resulted in deeper, more emotional responses to conflict.

I began by reviewing the literature on conflict in family businesses to draw out previous work on coping strategies. Unfortunately, the literature proved to be of little help. I was struck by how little research there seemed to be on family businesses in general, let alone conflict in these organisations. Research into the perspective of employees caught up in conflict with the family seemed almost non-existent. I recognised that whilst this might present problems in placing my research within the context of previous work, it presented opportunities for new insights and learning.

My review of the previous work was at times frustrating. I found a number of potentially useful strands to pursue within the family business literature, but they seemed to take me nowhere. Whilst I was quickly able to move beyond the traditional view of family businesses being harmonious working environments, it was proving difficult to find previous research on family-employee conflict and the coping strategies adopted by the latter.

A picture began to emerge from the literature of conflict being a significant characteristic within family businesses. The literature discussed the evolution of the family and business through developmental life cycles and how the tensions arising from this were triggered, in particular, by the process of succession. Problems arising from the motives and actions of the entrepreneur, generational conflict, an entrepreneur's unwillingness to give up power and sibling rivalry led me to conclude that family businesses are much more of a hotbed of tensions, conflicting interests and conflict than the traditional image would have us believe.

However, the literature did not address conflict of the nature that had sparked my research interest. I concluded that the overwhelming focus of the literature on conflict in family businesses was on the perspective of the family and on succession. Very little attention had been given to the perspective of non-family employees on conflict within family businesses, disputes with the family or the coping strategies that employees might adopt. To help answer my research question, I turned to the broader literature to broaden my understanding.

I found my review of the broader literature to be much more fruitful in terms of identifying research into coping strategies that might have relevance within the context of the company. Activities such as making out, fiddling, sabotage, humour and the concept of escape have featured extensively in the broader literature and could all be applicable to the situation within the organisation. As such, I found these concepts to be useful in providing a footing for my own research.

However, even in the broader literature, I was left with some concerns about the applicability of the themes identified to my work. In particular, I was left with the sense that they did not adequately reflect the particular power relationship that characterised my research, where family control was total and power exercised in an authoritarian way. I was not sure of the extent to which the coping strategies within the broader literature were applicable in an environment characterised by this more extreme form of power relationship and the associated risks.

I was also left with the impression that the literature in many ways suggested that coping strategies represented some form of deviant behaviour, exhibited through the terminology used by authors (such as antisocial behaviour and organisational misbehaviour). This seemed too simplistic an analysis. To me, coping strategies could be based on more complex motivations, and this seemed to be the case in the company where the actions of staff were more likely to be about surviving than seeking revenge of 'getting one over' on the family.

Looking back, the analysis of the literature on coping strategies was the easy part of my task. I had to confront an even bigger challenge in collecting data.

I was clear in my mind that a qualitative approach was more likely to provide me with the depth and richness of data needed to address my research interest. However, selecting methods for collecting the data would be difficult to say the least. The atmosphere in the office was very difficult- hostility on the part of the family and obvious concern and unease on the part of staff. Overlaying this was the fact that I now had day to day management responsibility for the staff within the organisation and I was in little doubt that they saw me as the eyes and ears of the Chief Executive in the office.

To overcome this I decided to use an approach which still leaves me feeling uncomfortable to this day. I decided to undertake an ethnographic study using covert participant observation to collect data.

I had been attracted to participant observation and ethnography in my early reading. As an approach, ethnography lent itself to drawing events, actions and encounters into more meaningful contexts. This was at the heart of my research. As an approach, it sat comfortably with my social constructivist inclination. And from a practical perspective, it afforded the possibility of gathering data covertly, overcoming the problems presented by the environment within the company.

Thus, over a period of nine months I watched staff and made notes on actions and events at staff meetings, interactions between staff, behaviour in the office, conversations with individuals and how staff went about their work.

This approach left me feeling troubled at the time, and still does even at this late stage of my work. My concerns seemed to be at two levels-in terms of the literature on ethics, and how I felt as an individual in the workplace.

The methodological literature is infused with terms such as informed consent, protecting privacy and the avoidance of harm and exploitation. My research seemed to cut across these concepts. I tried to build an academic case to satisfy myself that my approach was justifiable, based on a practical consequentialist perspective and drawing on the ethic of proportionate reason in observational research. I set this case out in some detail in chapter seven. However, in my own mind I was unable to convince myself that an academic argument could be built to justify covert participant observation on ethical grounds. My argument thus became a very practical one. Circumstances dictated that no other method was appropriate for gathering data. To me, the central issue became one of the potential risks to participants. The risk to staff was minimal, with my research remaining confidential to me, my supervisors and examiners. Against this I felt that my work would benefit me in terms of my day to day management of the company and might be able to stabilise the working arrangements (reflecting a hope that I still held at the time that I would still be able to intervene in the company drawing on my research). The benefits of my work would thus outweigh the potential harm.

Having adopted the approach set out above, the results of my ethnographic study were fascinating, giving me a depth of insight that I would not have come close to achieving solely through managing the company on a day to day basis.

As chapter eight explains, outbreaks of rage and hostility on the part of the family and directed towards employees, were a regular occurrence in the daily activities of the company. And yet, despite the risks, I found that staff were acting in various ways to exercise some control over the workplace and their contribution to it. My research drew out themes-managing the workspace, safety in numbers and escape- to describe what I saw as attempts by staff to exercise some control over the workplace and their contribution to it. Circumstances dictated that the efforts to exert control were limited. However, I was left in little doubt that attempts were being made.

In the theme of managing the workspace I was able to identify routines such as the lunchtime ritual, procedural flexibility and passive resistance, which I saw as attempts by staff to establish some control over the workplace. They seemed to be working to create opportunities in which they could make decisions and create a sense of identity and control over the job.

Safety in numbers was an equally apparent as a theme. Mutual support was offered, creating a sense of togetherness in the face of external pressures from the family, underpinned by talk.

And escape seemed to feature highly in the actions of some individuals. At the extreme end of the organisation this involved quite spectacular cases of self-destruction. More subtly, I began to identify instances of staff seemingly disengaging from the workplace, perhaps creating a subconscious space between themselves and the office.

I comment above that staff were adopting these strategies despite the risks. However, I have been unable to clarify in my own mind the extent to which staff consciously adopted these strategies as positive attempts to exercise some control in all cases. I wonder to

what extent these actions might have been reactions to the position that staff were in, of needing to act in certain ways or to bond together, perhaps subconsciously, to cope with the external pressure being placed on them. Perhaps this lack of clarity in my mind reflects my own personal view that I would and did find it difficult to contemplate taking action which might offend or upset the family for fear of the consequences. Because I am aware of the likely consequences, I find it hard to see how staff could not have a similar degree of awareness and thus to take actions that consciously put themselves at risk. This would have been a fascinating theme to explore during interviews. Regrettably, for the reasons explained above, it was not possible to carry out interviews at the time.

I found my research over this cycle, and my role within the company, to be particularly difficult. When I look back, I see even more clearly now how managerially, I was becoming increasingly frustrated and concerned and how it was at this time that I decided what my own personal coping strategy would be. I found the irrational actions of the family, the role that I was expected to play and the little likelihood, as I saw it, of there being a change in any of these factors to be very draining. My research and the extent that it involved a deeper level of reflection on events only added to this. And I still recall the sense of using my colleagues in some way for my own ends. I recognise now that it was at this time that, as the cycle drew to a close, the combination of these factors along with the limited prospect of me being able to intervene to bring about change within the organisation, led to a decision about my own coping strategy. It was at this stage that I decided to tolerate and survive the environment until I could escape.

It was this decision which sparked the final research theme that I wished to pursue to complete my understanding of the dynamics within the company. Few staff voluntarily leave the company. Yet, probably on the basis of my own personal decision making, I could not see why this was the case. It seemed to be the logical decision, yet few staff made this choice or showed any signs of job hunting. I felt that I needed to explore in more depth why staff remained if I was to have a fuller understanding of the dynamics within the organisation.

I also felt that this would add a third dimension to my analysis of the organisation. My first cycle of research had taken a top down perspective, focusing on organisational goals. My second cycle had taken more of a bottom up perspective, looking at the actions of employees, both individually and collectively. I felt that a fuller explanation would be offered by an approach that linked these two perspectives. I decided to explore employee motivations to stay with the company through the framework of the psychological contract.

The Third Cycle of Research: October 2002- July 2003

My selection of the psychological contract as the framework for analysing this intriguing question was based on the belief that it was an important determinant of individual behaviour and attitudes of employees, that it could help to specify the dynamics of the employment relationship, and that it could thus assist in explaining the intention to stay or leave.

My early reading of the literature reinforced this belief. However, it also made me aware of its limitations. The literature highlighted concerns about the lack of analytic rigour of the psychological contract, its diffuse nature and concerns about it being theoretically underdeveloped. I sought to overcome these potential difficulties by adopting a working definition for my research, drawing out the building blocks of the contract and my perceptions on the key constructs of the contract.

In reviewing the literature on contracts I examined in some depth breach and violation of the psychological contract. I saw this as being at the heart of my research issue.

The literature seemed to suggest that breach and violation of the psychological contract would lead to a significant and emotional response through a combination of unmet expectations and anger and outrage based on feelings of betrayal. However, in the context of my research it was interesting to note in the literature that these feelings and responses might be moderated through situational constraints, such as the employees assessment of

how well they have fulfilled their obligations, the nature of the exchange relationship, employee vigilance, justification for the violation, availability of alternative employment and perceptions of justice and equity.

However, whilst my review of the literature had given me a broader picture of the reasons for leaving and staying with an organisation following breach and violation of the contract, I wondered whether it could fully explain the events I was witnessing in the company. I was left with the view that it seemed to be deficient in addressing group motivations. Similarly, a sense of rationality seemed to pervade the actions of employees in the literature. Rationality in decision making and actions was not a characteristic of the organisation. It seemed to me, therefore, that my work could make a contribution to the previous research on the psychological contract in these areas as well as in terms of its functioning within a family business.

I was delighted to be able to collect data through semi-structured interviews. My experience of data collection within the second cycle had developed a strong wish on my part to interact with staff. I had delayed approaching staff in the third cycle until I felt that the time was right. Fortunately circumstances helped in this. Part way into the cycle I was offered and had accepted a job and had handed in my resignation. I handed over day to day running of the company to the Director of Administration and concentrated solely on completing a number of projects prior to leaving. I believe that my changed role and impending departure were significant in explaining the willingness of staff to be interviewed. I was pleased that this was the case- staff were very forthright in their views and gave me insights into the company that carried considerable frankness and depth.

The interviews left me with the clear view that the family perceived psychological contracts and the employment relationship within the company as being largely relational in nature. This seemed to be at odds with their attitudes, as well as actions towards staff. My interviews, however, left me in little doubt that whatever the nature of contracts, staff showed clear signs of feeling that their psychological contracts had been breached and violated.

Even now I recall the strength of views, the frustration and even, in cases, anger at what was perceived to be breach and violation. Chapter 12 sets out a range of views indicating the extent to which staff felt that they had been let down and even treated unfairly. And yet they still remained with the company and made no obvious signs of seeking alternative employment. The interviews helped to explain why this was the case.

I was struck by the sense of resigned acceptance on the part of the staff to the treatment that they were receiving. I began to develop a sense of the staff having been broken, of their will to resist being undermined and of the hostility in the workplace and the treatment staff were on the receiving end of having become the norm. In a sense, staff had become conditioned to the working environment. I see this now as my colleagues developing a higher threshold to unreasonable or difficult working conditions. This was the reality of life within the company.

The interviews suggested that, in part, this conditioning might have been influenced by the prior employment experience of the staff. Two of the staff had come to the company following the termination of their previous employment. This seemed to make them more willing to accommodate the practices within the organisation. Two other members of staff had been with the company for some years. This suggested to me that the lack of prior employment experience might have in some way made them more tolerant of the practices of the family within the organisation.

This seemed to me to represent a submissive attitude on the part of staff. Interestingly, however, at the same time their response to the environment within the company also seemed to be characterised by a considerable degree of resilience.

Staff seemed to be willing to tolerate the treatment they were receiving in the belief that it was only a short term experience. It could be argued that this was a sign of weakness- perhaps a refusal to confront reality, to avoid having to take a stance on the actions of the family and to hide behind the view that it was just a case of waiting for things to get

better. My interviews left me, however, with a sense of staff genuinely believing that things would get better. Perhaps this was a wish, rather than a belief. However, I find myself wondering if I would have held the same view if I had not been undertaking this research. This work has involved looking at the company as a workplace in some depth over a considerable period of time. This has inevitably given me a depth of view and reflection that other staff had not experienced.

Whilst staff might have been waiting for things to get better, my interviews left me in no doubt that they saw some real positives within the company that were encouraging them to stay whilst they saw out the turmoil.

In part, there was a strong sense of unity on the part of staff, which not only weakened the impact of criticism by the family but also gave an outlet for some of the strains and pressures felt by the staff. This was interesting in that part of my analysis within the second cycle or research involved a perception that the workforce was splitting into two- an 'in' group who had the support of the family and an 'out' group who the family distrusted and wanted out of the company. I see now that this was a family imposed distinction that only influenced the actions of staff for a short period of time.

The second positive attraction to the company was the work itself. I saw this as the workplace affording space to the staff. A number of comments were made during the interviews about the degree of responsibility afforded to the staff, principally built around the fact that each had their own countries to look after. The way in which work was organised seemed to offer a degree of responsibility and individuality for staff, something which they had not experienced in their previous employment.

As the above paragraphs show, these interviews left me sensing, at the same time, a mixed bag of emotions on the part of staff. Staff conveyed a sense of disappointment, anger and frustration over clearly perceived breaches in their psychological contracts; a sense of submissiveness and resigned acceptance of their lot; and yet a very positive

sense of unity and attractions in the job which drew commitment on the part of staff to their jobs if not to the company.

I can see a sense in which these views can be stitched together. Staff were angry at the breach and violation of promises made to them. These views were moderated by the treatment that they had received which had developed a sense of resigned acceptance and a belief that this is just the way things are. They believed, or hoped that this was only a short-term phase, and they would draw strength from a sense of unity for the time being. Underpinning this and the view they would tough it out, were positive attractions in the way that their jobs were structured. I cannot say that I shared their view- which hinges solely on the belief that things would get better- but without the benefits of having the depth of view given to me by this research, perhaps I would have shared this outlook.

So where did my use of the psychological contract take me in helping to explain why staff remained with the company?

The third cycle was a fascinating stage of my research. I had become increasingly intrigued as to why staff remained with the company. My work on the psychological contract added to this. The depth of emotions that the literature suggested would flow from breach and violation would, surely, only add to the difficulties staff faced in working for the company. The interviews left me with little doubt that staff perceived these feelings.

However, the psychological contract literature drew out how these feelings might be moderated. It was this idea, that breach and violation could be moderated, that became critical in answering my research question.

My research offered some support for the moderating influences identified by previous authors. However, I was left with the view that the previous literature did not go far enough in explaining what I was seeing within the company. Perhaps this could be explained in part by the fact that it was an extreme case which, as such, presented greater

opportunities for learning. I was certainly left with the sense that much of the previous literature was infused with a sense of rational cognitive processes on the part of individuals. Less attention seems to have been given to employee responses to breach and violation in an environment characterised by psychoanalytic and irrational behavior and the complexity of emotions and actions that result. Or, for that matter, had the literature addressed the implications and consequences of breach and violation of the psychological contract in the particular power relationship that characterises family businesses.

Finally, whilst the literature had drawn out a number of moderating influences to breach and violation of the psychological contract, I saw these as being essentially revolving around the relationship between the employer and employee. My research had drawn out other influences, notably the nature of the work itself and relationships between employees.

My challenge was to draw together this learning over three years of research to assess my contribution to knowledge and practice.

Conclusions

So where has this three years of research taken me as an individual and in terms of contributing to knowledge?

As a longitudinal study it has been a fascinating piece of research, offering a degree of immersion into the dynamics of family businesses that would be difficult to achieve for most researchers. This degree of access has exposed me to a whole range of human emotions and actions. In the process, I have been able to develop a deeper understanding of employee motivations and actions in a conflictual family business. Specifically, I have developed an explanation for why employees decide to remain within the difficult work environment that characterises conflict of this nature and obtained fresh insights into how employees respond both collectively and individually to make the working environment more tolerable.

In terms of making the working environment more tolerable in the face of sustained hostility, I was able, through the level of access offered, to extend understanding of the use of coping strategies in the workplace. Within the company, I was able to demonstrate that the motivations behind coping strategies were three-fold- to survive, to exercise a degree of control and to assert a degree of identity.

To develop the picture of employee responses to conflict, I was then able to show, through the framework of the psychological contract, why staff might wish to remain with the company despite the treatment received and the hostility in the workplace. Through this work, I was able to draw out new moderating influences to breach and violation of the psychological contract, pull factors within the nature of the job and the way responsibilities are organised that encourage individuals to stay with the company.

This chapter, then, gives an overview of my journey of a developing understanding over the course of a longitudinal study into employer-employee dynamics within a family business. This chapter has been necessary to give a framework within which to understand my detailed research, set out in the following chapters. It is to these chapters which I now turn, beginning with my early look into the literature on business growth and my early belief that this could be at the root of diverging views within the company.

CHAPTER TWO

THE FIRST CYCLE OF RESEARCH

THE ENTREPRENEUR AND SMALL BUSINESS GROWTH: A REVIEW OF THE LITERATURE

Introduction

Chapter 1 explained the theme for the first cycle of research- the growing divergence between the goals of the Chief Executive/founding entrepreneur and the staff in a rapidly growing small business. This chapter seeks to give a context to the research and to the methodology and data analysis that follows by identifying some of the key themes relating to the topic in the literature.

I feel that some justification is required for the choice of literature. Authors have recognised that there is no overall model of small business growth that encompasses some of the issues that an expanding small business might have to tackle (Gibb and Davies, 1990). Similarly there seems to be a degree of acceptance that the models developed to explain growth in large firms are not universally applicable and are not appropriate to the small business sector (Churchill and Lewis, 1983, Brytting, 1990, Mitra and Pingali, 1999), not least because of the increased significance of the role of the entrepreneur (Wiklund et al., 1997).

The absence of a comprehensive model to explain the issues and implications of small business growth enables an inter-disciplinary perspective to be taken to tease out the strands relevant to this research.

From my perspective there seem to be two broad explanations of business growth that provide a context to this research; the literature on organisational life cycles and that relating to the entrepreneur and entrepreneurial motivations. I feel that a review of the

work on organisational life cycles and small business growth will help me to assess whether the process that the company is going through, and the management issues being encountered, are consistent with the experiences of similar organisations. However, I also have to recognise the particular significance that the presence of the founding entrepreneur as Chief Executive might have on the company, in terms of his ambitions and his relationship with, and approach to, its staff.

Business Growth as Biological Evolution

There exists a rich tradition in the literature that sees organisational growth almost as a process of biological evolution. There are a plethora of models that view organisations as moving through stages of evolution, progressively increasing in age and size (McGuire, 1963, Christensen and Scott, 1964, Steinmetz, 1969, Greiner, 1972, Churchill and Lewis, 1983). Authors refer to these evolutionary steps as life cycle or growth stages.

There seems little agreement in the models on the number of stages that the growth process involves. For example Kazanjian (1988) sees the process as involving four stages, Greiner (1972) and Churchill and Lewis (1983) see five stages, whilst Flamholtz (1986) proposes a seven-stage model. However, a useful starting point is the synthesis of 10 models by Hanks et al. (1993) in which the authors conclude that organisations evolve through five general stages; start-up, expansion, maturity, diversification and decline.

There is some similarity in the literature on the dimensions used to distinguish between stages. Business size and company maturity (Churchill and Lewis, 1983) or organisation context and structure (Hanks et al., 1993) feature as the key distinguishing dimensions. The latter dimensions are reflected in one of the surprisingly few definitions of a life cycle or growth stage in the literature, “*a unique configuration of variables related to organisation context and structure*” (Hanks et al., 1993; 8).

Businesses might not need to evolve through every stage (Pitt et al., 1991) and there is recognition in some models that organisations can regress between stages (Churchill and

Lewis, 1983). However, the models essentially see business growth as a linear progression through these stages (Orser et al., 2000, Hanks et al., 1993) with increased professionalism and maturation becoming inevitable (Pitt et al., 1991). Failure to progress can result in the company declining (Churchill and Lewis, 1983).

The focus of the current research is on particular problems that may be, in part, emerging as a result of the growth process. The life cycle models draw out some of the problems that may emerge during this process.

Businesses will experience a variety of problems as they grow. These may be specific managerial and functional issues involved in running the business. They may also concern the ability and desire of the entrepreneur to develop with the organisation (O'Gorman and Doran, 1999).

Perhaps the most fundamental view of the problems that may derive from the process of growth is taken by Greiner (1972). Organisational upheaval is seen as a key driver, as well as a consequence of growth. He sees businesses moving through five stages of growth each distinguished by evolution from the prior phase then revolution or crisis that precipitates the jump to the next stage. Each revolutionary phase is characterised by a particular managerial style and each period by a dominant management problem.

Particular strategic and functional problems seem likely to emerge during the organisational life cycle. Some may be dominant at all stages, such as issues of sales, marketing and strategic positioning (Kazanjian, 1988, Tepstra and Olson, 1993). Others may characterise certain stages in the cycle, for example during the growth stage administrative and managerial problems (Kuratko and Hodgetts, 1998) or issues of organisation and management design (Olson, 1987) may arise.

Do the Life Cycle Models Provide an Answer to the Process of growth?

The life cycle models make a contribution to an explanation of the growth process and the organisational problems that might need to be addressed. For example they help to demonstrate that organisations will encounter a range of problems that will require management time to address and which may even halt growth (Kazanjian, 1988, Fombrun and Wally, 1989). They also indicate that the critical skills required by organisations will shift over time as the passage through the life cycle presents managers with new problems to be addressed (Churchill and Lewis, 1983, Eggars et al., 1994) and that the failure of the owner manager to develop with the firm may lead to business failure (Willard et al., 1992).

However, the models have their limitations.

Studies have sought to validate the stage models of corporate development (Dodge et al., 1994, McCann, 1991). However, the mixed findings of these studies has cast doubt on the predictive ability of the models tested (Vyakarnam et al., 1999).

Moreover, the models seem to present a very clinical view of organisational growth and development. Organisational growth is presented as a sequential process. Problems emerge but organisations respond to their emergence and resume their progression through the life cycle.

Research suggests that the growth process is neither orderly nor sequential, with organisations passing in an orderly manner through a series of stages (Vyakarnam et al., 1999). Rather, it seems to be characterised by idiosyncratic patterns of change in which periods of organisational momentum are punctuated by quantum leaps in organisational form (Miller and Friesen, 1984) with growth occurring in surges as multiple contingencies pull organisations in often contradictory directions (Fombrun and Wally, 1989). Perhaps this reflects the more stable economic environment of the era when the

life cycle models were popular. However, this must question their applicability in the more volatile environment of the modern era.

The life cycle models also seem to present a somewhat narrow and limited explanation of the problems that arise during the evolutionary process within organisations. The focus would seem to be on the presence of problems related to the increasing size of the business rather than seeking to identify how they might emerge. For the purposes of this research they give little insight into why problems may arise as a consequence of growth other than because the organisation is a larger entity to manage. Limited attention is given to the human dimension in the life cycle literature. In the context of the current research this seems to be a major limitation in the life cycle literature. In part this may be due to the emphasis within the business growth literature on quantitative studies.

Perhaps one of the major contingencies that might affect the growth process in small businesses is the impact of the entrepreneur and, in particular, their goals, motivations and personality. This issue and the possible consequences for growth in general and goal divergence in particular are addressed later on in the chapter.

Business Efficiency and Growth

A body within the literature sees business growth in terms of performance in the market place. The focus is on the financial performance of an organisation and its ability to operate at maximum efficiency levels (Gibb and Davies, 1990), with the development and adoption of better management practices, skills and controls to enable the business to grow and become more financially robust.

Implicit in this approach seems to be the ability to plan its development strategically as well as operationally. Planning is seen as the key to successful growth (Gibb and Davies, 1990). It seems likely though that planning should be seen a broad sense in terms of being a proxy for a number of organisational attitudes and characteristics such as managerial

competence and involvement, leadership style and employee commitment (Shrader et al., 1989).

There seems to be a multitude of approaches or skills put forward to achieve these ends. Some take a broad view to the practices needed to achieve better business performance. For example, it is suggested that small business performance is correlated with high levels of management skill, a lean and sophisticated management structure and the use of innovative and advanced management techniques (Shrader et al., 1989); the adoption of a more formalised approach to planning and control systems (Chaston and Mangles, 1997, Milne and Thompson, 1986); or the market position and the choice of business strategy (Roper, 1999).

Other writers see particular activities or skills as being important to enable more efficient business functioning. For example; monitoring customer satisfaction and competitor activities (Pelham, 2000), functional heterogeneity in the management team structure (Weinzimmer, 1997), the adoption of a comprehensive mission statement (O'Gorman and Doran, 1999), marketing skills (Chaston, 1997) and the presence of financial expertise (Orser et al., 2000).

Does this approach give us a better explanation of the growth process in small businesses and of the issues that might arise from it? This seems debatable. The approach has its limitations not least in relation to the influence of the individual entrepreneur on business objectives.

The underlying philosophy of this approach seems to be that firms seek profit and want to grow ever larger. This issue will be addressed in more detail in due course. However, it is suffice to say at this stage that there is evidence that the profit motive and business growth are not the only ambitions of entrepreneurs (Gibb and Davies, 1990).

This approach seems to share a weakness with life cycle models in failing to take account of the dynamics within the firm and the personality style and approach of the

entrepreneur. Even in terms of the presence, extent and style of internal planning and control mechanisms, these will reflect the entrepreneur's personality and characteristics (Roper, 1998). As this review will seek to explain in due course the impact of the entrepreneur will extend much further and deeper with regard to the goal objectives and management arrangements within the firm. This issue will be addressed in more detail later in this review.

This approach would seem to have limited predicative ability in terms of identifying the triggers for, and the consequences of, growth in small businesses. There seems to be a lack of any clear evidence of the link between the planning and control mechanisms and the subsequent growth of the firm (Chaston and Mangles, 1997), which must question the contribution of the former as a trigger for growth.

Finally, a number of writers seem to propose particular practices or mechanisms as being the key to efficient business management. It is questionable the extent to which any one dimension, such as control mechanisms, can be the Holy Grail of efficient business management. Indeed attention to just one dimension could be counterproductive. Research has shown that a focus on one dimension may lead to an imbalance within the organisation (Chaston and Mangles, 1997, Yeh-Yun Lin, 1998).

One of the key conclusions from the review so far would seem to be the downplaying of the human element, and in particular the role and impact of the entrepreneur in relation to business growth. It is to this issue that the review will now turn.

The Growth Driven Entrepreneur?

There seems to be some debate about whether leaders really make a difference within organisations, with, for example, different perspectives being adopted by population ecologists, resource dependency theorists and attribution theory advocates (Kets de Vries et al., 1993). However, the likelihood is that in a small firm, for reasons of scale, the importance of the qualities of the top manager for the development of the firm is likely to

be relatively greater than in a large firm (Wijewardena and Tibbits, 1999, Kets de Vries et al., 1993, Wiklund et al., 1997). The behaviour and skills of the entrepreneur are, therefore, key success factors in a small business (Ibrahim and Goodwin, 1986).

Taking this a stage further, the leader/entrepreneur/owner-manager has an equally significant impact on the goals and business strategies of the organisation (Miller, 1983). The significance of the entrepreneur to the organisation is reflected in a close alignment between their objectives and the goals of the organisation. Their values and goals become indistinguishable from those of the organisation (Kotey and Meredith, 1997).

The traditional view sees the entrepreneur being committed to growth. Owner managed firms are seen as more likely to pursue growth orientated policies than manager controlled organisations. The need, therefore, is for entrepreneurs to develop their skills in conjunction with their evolving business (Pitt et al., 1991). Failure to do this may hinder growth and could lead to organisational failure (Willard et al., 1992, O'Gorman and Doran, 1999).

We have seen that, in a small business at least, the objectives of the entrepreneur are a key factor in setting the objectives of the organisation. The traditional view would have it that the focus of these objectives would be on growth. Organisational goals are determined by their appeal to the owner manager or entrepreneur (Birley, 1982) but do entrepreneurs slavishly follow a growth path?

Entrepreneurial motivations differ. Different reasons have been put forward to explain the entrepreneurial desire to start a business. These reasons may include financial rewards, independence and freedom (Boyd and Gumpert, 1983), the freedom of being your own boss, controlling your own future and satisfying a need for achievement (Bird, 1989) or seeking independence, wealth and opportunity (Burch, 1986). Kuratko et al. (1997) suggest that there are both extrinsic (acquiring personal wealth and income) and intrinsic (recognition, challenge, achievement, growth, accomplishment) goals that motivate entrepreneurs.

The important point here is that achieving organisational growth is not the only motivator for the entrepreneur (Kolvereid, 1992, Stanworth and Gray, 1991, Storey, 1994). Whilst the entrepreneurs intentions determine the form and direction of the organisation at its inception subsequent organisational growth and change, whilst being based on these intentions can be modified (Bird, 1989). So, whilst it is likely that entrepreneurs want to achieve growth, at the outset, to establish their organisation (Johannisson, 1990) their objectives may change over time as the enterprise grows (Stanworth and Curran, 1986).

The significance of this is that growth is not the all-encompassing motivator that the traditional theory would make it out to be. Growth may be foregone to enable other objectives to be pursued once a firm operates above the subsistence level (Davidsson, 1991). The entrepreneur may be prepared to satisfice rather than pursue further growth (Greenbank, 1999). However, this may not solely be due to the wish to have the time available to pursue other objectives.

One particular motivator may be entrepreneurial concerns about the consequences and risks of further growth, which may in turn limit ambitions (Hay, 1994). As an organisation grows a number of factors would seem to emerge which might limit the growth willingness of the entrepreneur irrespective of the desire to have time available to pursue other goals. Wiklund et al. (1997) comment that issues such as the effect on the entrepreneurs workload, the ability of the entrepreneur to keep control of the firm, the maintenance of product and service quality, the degree of independence from external stakeholders and the ability to survive crises may all emerge as concerns which temper the growth willingness of an entrepreneur. A consequence of this concern for control is that firms tend to be characterised by a high degree of centralisation of power and decision making (Miller and Toulouse, 1986, Johnston, 2000) with consequences for delegation and staff motivation.

Of particular concern to the entrepreneur may be the knowledge that the organisation may reach the stage where it exceeds the capacity of a single individual to manage (Rae,

1999). The personal drive and motivation that enables the entrepreneur to establish the business at the outset may make it hard for them to let go of the reins. This in itself becomes a constraint on growth (Churchill, 1997), which may lead to a delegation crisis (Clifford and Cavanaugh, 1985) or even business failure (Cromie, 1991). Indeed, there is some evidence of the importance of the relationship between delegation and growth. For example, Ginn and Sexton (1990) found that growth orientated small business owners are much more likely to delegate responsibility than owners of slow growth small businesses.

The motives of the entrepreneur can, then, exert a significance influence on the growth of a small firm to the extent that

...over the long term it is internal rather than external barriers to growth that exert the decisive influence on SMEs' rate of growth. The key internal growth restraint is managerial capacity and the unwillingness on the part of owner-managers to incur the risks associated with growth. (Hay, 1994; 288)

Entrepreneurial Goals-A More Complicated Picture

Determining the objectives of a business and its attitude towards growth is more complicated than is suggested by the proponents of the life cycle models and authors promoting business efficiency as the basis of growth. Drawing into the analysis a perspective that encompasses the influence of individual motivations presents a more complex picture of business ambitions and demonstrates a possible source of goal divergence within an organisation.

What the synthesis of the literature to date has not explained is what might lay behind the development of different objectives amongst entrepreneurs and whether these factors have broader consequences for goal convergence within organisations.

This has been recognised in the literature to a degree, where strategies are the product of a leader's vision. However, this link has been taken further by writers who recognise that this vision in turn emerges from a leader's personality (Bamberger, 1983, Thompson and

Strickland, 1993) and indeed that personality affects decision making in general (Kets de Vries, 1977, Gupta, 1984). The task now is to identify how personality affects strategies and goals and the implications for organisations.

A Psychological Perspective on Organisational Dynamics

Delving a little deeper into the impact of the personality on goal objectives opens up an interesting approach to identifying individual differences that, in turn, may feed through to differing organisational strategies and goals.

Essentially there seems to be two main strands to the assessment of psychological influences on organisational functioning; personality traits, characteristics or attributes and the personality styles of entrepreneurs.

Personality Traits

Personality traits, characteristics and attributes have been examined by writers to see how they influence styles and decision making, with the focus being on factors that distinguish entrepreneurs (Kets de Vries and Miller, 1985). For example, Kuratko and Hodgetts (1998) identified 17 psychological characteristics that were most commonly associated with entrepreneurs. These included commitment, perseverance, drive, opportunity and orientation. Other research has focused on particular competencies that might be required by entrepreneurs, such as management and planning skills (Huck and McEwen, 1991), or factors common to their backgrounds or working practices. For example Duchesneau and Gartner (1990) found that entrepreneurs were more likely to have been raised by entrepreneurial parents, have had broader business experience, worked long hours, had a personal investment in the firm and were good communicators.

Milne and Thompson (1986) take this a stage further and seek to identify broad entrepreneurial profiles. They distinguish between two classes of business founder.

Firstly the individual with well developed technological or commercial skills that will team up with people of a similar outlook and complementary skills to start a venture.

Secondly, they comment that the strikingly individualistic character has considerable abilities that the entrepreneur has not been able to express in terms of society's conventional educational and career progression. This individual is characterised as being under-achieving at school, resulting in a dead end career in organisations. They do, however, have the capacity to spot a business opportunity, derived from their experience in a non-sophisticated marketplace that has been attended to only in a cursory manner if at all by other businesses. By drawing on their personal drive they can create the business to exploit the opportunity.

Whilst this seems to offer an interesting perspective, giving insights into the entrepreneurial character, the approach has its limitations.

In general terms this literature is based on the assumption that it is possible to produce a typology of the entrepreneur which will allow the prediction of an organisations growth potential, or to identify competencies that might be enhanced to encourage the growth of the firm. It is questionable whether the literature achieves this.

The writers in this area tend to focus on a single or, at best, a few variables to distinguish entrepreneurs, which are then used as a basis for predicting business success or failure (Gibb and Davies, 1990). This seems a simplistic approach (Kets de Vries and Miller, 1985), which would in turn seem to question the predicative capabilities of this approach and its practical application (Moran, 1998).

Much of the literature also seems to portray the entrepreneur as an innate risk taker. As we have seen the evidence does not always support this. A multiplicity of goals may motivate entrepreneurs. Research has also suggested that to portray entrepreneurs as inherently risk taking would be wrong. There is evidence that they are also incrementalist in their approach (Gibb and Scott, 1985).

Finally, it is also questionable whether a comprehensive predicative approach based on entrepreneurial traits or characteristics can be developed which does not take account of the environment within which the organisation operates. For example, different traits, skills or competencies may be needed depending on the level of uncertainty and complexity in the environment (Gibb, 1987).

Despite these limitations this approach is useful in that it draws further attention to the impact of the individual and more specifically the entrepreneurial character on the operation and growth of the organisation. As Hambrick (1989) comments

Biases, blinders, egos, aptitudes, experiences, fatigue and other human factors in the executive ranks greatly affects what happens in companies...As a result, if we want to explain why organisations do the things they do, or in turn, why they perform the way they do, we must examine the people at the top. (5)

And this analysis probes not only the visible entrepreneurial actions

Without a doubt, understanding organisations assumes understanding by analysis, as thoroughly as we can, the leaders who largely determine what these organisations are like. This type of understanding... includes the discovery of an organisations unconscious dynamic, personalised in the figure of the leader. (Lapierre, 1991; 72)

It is to these deeper motivations that we now turn.

Dark Side of Leadership

This review has identified the central role of the leader and entrepreneur within a small business, and has assessed some of the ways in which the entrepreneur might influence or determine organisational goals.

The literature suggests that this can be taken further by drawing out deeper psychological issues, based on the personality styles of the leader, which impact on entrepreneurial

goals and therefore the goals, and indeed structure and dynamics of the business enterprise.

One strand in the literature taking a psychological perspective sees this as a reflection of the cognitive limitations of leaders. Entrepreneurs face a multiplicity of organisational, environmental and personal issues. The complexity of these issues exposes their cognitive limitations (Kets de Vries et al., 1993). As a consequence, their personal values and experiences form an important frame of reference in simplifying the business environment (Brytting, 1990).

A second strand in the literature is based around frameworks of personality types and the extent to which they can, when taken to extreme, lead to problems in the internal dynamics within a firm.

The underlying philosophy of this approach is based on the assumption that, whilst human behaviour is characterised by a mixture of neurotic styles that are triggered in different circumstances, there is usually one predominant style. A parallel can be drawn between excessive use of a particular style (individual pathology) and organisational pathology, which results in a poorly performing firm (Kets de Vries and Miller, 1985). Healthy firms typically manifest too broad a variety of personality styles for any one style to determine organisational strategy and structure.

The potential consequences of this can permeate throughout the organisation. Individual pathology can set the tone for the strategy, structure and style of the organisation (Kets de Vries, 1977, Kets de Vries and Miller, 1985, Kets de Vries et al., 1993) and can influence the whole management process (Kets de Vries et al., 1993).

For example, Kets de Vries & Miller (1985) developed a set of frameworks to classify the most prevalent forms of dysfunction. The basis of the framework was research into what the authors termed to be sick and poorly performing organisations that exhibited a number of characteristics that manifested themselves in a common neurotic style. The

authors' classification of firms - paranoid, compulsive, dramatic, depressive and schizoid-incorporated hypotheses about the styles, motivating factors, organisational culture, strategy and structure prevalent in each. This could be used as a predictive tool. As the authors comment

Once the predominant neurotic style of the top executives has been identified, we feel that many aspects of the strategy and structure of the organisation may be predicted, as well as its predominant culture and shared fantasies.
(1985; 43)

In terms of the current research this framework is significant. If the individual personality needs of the leader set the tone for the style and structure of the organisation this may form the basis at least in part, for the divergence in goals within the company. For example, taking the dramatic organisation construct Kets de Vries & Miller (1985) comment that strategy becomes a function of the top manager's considerable narcissistic needs and their desire for attention and visibility. Ventures can be conflicting, as the goal is to be noticed. Decision-making is unreflective, impulsive, based on hunches and not participative.

Identifying these forces is a difficult process. Their influence on strategy and structure is seen as subtle and complex through invisible and long-standing psychological forces of which the individual is unaware (Kets de Vries & Miller, 1985). For example, Kets de Vries (1977) traces the roots of certain entrepreneurial dysfunction to endured hardships during childhood and the problems, such as authority conflict, associated in adapting to organisational life. As a consequence, when the entrepreneurs business is established it becomes a visible means of their success and they immerse themselves in it.

Dysfunctional developments can arise as the organisation grows through; the structure being dependent on and dominated by the entrepreneur; a refusal to delegate; impulsiveness in decision-making; boldness; and withdrawal or avoidance behaviour by, and a reduction in communication among, employees.

Johnston (2000) draws on attachment theory to demonstrate the invisible and longstanding nature of these forces. The author reviews how experiences in close relationships across an individual's development can manifest themselves in workplace practices and relationships. Individuals who have experienced close relationships with others who are supportive, responsive and trustworthy in their development are more likely to display a secure pattern of attachment which in the context of the workplace. This is likely to be reflected in more successful interactions with employees, decentralisation and delegation. Insecure patterns of attachment are likely to be displayed where the experience has been non-supportive, untrustworthy or highly non-supportive and untrustworthy or highly inconsistent. This is likely to be reflected in, for example, employees being seen as unreliable and an absence of delegation. Johnston concludes that managers structure the pattern of social interaction in an organisation in ways that are the most comfortable and familiar to them.

A broader perspective of this, and equally significant in terms of the dynamics within firms is the concept of transference, the process whereby attitudes developed early in life are repeated through organisational actions in the present (Kets de Vries & Miller, 1985). This creates cognitive maps that create a certain amount of consistency in our dealings with others (Kets de Vries et al., 1993).

The psychological literature has drawn out a number of important pointers for the current research. We have seen that if individual personality needs and styles determine business strategy this may help to explain why goal divergence may become an issue within firms.

Equally significant in the context of the current research is that by its nature any sources of what the authors refer to as dysfunction may not be immediately apparent. Issues that are not immediately observable should not, therefore, be taken for granted (Kets de Vries et al., 1993). However, this also highlights one of the major difficulties with the literature in this area-the ability to identify and to demonstrate the presence of individual and organisational pathologies and to underpin the frameworks with observable evidence. This may help to explain what seems to be the relative absence of empirical research into

the presence and prevalence of dysfunctional characteristics or pathologies in business organisations. On the most part the authors seem to refer to in general terms to anecdotal or consultancy experience. Whilst by its nature much of the work in this area may have to remain confidential, this seems to be a gap within the literature that merits further research.

Conclusions

This review has sought to place the current research within the context of the literature on the entrepreneur and business growth. The review has drawn out the main strands within this literature and has sought to outline the contribution, and limitations of each in the context of the current research.

The life cycle models, with their underlying assumption that firms are striving to become bigger, have significant limitations in terms of explaining how goal divergence might occur in a growing business. The failure to recognise the influence of the individual and individual motivations was highlighted as a major weakness in terms of the current research.

The literature on the significance of the entrepreneur and entrepreneurial motivations was reviewed. I have outlined how goals other than growth may motivate entrepreneurs, to the extent that they might even seek to prevent further growth because of the feared consequences.

I have also drawn out in this chapter the difficulties that might face researchers in identifying the basis for the goals of an entrepreneur. Entrepreneurial motivations and the desire to seek certain goals might be based on deep-seated psychological needs and influences that might not be readily apparent and observable or indeed based on the logical needs of the business.

In reviewing the literature I hope that I have been able to demonstrate the multiple forces that might be at play in influencing the goal objectives of an entrepreneur. In terms of the first cycle of research this literature, in the context of the events that were happening within the company at the time, has helped me to formulate in my own mind the key research question to be addressed.

The events within the company over the last four or five months, and the actions of participants, have been quite extraordinary. Perhaps they can be traced in part to the pressures of growth as the organisation evolves. However, my initial reaction is that to attribute the goal divergence solely to the consequences of business growth may give no more than a superficial explanation. They may play a part but, for me, this cannot explain the nature of the actions of staff within the company and the reaction of the Chief Executive and his wife. I believe that I need to identify other causes of the goal divergence.

From my time with the company it is not immediately obvious what these causes might be. However, the literature reviewed concerning individual and organisational dysfunction has opened an avenue of research that may offer some explanations. What seems to be particularly relevant is the recognition within this strand of the literature that the causes of dysfunction may not be immediately apparent and that they may offer an explanation for behaviour that is far from rational. This strikes a chord with the situation that I find myself in.

Therefore, the focus of the research in the first cycle is to trace the extent to which the divergence in goal objectives can be traced to more deeply rooted individual and organisational dysfunctions of the nature identified, most notably by Kets de Vries, in this chapter. The next chapter seeks to explain my approach to collecting and interpreting data to address this question.

CHAPTER THREE

METHODOLOGY

Introduction

This chapter explains the methodology and specific methods used during the first cycle of research. It explains the reasons behind my wish to use action inquiry methodology to carry out the research and the use of interviews to gather primary data. An explanation is given of the grounded theory approach adopted to assist in the analysis of the data.

The chapter also addresses the issue of judging qualitative research and discusses a number of ethical issues that have arisen prior to and during the research.

Qualitative Research

In setting the scene for this chapter I will explain my perspective on what I see to be some of the key features of the research and the research setting, and on the foundations of knowledge in general, which have influenced the methodological approach adopted in the first cycle.

From my early reading on methodological perspectives it seemed to me that a qualitative approach would be most likely to assist in the achievement of the research objectives set out in the previous chapter. I made this judgment based on the nature of my research encapsulated in these objectives, my role as a practitioner-researcher with organisational responsibilities within the research setting and in the context of my evolving understanding of the different epistemological and ontological perspectives.

The essential nature of the research adopted in the first cycle is a focus on perceptions within the workplace about an apparent divergence in the views of the staff and Chief Executive about the core and evolving aims of the company. My initial thoughts from the literature and reflections on the work environment prior to the main data collection, suggested that the apparent divergence in goals within the organisation might be a consequence of more deeply rooted issues relating to organisational behaviour and dynamics. The research methodology and methods adopted would need to help me uncover these issues. My interest was in understanding, through interacting and engaging with the individuals within the company, their perceptions on how this has arisen and to draw some conclusions on the reasons for the divergence. This approach lends itself to qualitative research.

I recognise that in carrying out the first cycle I was immersed within the research setting in a variety of different ways. Firstly, as a manager within the company I have a set of interrelationships with staff and with the Chief Executive all of who will be helping me to create knowledge. These relationships took on a new and very different dynamic during the course of the research as I moved into a new role with direct management responsibility for all the UK based staff.

Secondly, as a manager and employee within the company I have a clear interest in the continued success of the company. In particular, I am a new employee who has been taken on specifically to work with the Chief Executive in helping the company to diversify away from its traditional areas of work, the very activities that seemed to be causing tensions amongst the workforce.

My initial conclusions were that the objective of understanding more deeply rooted perceptions and beliefs and my role within the research setting made the adoption of a qualitative methodology and methods appropriate.

Qualitative research

...is a situated activity that locates the observer in the world. It consists of a set of interpretative, material practices that make the world visible...This means that qualitative researchers study things in their natural settings, attempting to make sense of, or to interpret, phenomena in terms of the meanings people bring to them. (Denzin and Lincoln, 2000; 3)

The authors go on to comment

Qualitative researchers stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry. Such researchers emphasise the value laden nature of inquiry. (8)

This view, and the value of a qualitative approach in terms of the data it produces, is endorsed by Miles and Huberman (1994)

Qualitative data are sexy. They are a source of well-grounded, rich descriptions and explanations of processes in identifiable local contexts. With qualitative data one can preserve chronological flow, see precisely which events led to which consequences, and derive useful explanations. Then, too, good qualitative data are more likely to lead to serendipitous findings and to new integrations: they help researchers to get beyond initial conceptions and to generate or revise conceptual frameworks. Finally the findings from qualitative studies have a quality of undeniability. Words, especially organised into incidents or stories, have a concrete, vivid, meaningful flavour that often proves far more convincing to a reader...than pages of summarised numbers. (1)

A particular strength of qualitative research is its ability to focus on actual practice in situ, looking at how social interactions are routinely enacted (Silverman, 2000). Miles and Huberman (1994) comment that the emphasis on lived experience makes this approach particularly well suited for locating the meanings people place on events, processes and structures and for providing thick descriptions that are vivid and nested in a real context. Qualitative research enables the researcher to get close to the object of study to be able to find out what is happening (Gummesson, 2000).

In terms of its practical application to my research, Gummesson argues that qualitative research can overcome three principle barriers facing the researcher-access to management reality, pre-understanding and understanding, and quality.

In terms of access to management reality Gummesson is referring to '*...the ability to get close to the object or study, to be really able to find out what is happening*' (25). He argues that the effort required to gain data in a quantitative format may distort the data. Data in a qualitative format may be less susceptible to distortion.

Qualitative research, argues Gummesson, requires the researcher to develop an understanding of the specific research problem and the social environment rather than models or systems. As such a qualitative methodology lends itself to the practitioner-researcher and consultant.

Finally, Gummesson suggests that in terms of understanding the results generated from research the reader may be more capable of engaging with those produced by a qualitative approach. He suggests that quantitative methodologies may create the impression that the results are more scientific. However, to analyse the accuracy of the results will require a level of understanding equal to that of the researcher. Results generated by qualitative research may appear to have less scientific rigour but may be more capable of being judged as accurate or otherwise because the reader is more able to understand and engage critically with them.

This style of research, then, seems to be particularly suited to the research objectives and has some distinct practical benefits.

Certainly, this methodological approach seems likely to produce a richer outcome in terms of discovering understanding than would be the case if a positivistic form of inquiry had been adopted. A quantitative approach is appropriate for capturing a view of the social world as a concrete structure (Morgan and Smircich, 1980) but is of less value

when working with humans when values are likely to intrude (Robson, 1993) and, whilst it can be useful, it may conceal as well as reveal basic social processes (Silverman, 2000).

As my understanding about this method of research developed during the early stages of the first cycle I also recognised that, as a method of research, it felt more comfortable to me in terms of my ontological and epistemological outlook. In carrying out this type of research it is appropriate to make explicit the researchers beliefs, assumptions and world view (Van Manen, 1990).

As a researcher I engage in interpreting data and generating meanings about participant's words and actions. My personal ontological and epistemological perspectives determine how this transformation to understanding takes place. In participating in this process I inescapably have to adopt a theoretical position on the nature of knowledge. In the words of Schwandt (2000) *'acting and thinking, practice and theory are linked in a continuous process of critical reflection and transformation'* (190).

In essence I take a social constructionist perspective to the foundation of knowledge. I feel most comfortable with the view that there are multiple realities within a given situation, a relativist ontology (Denzin and Lincoln, 2000), and that human beings do not find or discover knowledge so much as construct or create it (Schwandt, 2000) through a process of knower and respondent co-creating understandings (Denzin and Lincoln, 2000). And in terms of understanding knowledge the following quote resonated with me

We invent concepts, models, and schemes to make sense of experience, and we continually test and modify these constructions in the light of new experience... We do not construct our interpretations in isolation but against a backdrop of shared understandings, practices, language, and so forth. (Schwandt, 2000; 197)

Knowledge, as I see it, is not a fixed entity, disinterested and apolitical in character, existing independently of the interpreter and waiting to be discovered. It is rich in human experience and permeated with values that I hope the research process will discover.

This is not to say that quantitative methods have no role in this form of research. Each type of research

...entails choices and decisions concerning the usefulness of various alternative procedures, whether these are qualitative or quantitative...
(Strauss and Corbin, 1998; 29)

In terms of my research a quantitative approach is likely to be limited by its need to seek methodological closure

For if one recognises that the social world constitutes some form of open ended process, any method which...merely contents itself with the production of narrow empirical snapshots of isolated phenomena at fixed points in time, does not do complete justice to the nature of the subject. The very nature of the phenomena under investigation challenges the utility of such methodological closure.
(Morgan and Smircich, 1980; 498)

Quantitative research aims to analyse and measure linear causal relationships between variables. Its focus is not on processes. Knowledge is viewed as something that is quantifiable, a separate entity out there to be obtained and measured. This is not to be critical of quantitative methodology. Quantitative '*...methods may be no better or no worse than any other methods, they just tell different kinds of stories*' (Denzin and Lincoln, 2000; 10).

A qualitative methodology is the more appropriate method of inquiry for exploring social interactions (Silverman, 2000). My research question focuses on social interactions within the workplace and the research strategy and the methods and techniques employed should be appropriate to the questions to be answered (Robson, 1993).

In making this choice I recognise the contested nature of qualitative research (Silverman, 2000). Qualitative methods of inquiry offer a new perspective on the way in which the social sciences are understood. It is perhaps not surprising, therefore, that '*Contrasting*

beliefs, skeptical challenges and resistance are also in evidence' (Gergen and Gergen, 2000; 1025).

The authors refer to three particular challenges to qualitative research; the crisis of validity (or criteria for the evaluation of qualitative studies); rights of representation (the wider application of research conclusions); and the place of the political (or the beliefs and perceptions that the researcher brings to the research process).

My difficulty with these and other challenges to qualitative research is that they seek to judge the merits of a qualitative perspective by using the value-laden scientific criteria of quantitative methodology. The assumption seems to be that the epistemological foundations of a quantitative methodology, such as the pursuit of universal or general laws, scientific progression towards an objective truth and the politically or value neutral researcher are valid, are appropriate means for evaluating a qualitative approach.

I have set out in this section the different foundations and approaches of qualitative research. This suggests the appropriateness of a different perspective being taken towards judging the merits of qualitative research. This is addressed later on in this chapter.

Action Inquiry/Research

Within the overall qualitative approach the particular form of inquiry that I plan to use in the first cycle is action research.

Action research

...aims to contribute both to the practical concerns of people in an immediate problematic situation and to the goals of social science by joint collaboration within a mutually acceptable ethical framework. (Rapoport, 1970; 499)

My choice in using this approach is based on the nature of the subject that I am investigating and the particular features of action inquiry that make it an appropriate approach to help me to address the research issue.

The genesis of my research is the recognition that there is an issue of goal divergence within the company. At the outset of the research I was not clear about the reasons for this. The need was, therefore, to generate new knowledge. This is an important characteristic of action inquiry as a form of applied research (Greenwood and Levin, 2000). However, my reading and reflections suggested that the divergence might be a consequence of more deeply rooted issues within the organisation. To create this new knowledge I would need the involvement of my colleagues in an interactive process (Greenwood and Levin, 2000, Gummesson, 2000) of collaborative inquiry (Ellis and Kiely, 2000, Kemmis and McTaggart, 2000).

Action research is a useful form of inquiry for addressing a real life problem (Greenwood and Levin, 2000) and will be carried out in the work place in a dual role for me of being manager and researcher. It meets Gummesson's test for action research in presenting '*...a problem that gives the researcher scope to go in and act*' (124).

Action research is also appropriate as a method of inquiry in terms of the anticipated outcome of my study. My research is intended to surface understanding and to enable change (Ellis and Kiely, 2000, Gummesson, 2000). This will be a challenge in terms of the nature of the problem that I am investigating and it is not clear at this stage what that change might be. However, when I reflect on the events within the workplace my outcomes may be emancipatory in nature in the sense of seeking to raise the level of consciousness and seeking empowerment. Action research is emancipatory in that it

...aims to help people recover, and release themselves, from the constraints of irrational, unproductive, unjust, and unsatisfying social structures that limit their self-development and self-determination. (Kemmis and McTaggart, 2000; 597)

At this stage I have some concerns that the organisational climate within the company, in terms of what seem to be deteriorating relationships, may make interventions more difficult. However, my hope is that I can overcome potential problems through sensitive handling of my interventions.

The nature of my research, the approach adopted to carry out the investigation, my relationship with the organisational setting and my wish to intervene makes action research an appropriate method of inquiry. The contribution that this approach can make is encapsulated by Ellis & Kiely (2000)

The accelerated pace of deep and pervasive change calls for research methods that are dynamic and flexible, capturing the rich complexity and ever shifting ground apparent in the organisations in which we work and live. In this context, the potential of action research strategies for inclusive organisational research is being rediscovered. (83)

Data Collection

Data during the first cycle has been obtained from a variety of sources. The principal method of data collection was through interviews.

I have attempted to explain in the preceding paragraphs the methodological approach followed in the first cycle and, in particular my ontological perspective on the foundations of knowledge. The specific methods adopted should be consistent with the questions I am seeking to answer (Robson, 1993).

Interviews have a particular strength in finding out what people think (Robson, 1993) and allowing

...us to share the world of others to find out what is going on, why people do what they do, and how they understand their worlds. (Rubin and Rubin, 1995; 5)

In terms of the research being carried out in the first cycle I felt that interviewing had particular strengths that were more likely to contribute to the research objectives. These included allowing me to explore with interviewees in depth the meaning of questions and answers, providing the opportunity for clarification and helping people to make explicit things that might otherwise be implicit (Arksey and Knight, 1999). I felt that this would provide me with the depth, detail and richness (Rubin and Rubin, 1995, Doyle, 1998) that would help me to understand the dynamics within the research environment. I also recognised that the sensitivity of the issues being discussed would benefit from the presence of me, as the interviewer, to guide the process (Doyle, 1998).

I accept that the implication of this last point is that I may have affected the responses obtained from interviewees. However, I felt that this method of collecting data was more likely to provide me with individual perceptions, understandings and views that had not been affected by other interviewees, which may have been the case in a focus group. Also, to try and limit my influence I gave interviewees the opportunity to take their interview in directions that I had not planned or envisaged.

What I had not appreciated fully at the outset of the research was the very dynamic nature of the interviewing process. As I approached each interview I found myself varying the content and themes explored based on the preceding discussions with members of staff. Whilst I appreciated that one of the strengths of interviews is their flexibility I had not expected to change the approach and content of each as significantly as I found myself doing.

The relatively small size of the company enabled me to interview all the nine (at the time) other UK based staff. I had certain themes that I wished to explore. However, a semi-structured approach allowed the interviewee, as well as me, to take the interview in a direction that appeared interesting.

Additional data was collected through the use of a learning diary. I found this to be particularly useful in capturing the unfolding events, and my reflections in the period

after the interviews had been carried out. The interviews were completed in the early part of this year. Significant events occurred in the research environment subsequent to this and the learning diary became particularly valuable in capturing these events and my reflections.

Finally a review of the relevant literature was undertaken to root the current research within the context of the theoretical issues and current practice. Chapter two presents an explanation of the areas of the literature that have been explored and the main theories and themes relevant to my research.

Data Analysis

I began my research with no predetermined route or hypothesis to test to answer my research question. This aligns my approach with those of the grounded theorists. The purpose of this research is inductive, to create new rather than test existing understandings. This flexibility and potential for allowing participants and myself to explore and develop new meanings together makes grounded theory particularly appealing to me. The nature of my research calls for a strategy that will not constrict theory development but facilitate the generation of new ideas.

Grounded theory is

...theory that was described from data, systematically gathered and analysed through the research process. (Strauss and Corbin, 1998; 12)

The authors explain that

In this method, data collection, analysis and eventual theory stand in close relationship to one another. A researcher does not begin with a preconceived theory in mind...Rather, the researcher begins with an area of study and allows the theory to emerge from the data...Grounded theories, because they are drawn from data, are likely to offer insight, enhance understanding and provide a meaningful guide to action. (12)

I was also attracted by some of the practical attributes of grounded theory methods, in the early stages of my research, in terms of their flexibility in being able to be used with varied forms of data collection, what seemed to be a step-by-step guide through an analytic process with clear guidelines from which to build explanatory frameworks and by the focus on theory building. My views about techniques would evolve with my understanding of their application. I have explained this in more detail below.

Grounded theory methods consist of guidelines for collecting and analysing data to build theoretical frameworks that explain the collected data. Throughout the research analytic interpretations are developed to focus further data collection, which are in turn used to inform and refine the developing theoretical analyses (Charmaz, 2000).

Central to this process is open coding (Strauss and Corbin, 1998) a process described as

The analytic processes through which data are fractured, conceptualised, and integrated to form theory. (3)

Coding enables the researcher to start to define and categorise data, helping to develop a new perspective on the data and starting the chain of theory development, with codes taking form together as nascent theory that in turn explains the data and directs further data gathering (Charmaz, 2000). I began coding interviews whilst I was still collecting data.

I used computer-assisted analysis in this process, adopting WinMAX, a software package which aids the coding of data. I had some hesitation in this, being aware of concerns expressed by some authors about the over emphasis within the programs on coding, their promotion of a superficial view of grounded theory, and the potential for suggesting that interpretative work can be reduced to a set of procedures (Charmaz, 2000). However, I felt that the software would assist with the management and analysis of the considerable amounts of data collected and would contribute to my research as long as I recognised these drawbacks. In particular I felt that I had to ensure that my

approach to data collection and analysis was not compromised to meet the requirements of the software.

In addressing the research questions I found the constant comparative method of grounded theory to be particularly useful in building theory (Silverman, 2000, Charmaz, 2000). This method enabled me to make comparisons at two different stages during the first cycle. Firstly I was able to compare the views of each individual interviewee, and secondly to compare the views expressed with the subsequent events during a period of considerable staff disharmony some months after the interviewing had been completed.

My emerging thoughts during this process were recorded in memos or theoretical notes (Strauss and Corbin, 1998). Memos help to

...elaborate processes, assumptions, and actions that are subsumed under our codes. Memo writing leads us to explore our codes...they help us to see interrelated processes rather than static isolated topics...we connect categories and define how they fit into larger processes. Memo writing aids us in linking analytic interpretation with empirical reality. (Charmaz, 2000; 517)

However, as my reading progressed I found myself being troubled by what seemed to be the positivistic underpinnings of grounded theory (Lincoln and Guba, 2000) (and, indeed, the reasons for me initially being attracted to this approach seem to have positivistic leanings). The approach seemed to imply the existence of an objective, external reality, a neutral observer who discovers data and an objectivist rendering of data. The principal grounded theory authors seems to '*...engage in silent authorship and usually write about their data as distanced experts.*' (Charmaz, 2000; 513).

As we have seen, it would be wrong to assume that research should only be quantitative or qualitative in nature. However, the positivistic underpinnings of grounded theory seemed to be inconsistent with my perspective on the foundation of knowledge and the methodological approach adopted within the first cycle. Whilst a grounded theory approach might offer rich description it might remain outside of experience. It seemed to

me that to get to the roots of my research question I needed to tap and understand the experiences and beliefs of the interviewees.

During my reading I came across what was termed the constructivist grounded theory approach (Charmaz, 2000), which held some appeal for me. This approach recognises that the viewer creates the data and ensuing analysis through interaction with the viewed

Data do not provide a window on reality. Rather, the 'discovered' reality arises from the interactive process and its temporal, cultural, and structural contexts. Researcher and subjects frame the interaction and confer meaning upon it. The viewer is part of what is viewed rather than separate from it. What a viewer sees shapes what he or she will define, measure, and analyse. (Charmaz, 2000; 523-524)

The author goes on to explain that causality is suggestive, incomplete and indeterminate in a constructivist grounded theory. The researcher seeks to define conditional statements that interpret how subjects construct their realities. As a result constructivist grounded theory remains open to refinement.

This approach requires seeking meanings

To seek respondents' meanings, we must go further than surface meanings or presumed meanings. We must look for views and values as well as for acts and facts. We must look for beliefs and ideologies as well as situations and structures. (Charmaz, 2000; 525)

The research methods have a different emphasis. An interview alone may preclude private thoughts and feelings. Sustained involvement with participants is required to try and overcome this.

The authors' combination of the structured and detailed guidelines in grounded theory for developing explanatory frameworks, with the acceptance of the interactive nature of data collection and analysis has developed an ontologically and epistemologically appealing approach for me. However, this presented me with a problem in the first cycle of

research in that the time limitations have restricted the extent to which I can explore this approach and seek to understand the experiences of my colleagues at work. This has, however, indicated to me how I can take forward my research in later cycles.

Judging My Research

I have already referred to the contested nature of qualitative research. If I had adopted a quantitative approach my research could have been judged against my ability to demonstrate casual relationships by means of objective facts and statistical analysis that could be replicated by other researchers. Issues such as the credibility, validity, reliability and generalisability could be used to assess the merit of my research.

I concluded above that these criteria were not appropriate when using a qualitative methodology and that an alternative approach is required to enable the reader to take a view on the merit or otherwise of my research process. This section seeks to do this.

Truth-value (Arksey and Knight, 1999) or communicability (Rubin and Rubin, 1995) should be an important feature of any appreciation of qualitative research. This is the extent to which the research feels real to the reader. It helps to show that the researcher is investigating what they say they are (Arksey and Knight, 1999) or that the findings are what they appear to be about (Robson, 1993). I have tried to capture the fluid and evolving nature of my research and the organisational environment throughout my research.

Specifically with regard to interviews, Arksey and Knight (1999) comment that truth-value represents that the evidence captured is recognisable as a fair representation of things as informants see them. To achieve this I sought to keep the interviews relaxed in style and to give interviewees the scope to express their own perspectives. Whilst the interviews were structured to enable me to explore what I thought were the key themes, and I prompted interviewees to expand and clarify important points, the process was kept

flexible to enable the latter to take the interviews into areas that they considered to be important.

A second approach by which the reader can judge qualitative research is transparency (Rubin and Rubin, 1995) or consistency (Arksey and Knight, 1999). This requires the researcher to provide the reader with sufficient evidence and information to see the basic processes of data collection and analysis. This enables the reader to follow the research process, to judge whether the process and conclusions make sense (Miles and Huberman, 1994) and to draw his or her own conclusions (Gummesson, 2000). This chapter has made a significant contribution to this by seeking to give the reader an overview of how I have carried out the research.

Finally, Arksey and Knight (1999) comment that the issue of the neutrality of the researcher is relevant. By this the authors mean that the researcher should make clear to the reader their own role in the research and how their background, personality and actions have contributed to the account. Whilst I have some problems with his terminology in that the researcher brings their own values and perceptions to the research and thus cannot be neutral I recognise the importance of the point the authors are making. To understand and judge the research the reader must have an understanding of the researcher themselves as this sets an important context to the story being told. I have explained how I have seen my role and perceptions influencing my work throughout this research, particularly in chapter one and in this chapter.

As my research has unfolded and my understanding of the nature of qualitative research has developed I have found myself having much sympathy for the view expressed by Kemmis & McTaggart (2000)

In most action research...the researchers make sacrifices in methodological and technical rigor in exchange for more immediate gains in face validity: whether the evidence they collect makes sense to them, in their contexts. (591)

The views put forward in this section reflect this.

Ethics

In general terms the very nature of undertaking qualitative research, with its focus on human understandings and beliefs, brings with it a need to address a number of ethical issues. In particular social researchers have responsibilities to fulfil with regard to the rights and welfare of those being interviewed (Arksey and Knight, 1999). For example the research process can give rise to a number harms, such as an intrusion into private and personal spheres, embarrassment, distress, nervous strain and sensitivity (Arksey and Knight, 1999, Van Manen, 1990, Doyle, 1998).

I recognised that undertaking a study within my own organisation, with colleagues who I would be working with during and after the research had been completed, would bring with it particular ethical challenges.

From my review of the literature it seemed that certain general ethical principles should guide my research, such as; mutual respect for others in terms of understanding their aims and interests and not damaging self esteem; and noncoercion and nonmanipulation in the sense of not using force or threats or leading others to cooperate when it is against their interests (Miles and Huberman, 1994).

These general principles have been translated into four key guidelines that appear in the codes of ethics for professional and academic associations

1. Informed consent; voluntary agreement on the part of participants based on full and open information (Christians, 2000, Doyle, 1998, Miles and Huberman, 1994)
2. Deception; research free of active deception although a modicum of deception appears permissible where there are explicit utilitarian reasons justifying this (Christians, 2000, Miles and Huberman, 1994)

3. Privacy and confidentiality of individuals and of the views expressed (Christians, 2000, Doyle, 1998, Miles and Huberman, 1994)
4. Accuracy; ensuring that data is accurate (Christians, 2000).

From my own role within the organisation, it was clear to me that there could well be a degree of apprehension on the part of staff about participating in the research. I was a new employee who had been with the company for only six months. My brief was to work with the Chief Executive to help expand the companies' activities. And my research would include a focus on staff perceptions about these activities. It was clear to me that I needed an explicit ethical code to try and reassure staff about my research motives and the confidentiality of views expressed to me.

I developed an ethical framework that was explained to each of the participants prior to the start of an interview. This involved explaining

1. The overall purpose and themes of my research in terms of helping the development of the company. I omitted explicit reference to the issue of goal divergence as I felt that this could lead to interviewees becoming defensive in terms of the views they would express to me
2. That I would be exploring certain themes within the interview
3. That I would be recording the interviews but that this was to aid my transcription. The views expressed by an individual would remain confidential to me
4. That a copy of the transcript of the interview would be given to the interviewee for their information
5. That overall themes arising from the interview would be recorded in the first cycle of research to be submitted to Bournemouth University but that the identity of

individuals would not be disclosed in the research and comments would not be attributed to named individuals

6. That a plan of action would be submitted to the company.

Generally, this ethical framework seems to have reassured most staff. Only one employee, a director of the company, refused to be interviewed. She explained that this was because she was married to the Chief Executive and would only repeat his comments. Whilst I did not accept this as a valid response in that as a long serving employee and a director of the company she was likely to have views and perspectives of her own I accepted, after discussion, her response.

One issue that, initially, I thought my ethical framework would address was the power relationship between the interviewees and myself. I felt that my position as a senior manager, brought into the company to work specifically with the Chief Executive, could well affect the views expressed by interviewees. In career terms they might well feel that what they said to me could influence their prospects with the company.

Initially I felt that I could address this through my ethical framework by giving reassurances about confidentiality. However, as my understanding about the nature of qualitative research developed I realised that I could not eliminate the influence of the power relationship from the interviews. The relationship is part of the data itself and my research should recognise and reflect this in telling my story about the company. This became even more the case when as a result of the events outlined below I assumed direct managerial responsibility for the UK based staff.

At the start of my research I had not anticipated this change in my role or the ethical dilemma that it would present me with.

Some eight months into the research a major dispute arose within the workplace between the Chief Executive and his wife with the majority of employees of the company. The

cause seemed to be pay levels and, in particular, the disparity between a new member of staff and the existing employees.

As a consequence of this, and other events which have still not come to light as I write this some two months later, one member of staff was dismissed for gross misconduct and a second given notice that her contract would be terminated upon its expiry in six months time. A formal warning was issued to all other employees with the exception of the IT Manager and me.

I have reflected on these events in terms of the conclusions of my research in the next chapter. However, as I was absorbing the implications of the events, their root causes and the consequential impact on my role I found myself encountering two ethical dilemmas.

Firstly, my research was becoming increasingly focused around entrepreneurial personality and behaviour and its more pathological expression. The events of April/May 2001 seemed to fit neatly with this and only reinforced my evolving perception that this was the issue to be addressed, or perhaps managed. However, this was clearly, to me, not a theme that the Chief Executive would want addressed. My research, then, had to be kept confidential from the individual who I was working most closely with, and who had also agreed for the company to sponsor me to undertake the doctorate.

My view on this was that my research was intended to aid the company. Whilst it was focusing increasingly on an area that the Chief Executive would find uncomfortable it seemed that this was where the research could be of most benefit to the company. The challenge would be in terms of translating my conclusions into a plan of action that would be acceptable to the company.

Secondly, as a consequence of these events I was given direct managerial responsibility over the UK based staff. The brief set for me by the Chief Executive was to make life difficult for the staff. And as the weeks have passed the Chief Executive and his wife

have developed this brief into making life so difficult for the staff that they would look for jobs elsewhere.

This was inconsistent with how I felt comfortable working with and managing people. However, having been given this role I was left to my own devices to manage the team. What this role did do was to put me in an ideal position to act as a link between the Chief Executive and the staff and reflecting views to one another. In terms of the original research objective it would also enable me to work with the staff in briefing them on the evolving role of the company. Whilst my position and formal brief were far from ideal I had been placed in a position in which I could play a larger role in implementing the outcome of my research.

Alongside this I found myself facing my own personal dilemma. In terms of my research there seemed little scope for me to collect further data from the employees of the company. In view of the events, they felt extremely concerned for their employment prospects with the company. In terms of future cycles they would almost certainly be unwilling to discuss personal views and experiences with me in the context of my role in working closely with the Chief Executive and being given direct managerial responsibility for them. I found myself reflecting that, in terms of my research, I needed the existing employees to leave to give me an opportunity to work with new staff. This is not something that I have reached a conclusion about during the first cycle of research. The situation is so fluid and uncertain that to some extent I have to wait and see how events unfold whilst extending my reading and making use of my research diary to record developments.

Conclusions

I have explained in this chapter the methodological approach I have followed and the methods adopted during the first cycle. To give a context to this I have set out my own personal beliefs about the foundations of knowledge.

I have found drafting this chapter interesting in that it neatly encapsulates the evolving and dynamic nature of my research and the journey that I have personally gone on in terms of my own learning and understanding.

At the outset of my work I had fairly clear objectives based around tracing the goal divergence that I felt might be attributable to the growth process that the company was going through. However, I have found my research taking me deeper into processes within the organisation. The reading outlined in the previous chapter struck a chord and drew me towards the influence of the individual as a source of organisational dysfunction. The events that I have set out in this chapter strengthened my belief that this was an important issue for me to address. As a result I found the emphasis of my research shifting from investigating the growth process as the source of dysfunction to looking at the influence of more deeply rooted issues of organisational dynamics. Alongside this my growing understanding of epistemological perspectives, and of qualitative research in particular, have helped me to recognise how I can seek to investigate my evolving research issue.

The next stage in this journey is to set out the themes that have emerged from my research.

CHAPTER FOUR

EMERGING THEMES

Introduction

The previous chapter has set out the methods employed to gather research data and the epistemological and ontological underpinnings for my choice of methods and approach.

In this chapter I set out some of the themes which have emerged from the data as I seek to answer the question to what extent is the goal divergence within the company is based on more deeply rooted organisational and individual dysfunction.

The preceding chapters have captured the dynamic nature of the situation within the company and have given an overview of the events that transpired some months into the research. The events and my reflections have been recorded in a research diary. My analysis has incorporated this data as well as the information collected through interviews.

This chapter presents the data in terms of the themes that have emerged from the data to date. I have also drawn some preliminary conclusions from the data that merit further investigation.

Does the Divergence Exist?

As a starting point it is helpful to judge whether the research has confirmed the existence of the goal divergence.

The goal divergence exists to a far greater depth than I first imagined. I have based this view on two themes that have emerged from the data-the views of staff on the role of the company and the perceptions of the time spent on activities to diversify its' work.

Without exception the staff (excluding the Chief Executive and Director of Administration) saw the role of the company as being, exclusively, an educational awarding body. The work undertaken to diversify the role of the company had yet to impact on employees. Comments such as '*We are an educational foundation*' (IT Manager), '*...to provide further education to people in foreign countries*' (Examinations Officer) and '*...we provide examinations to students mostly abroad*' (DTP operator) were typical of the views expressed about the role of the company irrespective of job function or position.

The staff were equally forthright in their views on the time being spent on work to diversify the company's activities. Bearing in mind that this is a key objective of the Chief Executive the strength of the views expressed were surprising

I don't see how the...work benefits [the company]. I don't see how any of this is related to an examining board. Our job is purely exams and students. I don't see how the rest will benefit us. (Examinations Officer).

And the views expressed did not just relate to what the diversification might mean to the company. The same lack of understanding characterised the likely individual implications for staff

I can't see how it will benefit me or affect my role. I can't see that it's going to provide any extra work for us. (Examinations Officer).

What was surprising was the unanimity of views held by staff and also the personal nature of some of the views expressed, perhaps indicating the depth of the divergence

How much money will we put into these [diversification] projects? I think he's [the Chief Executive] making a name for himself. ...It's all personal rather than [the company]. I can't see what he's playing at. (Examinations Officer).

He's [the Chief Executive] just doing it [diversifying the company] because he wants to become more important. (Examinations Officer).

I couldn't give a damn how much time is spent on [diversification projects]. [The company] as a company is about examinations. (PA).

The depth of the divergence is demonstrated by the frequent comments by interviewees to upstairs and downstairs. Physically, the examinations and clerical staff are on the upper floor of the building and the managerial staff on the lower floor. Interviewees referred to what seemed to be a situation of two separate companies in the same building

Downstairs has no idea about the volume of work that we get through upstairs. We don't know what you do and you don't know what we do. (PA).

That's (separate companies) the way it feels. You lot down here do other work. Down here is like a separate company. You're doing your thing and we're doing the day-to-day [the company] work. (DTP operator).

[The company] as a company is what goes on upstairs. (PA).

The presence of a deep divergence in views on the role of the company came through clearly in the interviews with staff. A number of themes emerged which might explain the causes of this divergence.

The Growth Process

There is evidence that the rapid growth of the company is causing some strains and frustration within the organisation. This may have led to a growing separation of views within the company. For example, basic processes within the organisation seem to be under strain

We had meetings more often in the past than we do now. There was more discussion about what we thought could be improved. We could put our views in. (Examinations Officer).

We don't know what each other does. We should know more about each other. (Examinations Officer).

It could, therefore, be just an issue of the Chief Executive communicating the vision. There was some support for better communication. *'Lack of communication is a problem.'* (PA) and an Examinations Officer commented *'If we could just talk together more.'*

There is also evidence that the volume of work is causing blockages and delaying the completion of tasks

It takes ages to get even the most basic work cleared. And we've had a new tourism course waiting to be approved for two years. It could be out there earning the company money. (DTP operator).

[Chief Executive] needs to delegate more. He can't concentrate on all these issues. (PA).

The strains on the basic processes seem to have caused some separation between the senior managers and staff. These strains may have been compounded by the growing size of the company weakening the family feeling within the firm

We all used to be on one floor. You always felt part of it. It's not the same now. In one way it's a shame. (Examinations Officer).

It was a lot more relaxed when I arrived. It's very different now. (Examinations Officer).

There are more rules now. (Examinations Officer).

In one sense it seems that the current stage of development, beyond the scale of a family firm but still very much a small business is a cause of some difficulty for staff

It's a tight knit team. It's harder to bring up things though because they're not just your bosses. They are bosses one minute and friends the next. I don't really have respect for them [the Chief Executive and his wife] because you don't know where you stand. (Examinations Officer).

Perhaps the company is grappling with some of the challenges that are suggested by the models of biological evolution. Perhaps the goal divergence is a crisis or revolution (Greiner, 1972) precipitating a jump to the next stage in the life cycle. And the company does seem to be struggling with some of the functional problems that authors have suggested emerge during stages in the life cycle (Kazanjian, 1988, Kuratko and Hodgetts, 1998).

However, when looking back on the interview transcripts and my research diary the strains caused by the growth process seems to offer only a superficial explanation for the nature of the comments made by interviewees and for the events following the clash between the Chief Executive and his wife and the staff. I began to look for other themes that might offer a fuller explanation.

The Ambitions of the Chief Executive

A second major theme to emerge from the data relates to the consequences of what the staff see as the Chief Executive disengaging from the company to pursue personal objectives.

The interviewees made a number of observations that, in their opinion, suggested that they saw the Chief Executive pursuing his own objectives rather than initiatives that would benefit the company

I don't know where [Chief Executive] is going. I don't know why he is doing what he is doing. Maybe it's for [Chief Executive] himself. (Examinations Officer).

It's [Chief Executive] enjoying the high life and the social side. (DTP operator).

All these separate projects are not [company] projects. They are [Chief Executive] projects. It's personal to him. It's nothing to do with [the company]...I think he's making a name for himself. He wants to be recognised and admired and appreciated. (PA).

I can see that it's important to [Chief Executive] but how it can contribute to students I just don't know. (Examinations Officer).

We don't need to get involved in all the local activities that we do. We spend more time and effort than we need to. It's for the Chief Executive's enjoyment that we do these things. (IT Manager).

And this in turn seems to be leading to frustration, generally, with the Chief Executive

It's as if he doesn't know what goes on any more. Most of the time he's into other projects that don't have anything to do with [the company]. (Examinations Officer).

and also in terms of the impact on what the staff see to be the main business of the company

The exam side gets less of his attention than it needs...It would be nice to have an hour a day when he was thinking about the upstairs floor. (DTP operator).

We need the back up. If 90% of the time is spent on other projects...I don't think that really helps us as a team. (Examinations Officer).

Interestingly, the staff showed similar frustration when the Chief Executive became involved in their work. *'You get different answers depending on whether he is concentrating'* (DTP operator) and

He likes to suddenly make a decision. You want to be able to say this is the way we do it and your way will make it harder. (Examinations Officer).

It does get very frustrating. Something you have been doing is changed for no apparent reason or benefit. It's then changed back or we ignore the change and do it our way because it works. (DTP operator).

This seems to indicate to me that the divergence in goals is indicative of a wider gulf that has emerged between the Chief Executive and a majority of the staff. This can be traced to his wish to pursue policies that they see not to be related to the company, which, as a consequence, they find it difficult to relate to or to identify with. Perhaps this is compounded by the 'them and us' mentality that seems to have arisen from the separation of the company onto two floors. The administrative and clerical staff see the lower floor pursuing policies that they do not need to take an interest in because they are unrelated to the real business of the company

Downstairs doesn't interact with upstairs so we're not concerned about what you do. You don't help us so we don't worry. There are two separate companies. (PA).

That's the way it feels (of two separate companies). You lot down here are doing other work. Down here is like a separate company almost. You're doing your thing and we're doing the day-to-day work. It's been since we've grown and had separate offices. Management separated from the rest. We started feeling we were a different part of the same company. It was them and us. (DTP operator).

This may be reinforced by the emergence of a strong team identity amongst the administrative and clerical staff. *'I like it that everyone is so familiar and it's a tight knit team'* (Examinations Officer). *'We have a team that is built on solid commitment'* (IT Manager) and *'Upstairs as a group we communicate well'* (Examinations Officer).

However, whilst the staff might see this as a process of disengagement this is clearly not the view of the Chief Executive

[The company] cannot continue to grow if we concentrate exclusively on our role as an international examining board. The competition from universities will grow and we are too prone to economic setbacks in our main markets. We have to diversify our activities, building on our knowledge base and proven expertise. I see my role, as Chief Executive, as leading the company into these new areas because I have the knowledge and contacts. This will involve an increasing amount of my time.

It seems to me, therefore, that one strand in the reasons for the divergence in goals is perhaps inadequate knowledge on the part of staff about the reasons for the increasing amount of time being spent by the Chief Executive on new areas of work, why he feels he must lead the company into these new areas and how they will contribute to the growth of the organisation. The inadequacies of the communication system within the company may have contributed to this breakdown.

However, as I read and reread the interview transcripts I was struck by the very personal nature of some of the comments made by staff about the Chief Executive. To me these could not be explained by a lack of understanding. As I reflected on this a further theme began to emerge.

A Frustrated Workforce?

As I extracted themes from the transcripts I began to see a number of very direct criticisms of the Chief Executive in terms of how staff perceived his contribution within the company. A number of sub-themes emerged.

One aspect of this seems to be the perceived failure of the Chief Executive to back staff

I would appreciate more back up from my seniors. If they have taught me how to do a job that's what I do. But then they change it. (Examinations Officer).

As his staff he should back us up. There is no back up. If we apply [company] policies colleges just speak to [Chief Executive]r and he agrees with them. He will trample over the staff to bend over backwards for a complete stranger. (Examinations Officer).

Another dimension of this is inconsistency in decision-making

The one thing I don't like is the inconsistency. It does get very frustrating. Something you have been doing is changed for no apparent reason or benefit. It's then changed back or we ignore the change and do it our way because it works. (DTP operator).

... need more defined policies to help the administration run smoothly. We have goalposts on wheels. Things change every day, including the people. You might have a friendly amiable person one day but they won't be the next. (PA).

Staff are equally frustrated by the style of the Chief Executive

Things are not thought through. There's no discussion behind new ideas. Decisions are made by one person. That person doesn't have adequate enough knowledge about what goes on... There's no input from staff who know what is really needed. (PA).

One person wants to take charge of everything... There's not sufficient delegation. It's run as a one-man business. The business has grown but [Chief Executive] has always been the same. He hasn't grown with the business. (PA).

Sometimes you wonder just what is he doing and how can this company possibly run. But that's because of what he's doing internally. (Examinations Officer).

I see bad decisions being made which wouldn't be if an administrative mind had been applied. If we worked together something so much better could be achieved. (PA).

However, another significant element of this seemed to be how some staff felt treated by the Chief Executive in terms of their personal contribution to the company

There should be an incentive to staff. It shouldn't be just financial. There should be some appreciation. (Examinations Officer).

You almost feel he doesn't really care about upstairs. He's happy to let it run. But he's not interested in any input (from staff). (Examinations Officer).

It would be nice to be listened to about ideas. You take pride in your job. He's happy with what we do but I don't think he wants us to have any input to it. I don't just want to be a robot. I can think. (Examinations Officer).

Once you are upstairs that's your job. You won't progress at all. I don't think he wants any progression. I don't think there's any appreciation. He's quite old fashioned. He sees women do admin but I don't think there's any progression. He's happy with what they do but he doesn't want them to get on. He has no interest in promoting anyone. (Examinations Officer).

This extended to staff feeling frustrated that they were not listened to. *'We are always coming up with new ideas. We are not listened to on the whole'* (PA) and *'...if I go to [Chief Executive] with an idea he might completely ignore me.'* (Examinations Officer).

There was no evidence from the interviews that the staff had at any stage considered the Chief Executive to be a good manager. His strengths were seen as, without exception, his marketing skills.

I discussed a number of the points that had been made to me with the Chief Executive to gauge his reaction. I also made notes on a considerable number of discussions with him following the staff unrest in early 2001. From these discussions and reflections it was clear that the Chief Executive demonstrated little belief in the contribution that staff could make to the company

The staff upstairs are just processors. They think that they know how to run this business but they have no idea. I've been in this game for 25 years. No one can tell me how I should operate.

They [Examinations Officers] are just clerical staff who are not too bright with it. They're ten-a-penny. I just want them to concentrate on processing and not worry about how I work or what I do. And if they don't like it they can leave.

The staff have no ambition. They just want to work from 9-5.30 and go home and watch Eastenders. What can they tell me about running a business? It's me who is crucial to this business not them... I tell them what they will be doing and when, not the other way around.

Having heard these and similar comments expressed by the Chief Executive I could understand why staff might perceive that their contributions were not valued and the work that they were doing might not be given the attention that they felt it merited. Whilst I did not hear the Chief Executive express these views to staff (other than to tell them that they should leave if they did not like working for the company) there is no doubt that views of this nature guided his actions and relationships with employees.

As I reflected on this theme a picture began to emerge in my mind of a situation where the staff are growing with the company and becoming frustrated with a Chief Executive who they see as being unwilling to give them the freedom to develop further. Most of the staff had been with the company for many years and had seen it grow substantially. As the company has grown so have their expectations about how they should be treated in terms of doing their jobs and as individuals. However, the Chief Executive seemed to see them as immature children who were not sufficiently developed to be treated as adults. My perception is that the staff were feeling frustrated because these expectations are not being met and the nature of the comments demonstrates the depth of feeling. This may have been a contributory factor in the events outlined in earlier chapters that transpired subsequent to the interviews.

This theme took on greater significance for me as I reviewed the chain of events surrounding the dispute over pay levels and the reflections recorded in my research diary.

The Children Rebel

The events of early 2001 regarding the dispute over pay levels have been outlined in earlier chapters. In brief, two members of staff approached the Chief Executive seeking a pay rise. As well as considering that their performance merited a higher salary, they were particularly concerned about an Examinations Officer being brought in on a higher salary. When the request was refused there was a general discussion amongst the staff within the office about the reasons for this. And there was some criticism of the Chief Executive. These discussions came to his attention.

His reaction, and those of his wife, to these events was astonishing, as the following comments from the Chief Executive indicate

I don't want hassle from the staff. They have let me down very badly. I will sort them out. (Comment to me by the Chief Executive two days after the discussion amongst staff referred to above).

I am not happy with the disruption and attitudes within the office. I've spent 25 years building this business. I'm not about to see it destroyed by anyone. So (names of two staff who had requested a pay rise) your contracts which expire later this year will not be renewed. (Comment by the Chief Executive at a meeting of all staff).

When the office did not settle down to the Chief Executive's satisfaction further action was planned

I can't believe it. The staff don't even say goodnight to me. They just won't settle down. If this carries on I'll shift our (education) business to a new [the company] company and sack the lot of them. And I'm going to get rid of the ringleader. (Comment by the Chief Executive to the author).

Four days later one of the staff that had sought a pay rise was sacked for gross misconduct.

It is difficult to understand the extent of the over reaction to what seemed to me to be typical office activities. I likened this in my research diary to the reaction of parents to a child who has misbehaved. Looking back on this in the light of my evolving views whilst writing this chapter I consider this to be even more the case. The Chief Executive and his wife both speak of the company as a family. They could not see how their 'family' could treat them in this way

We have treated these people as a family. We have looked after them. We've helped them with loans when they have been in trouble. We've taken them on company holidays, they've had bonuses and other perks. And this is the thanks we get. (Comment to me by the Chief Executive's wife).

And their reaction has been to punish their wayward children

That's it; life will be hard for them now. There will be no more perks, no bonuses, no company holiday. They have let me down personally so I'll sort them out. (Chief Executive at a management team meeting).

I'll take great delight in telling (Examinations Officer) that she will not be getting her 10-year bonus. (Comment to the author by the Chief Executive's wife).

I have referred to the dismissal of a member of staff for gross misconduct. Written warnings were given to all other administrative and clerical staff for discussing individual pay within the office. One member of staff subsequently received a second warning for her attitude towards the Chief Executive.

Taking the analogy of a family dispute a stage further it seems to me that the Chief Executive and his wife were struggling to come to terms with their adolescent children and the increasingly severe punishment meted out was intended to bring the children into line. However, when this failed they seemed to disown the children

[Chief Executive] didn't feel like coming to work this week. He can't stand the atmosphere in the office so he doesn't want to be here. (Comment to the author by the Chief Executive's wife).

We need to take on more staff to cope with the increasing amount of work. But I'm not having new people being infected by that lot. We will bring them in when we have the space to keep them separate from those people upstairs. (Comment to the author by the Chief Executive).

And as I write this in August 2001 the children seem to be about to be pushed out of the family. The Chief Executive is investigating a scenario that would see the four managerial staff employed by the company but with all the administrative and clerical staff in a separate arms-length company that would be given an annual contract to provide services to the parent organisation. The directors of the company would be the IT Manager and I. The contract will not be renewed if the Chief Executive decides he is not happy with the attitude or performance of staff.

To summarise this section, one theme that emerges from the data is of a family struggling to cope with the development of its children. My interviews indicated that the staff were growing with the company and felt that they could make a greater contribution to the organisation. There seemed to be a sense of growing frustration on their part at the very narrow and defined involvement they were given in the operation of the company. This

frustration was perhaps compounded by the lack of attention being given to their work by the Chief Executive. This view was clearly at odds with how the Chief Executive saw the situation.

The spark that ignited the conflict within the company was the dispute over pay. Perhaps the over reaction on the part of the Chief Executive and his wife could be likened to that of hurt parents. They see the company as their family, they have looked after their 'children' and are hurt by the fact that they have turned on them. Their response seems to have been to take increasingly severe steps to punish their rebellious children and to bring them back into line. When they consider these actions to have failed they wash their hands of their children.

In essence this suggests to me that one explanation for the goal divergence is that there are deep rooted tensions within the organisation about the respective expectations of the Chief Executive and his wife on the one hand and the staff on the other. Staff want to work in a professional environment, to be able to contribute to the company and to be given the support to enable them to do their jobs effectively. They are becoming frustrated at not having this as an environment to work in. However, the Chief Executive and his wife take a much narrower view of the contribution that the staff can make and of their role within the company.

Perhaps one outcome of this deep-rooted dichotomy in views is a rejection on the part of staff of the goals that they see the Chief Executive pursuing. At this stage I can only make a preliminary suggestion that this might be the case. More research would be required in later cycles to develop this.

To me though, this discussion also says something about the Chief Executive in terms of his character and personality and it is to this theme that I now wish to turn.

A Dysfunctional Leader?

Chapter two discussed some of the contributions within the literature concerning organisational dysfunction and pathology and outlined some of the classificatory frameworks put forward by authors such as Kets de Vries and Miller.

In my review of the data collected I began to identify evidence that suggested that some of the indications of pathological and dysfunctional behaviour put forward in the classificatory frameworks are evident in the behaviour of the Chief Executive. Clearly some of the data set out in the preceding section suggests this. However, it is useful to refer to the other evidence that emerges from the data.

For example, the extracts set out above in the section on the ambitions of the Chief Executive suggest that policies are being pursued for reasons of ego, because they will raise the Chief Executive's profile or because of a need to be appreciated. *'He's just doing it because he wants to become more important'* (Examinations Officer).

Decision-making can be inconsistent, as explained above, and spontaneous

Some decisions are made by the Chief Executive without full knowledge of what he has decided or of the repercussions. (PA).

The rules do change but often I think they aren't thought out. They are spontaneous with no thought given. (Examinations Officer).

He's not interested unless it suits. Then he will come in and decide to do this and this but hasn't thought through what it would mean...he doesn't want to listen. He likes to suddenly make a decision. (Examinations Officer).

There would also seem to be a lack of trust on the part of the Chief Executive. *'He needs to delegate. He won't because he needs complete control'* (PA). And staff have some doubts as to whether the company will be allowed to grow if the Chief Executive feels he will lose control

I can see how [the company] could be bigger but does [Chief Executive] want it to happen? It would mean more people at the top. Would he be able to take a step back? Would he want to lose some control? I don't think so. (Examinations Officer).

However, ultimately the Chief Executive will not allow it to grow beyond what he can control. (IT Manager).

He doesn't like the idea of handing over. If it gets much bigger he will need departmental heads. He knows what people are capable of but he doesn't quite let go. (DTP operator).

There are other examples of unusual behaviour on the part of the Chief Executive. He will not network his PC, or have an Internet connection, for fear that someone will be able to gain access to his computer. The PC is only used for correspondence. He locks his door whenever he leaves his office for fear that staff will go through his filing cabinets. And he has actively been trying to reduce the professional membership of the company, effectively the owners of the company

We need to get rid of these people. They could launch a takeover for the management of [the company]. (Comment by the Chief Executive to the IT Manager and the author when reviewing membership subscription levels).

To me this behaviour, and the nature of the comments set out in this chapter, suggests that the Chief Executive may be losing touch with reality.

In terms of the goal divergence this and the preceding section suggests that there is a basis for suggesting that the Chief Executive is driven by pathological or dysfunctional rather than business needs. This may explain why the staff find it difficult to identify with the policies being pursued. My nagging doubt with this explanation is that from my perspective, whilst there may well be a desire on the part of the Chief Executive to raise his profile there is business logic behind the moves being pursued by him. I find myself coming back to the analysis in the preceding section as perhaps the explanation that carries most weight with me at the current time.

Conclusions

I have drawn out in this chapter some of the emerging themes from my research to seek to address whether the goal divergence within the company can be traced to deeply rooted issues of organisational dysfunction.

I have shown that the growth of the company may have given rise to the type of functional and process issues that might emerge as a company evolves through the life cycle model. By itself though, this discussion appears to provide a superficial explanation for the goal divergence. It may, however, be a contributory factor.

I have also shown that the perceived ambitions of the Chief Executive may explain the goal divergence in the sense that he is seen as pursuing objectives for personal rather than business needs.

At the present time though it is the context within which these developments are taking place in the sense of a disintegrating family that resonates most clearly with me. It is this theme which, to me, offers the most appealing preliminary explanation for the views and actions of the staff within the company and the extreme over-reaction of the Chief Executive and his wife. Contributing to this scenario is a Chief Executive who is displaying examples of extreme pathological and dysfunctional behaviour.

The events and the analysis outlined above is taking place against a backdrop of a company that is growing rapidly in terms of turnover. Authors seem to talk in terms of organisations displaying characteristics that manifest themselves in a common neurotic style as being sick or poorly performing. Yet the company is successful and all the indications are that it will continue to grow. Why is this? Perhaps in small companies where the leader can control the activities of the organisation the effects of organisational dysfunction do not have the same debilitating effect that authors suggest is the case. Perhaps it is not just the scale of the firm that is significant. Perhaps a dysfunctional firm

can continue to be successful if the leader or principal source of dysfunction is partly disengaged.

The research may also provide an insight into the break up of the family atmosphere in a growing small business and the implications of this for individuals and the company. My perspective will be from that of a member of the family seeing and participating in the break up.

I also hope that the research will help the company to successfully come to terms with these events. The relationship between the long-standing members of staff and the Chief Executive and his wife may be irreparable. However, I hope that my research, in terms of drawing out how this situation has arisen, will prevent the goal divergence and interpersonal difficulties re-occurring with the new employees and those joining the company in the near future. I am not clear at this stage if this is likely. However, my role within the company, and the increasing disengagement of the Chief Executive should enable me to play a part in this. This will become clearer in the second and third cycles.

CHAPTER FIVE

INTRODUCTION TO THE SECOND CYCLE OF RESEARCH

The purpose of this chapter is to link the first and second cycles of research and to set the context within which the latter cycle has been carried out.

In reflecting on the first cycle of research I continue to be struck by the pace of events within the workplace over the first part of 2001 and the speed at which the supposedly harmonious family environment disintegrated. Events have continued to move on apace over the last year.

The events covered in the first cycle, and subsequent to its submission, have significant implications for the second cycle of research and beyond. Indeed, my research objectives and strategy, and my role in the research setting, can only be fully understood in the light of these continuing developments.

This short introductory chapter, therefore, is intended to set the scene and to give a context to the focus of the research in the second cycle.

The Family Disintegrates

At the time of submission of the first cycle the working environment within the company was in a state of some turmoil. The Chief Executive and his wife were bitter, and openly hostile towards, the workforce almost without exception. And the themes emerging from the analysis of the interview data in the first cycle highlighted significant unhappiness with the Chief Executive and his wife on the part of staff.

The workplace has continued to remain hostile. Three employees have left the company since August 2001. Two employees left, one without a job to go to, because, they made clear, they found it increasingly difficult to cope with the working environment and a

third was made redundant shortly after two hostile and aggressive exchanges with the Chief Executive's wife/ Director of Administration. Three new members of staff have joined the company and IT support is being provided by a further individual, working full-time in a contracting role.

Two distinct groups have formed within the workplace-the longer serving employees (three) who are seen by the Chief Executive and his wife as being amongst the initiators of the unrest and who they are openly hostile to and the newer employees (four) who receive more favourable treatment. This more favourable treatment takes the form of comments, perks such as lunch invitations and the allocation of work. It is still their wish, stated to me on a regular basis, for all the longer serving employees to leave and for steps to be taken to encourage them to do so. However, the three appear to be making no effort to leave despite their treatment.

My role has also developed. I now manage the company on a day to day basis as the Chief Executive and his wife have increasingly withdrawn from management roles. I have direct managerial control for all employees within the company. The staff see me as the representative of the Chief Executive and his wife in the office. Likewise the latter see me as their instrument for making the workplace difficult for the employees who they wish to leave the company.

From a research perspective I have become increasingly interested in how staff cope with working in such a hostile environment. The hostility presents an interesting situation for both groups of staff. For the out of favour group, if they do not wish to or cannot leave the company how do they cope with working in an environment in which there is such open hostility? And how does the in favour group react to the environment in general and being in a situation of having to work alongside colleagues who are being treated in this way? It is the coping strategies adopted by the staff in a difficult working environment that will be the focus of my research in the second cycle.

However, the same events that have sparked my interest also have significant implications for my research strategy. My position gives me access to a research environment and situation that many researchers would not normally have-seeing at first hand the playing out of bitter hostilities in a small family firm. However, my position also constrains the research methods that I can use to exploit this access. The events that I have written about mean that I do not have the trust of staff. I cannot see any circumstances in which staff will be knowing participants in providing me with research data. The risks to them, in terms of their future with the company, makes it very unlikely that they would participate in, for example interviews, let alone provide me with useful data on their feelings towards their work, the working environment, the company or other individuals within the organisation. This is reflected in my choice of research methods, which I have explained in more detail in chapter seven.

In carrying out my research through the methods explained in chapter seven, the data will be provided by colleagues who are unknowing participants in my work. This adds to the ethical issues that I have encountered in my research. Chapter seven explains how I have addressed these.

Initially though, it is appropriate to review the literature to identify the coping strategies adopted by employees to deal with a hostile, in terms of interpersonal relationships, work situation.

CHAPTER SIX

ORGANISATIONAL CONFLICT AND EMPLOYEE COPING STRATEGIES: A REVIEW OF THE LITERATURE

Introduction

This chapter will review the literature on the coping or survival strategies adopted by employees in a difficult or hostile working environment.

Initially, my focus will be on the family business literature. One of the dominant features of the company is the almost complete control of the company by a husband and wife team. Whilst there seems to be little agreement on the definition of a family business (Sharma et al., 1996) it is clear that the ownership characteristics of the company would fall within most definitions. For my purposes I have adopted the following definition of a family business as being reflective of the predominant position held by the Chief Executive and his wife

...a firm that is both family owned and managed. (Fiegener et al., 1994; 318)

This definition emphasises the concentration of power within the company, which will be an important contextual factor in reviewing employee coping strategies.

To set the context for the chapter I will initially comment on what the literature says about family businesses in general as a working environment. I will then look more specifically at conflict within family business to identify themes about its nature, specifically with regard to conflict between employees and the family, and coping strategies adopted by the former. My initial conclusions are that there are significant gaps within the family business literature on employee coping strategies (and the perspective of employees in general). To address this I have undertaken a review of the wider literature on employee coping strategies.

The Family Business as a Working Environment

An initial review of the early literature might leave the reader with serious doubts about the prospects for my research. The traditional picture portrayed of a family business is of a harmonious working environment, which flows from the unique interaction of the family and business systems.

Authors suggest that this interaction creates a unique atmosphere characterised by a sense of togetherness, belonging and an enhanced common purpose (Leach and Bogod, 1999) and a shared history, identity, common source of values and traditions (Gersick et al., 1997). This sense of 'specialness' manifests itself in a number of attributes which family businesses enjoy, such as a commitment to success on the part of senior managers, a long term focus, and an esprit de corps that promotes a positive, flexible and committed attitude among employees (Cromie et al., 1995), special knowledge, flexibility in terms of work, time and money, a stable culture, speedy decision-making, reliability and pride (Leach and Bogod, 1999). These features lay the foundation for warmer working relationships. Whilst the suggestion that family businesses and utopias have many similarities in terms of ideals, mechanisms of commitment and exercise of power (Guzzo and Abbott, 1990) may seem to stretch the point a little too far, the literature does seem to draw out the potential for this form of organisation to create a harmonious working environment. However, the literature seems to be equally clear that this potential is not always realised.

Whilst the literature suggests that the merging of the family and business systems presents the family business with unique possibilities with regard to working relationships and environment, it is equally clear that it provides the seeds for conflict. In part these problems seem to be structural. For example, flexible organisation structures may give scope for founders to implement arbitrary decisions (Goffee, 1996) authority and responsibility may not be clearly defined and jobs may overlap (Kets de Vries, 1996, Harvey and Evans, 1994). Family dynamics can intrude on business relationships (Gersick et al., 1997) to the extent that senior managers are often torn between the

demands of family values and business principles (Cromie et al., 1995, Leach, 1991), giving rise to potential interrole conflict (Beehr et al., 1997, Dyer, 1994, Harvey and Evans, 1994).

Authors suggest that conflict may have psychological roots (Kets de Vries, 1996, Davis and Harveston, 2001, Levinson, 1971, Le Van, 1999). For example, family conflicts often overflow into the business (Kets de Vries, 1996, Davis and Harveston, 2001, Beehr et al., 1997), family members may collude, not least over the issue of succession (Kets de Vries, 1996) and disputes

...may be a function of the psychodynamics of the family-sibling rivalries, the children's desires to differentiate themselves from parents, or marital discord. (Dyer, 1994; 118)

Thus the interdependence of the family and business system, and the resultant complexity which this brings (Tagiuri and Davis, 1982, Kepner, 1983, Beckhard and Dyer, 1983a, Astrachan and Kolenko, 1994) casts doubt on the traditional picture of the supposedly harmonious working environment in family businesses.

In view of this complexity it is not surprising that some authors have taken the view that family businesses have a complex set of problems that classical management theory has not completely addressed (Kets de Vries, 1996, Davis and Harveston, 1999, Davis and Stern, 1988).

Having established that the family business environment may be more conflictual than early research suggests, the next stage of this chapter is to review the literature on the conflicts that can arise. This will help to draw out themes from previous research on conflict between the family and non-family employees and the coping strategies adopted by the latter.

Conflict and Coping Strategies in Family Businesses

Family Business Research

To some extent my review of the literature has been hampered by a dearth of research into family businesses in general. Authors have noted that whilst the majority of businesses are family owned (Goffee, 1996, Litz, 1997, Gersick et al., 1997) little attention has been paid to this form of organisation (Hollander and Elman, 1988, Beckhard and Dyer, 1983a, Wortman, 1994, Litz, 1997, Goffee, 1996, Astrachan and Kolenko, 1994).

Whilst the field seems to be receiving more attention from researchers (Bornheim, 2000, Brockhaus, 1994, Donckels and Frohlich, 1991, Dyer and Handler, 1994, Hoy and Verser, 1994, Gilding, 2000, Sharma et al., 1996) it presents researchers reviewing the literature with a particular challenge

...the family business has generally been excluded as a topic of study and inquiry in this field, and this has led to a dearth of research and theory regarding family businesses. (Dyer, 1994; 111)

Even the most superficial skimming of virtually any leading outlet of theoretical or empirical research provides ready testimony on the paucity of family firm research. (Litz, 1997; 56)

Even the research that has been carried out seems to conceptually or methodologically questionable (Astrachan and Kolenko, 1994, Davis and Harveston, 2001, Beehr et al., 1997) being “...*mostly descriptive, anecdotal, or consultative*...” (Bornheim, 2000; 2). As a result it has attracted some stinging criticism

Many armchair articles have been written and could be characterized as one-time experiences, folklore and stories. (Wortman, 1994; 3)

This dearth of research material seems to be attributable to a number of reasons. A desire for privacy on the part of family businesses and for protecting business secrets (Litz, 1997, Kets de Vries, 1996), a belief that firms and families exist as two separate and self

contained systems (Lansberg et al., 1988), a view that sees family businesses as a throwback to a bygone era and thus a less effective form of enterprise (Hoy and Verser, 1994), a reflection of a general bias towards large organisations (Goffee, 1996), a consequence of researchers being trained to study either the business or the family (Lansberg et al., 1988) and even a somewhat elitist attitude that sees family businesses as “... *irrational and unproductive, and therefore, not worthy of serious study.*” (Dyer, 1994; 110) have been contributory factors resulting in a general “... *deprivation of business research.*” (Litz, 1997; 61).

From the perspective of my current research then, the general picture that emerges is of limited prior work in the whole field of family businesses, let alone conflict and more specifically from the perspective of non-family employees. Whilst this may pose difficulties for this review it may also present opportunities to make a contribution to knowledge.

Despite the limitations in the research in this area it is possible to identify within the literature themes to support the view that conflict is prevalent within family businesses (Davis and Harveston, 2001, Beehr et al., 1997, Le Van, 1999) to the extent that it is “... *a prominent characteristic of family businesses.*” (Sorenson, 1999; 325). It is appropriate to explore these different strands of thought to see how they involve non-family employees and, in particular, the coping strategies adopted. It will also enable me to consider whether my analogy between the company and an evolving family can be taken further by drawing on this body of the literature.

Sources of Conflict

The literature on conflict within family businesses seems to be based on the evolution of the family and business through developmental life cycles and how the tensions arising from this are triggered by the process of succession in particular.

Families pass through predictable stages of development (Levinson, 1971). Most models start with the formation of a new family through marriage (Gersick et al., 1997). Authors vary in their definitions of stages in the developmental model, using, for example the age of parents and children or the accomplishment of tasks as critical points in family development (Gersick et al., 1997).

This life cycle perspective has been adapted to family businesses to identify potential sources of tension and conflict (Levinson, 1971, Gersick et al., 1997, Gersick et al., 1999, Le Van, 1999, Rivers and Campbell, 1998). This complements the model of the evolution of businesses through developmental life cycles, which was reviewed during the first cycle, to present a picture of family businesses as interacting subsystems-the family and business (Kepner, 1983, Beckhard and Dyer, 1983b, Friedman, 1991, Hollander and Elman, 1988). Hershon's (1975) study is indicative of this blending of two developmental models. He discusses how, as the family moves from founder to children to grandchildren, the management pattern must move from close supervision to collaborative management to collective management.

This life cycle literature may be of significance to my current research. At the conclusion of the first cycle I drew an analogy between the company and a maturing family. I concluded that the conflict within the company could be partly explained by the Chief Executive and his wife having difficulty in accepting that their employees, or children, were maturing and the frustration on the part of the latter at not being accepted as having a more significant role to play within the organisation. It is appropriate, therefore, to review this strand of the literature to identify any themes relevant to the research issue.

The literature suggests that as a family passes through stages of development the potential arises for conflict from a variety of sources. Difficulties seem to start with the founder (Levinson, 1971). Many organisational problems originate in the private inner world of senior executives in how they act out their deepest conflicts, desires and fantasies and how they use their personal defence systems in a business setting (Kets de Vries, 1996, Hirschhorn, 1988). Kets De Vries (1996) refers to this concept as the "...*intrapsychic*

theater... ” (26) of the entrepreneur. This manifests itself in a number of themes that provide the basis for conflict. Entrepreneurs feel a need for control (Kets de Vries, 1996) and are filled with fantasies of grandiosity, influence, power and authority (Kets de Vries, 1996) often as a consequence of unresolved conflicts with their father (Levinson, 1971).

As a consequence the founder tends to be authoritarian (Birley, 1986) and those who work with him are no more than instruments

People who are overly concerned about being in control generally have little tolerance for subordinates who think for themselves. As a result they are not likely to delegate (Kets de Vries, 1996; 27)

Subordinates, family or otherwise are expected to toe the line

If any among them aspires to be other than a device for the founder-that is if he wants to acquire power himself-he is soon likely to find himself on the outside looking in. (Levinson, 1971; 91)

It is not surprising, therefore, that “...*many founder entrepreneurs have rather autocratic, domineering personalities...*” (Kets de Vries, 1996; 21). Even if these autocratic tendencies are not to the fore, his style may prove troublesome for those around him

...the corollary of autocratic rule is paternalism. What started off as ‘well-meaning’ behaviour may end up as stifling or even perverted imposition of the founders’ personal style. (Kets de Vries, 1996; 21)

Reinforcing the potential for conflict within an organisation is the tendency for the entrepreneur to see the business as an extension of him or herself, “...*a medium for his personal achievement...*” (Levinson, 1971; 91) and a monument to their achievements (Kets de Vries, 1996).

The consequence of these psychological tendencies is conflict, principally between the generations

The fundamental psychological conflict in family business is rivalry...The rivalry may be felt by the founder ... when he unconsciously senses (justifiably or not) that subordinates are threatening to remove him from the center of power. (Levinson, 1971; 91)

...the most common tensions between older and younger generations in business together involve power and control. The older generation wants continued domination, the younger generation wants independence and clout. The older generation wants to hang in there, the younger generation wants them to let go. (Le Van, 1999; 24)

Authors suggest that this conflict is particularly prevalent at certain stages in the development of the family (Le Van, 1999, Rivers and Campbell, 1998, Gersick et al., 1997) and between certain individuals or groups within the family (Kets de Vries, 1996, Levinson, 1971) especially when the goals of two generations collide (Peiser and Wooten, 1983). The literature focuses primarily on tensions and conflict in the father-son relationship (Leach and Bogod, 1999). This tension is seen most prominently over the issue of succession (Gersick et al., 1997), which is traditionally considered from a life cycle perspective (Davis and Harveston, 1999) and presents the family business with its major source of conflict (Cromie et al., 1995, Leach and Bogod, 1999, Lane, 1989). Such is the focus of the literature on succession that authors have concluded that it constitutes the core of research in this area (Sharma et al., 1996) to the extent that the field of family business in general is based on the topic (Wortman, 1994, Bornheim, 2000, Dyer and Sanchez, 1998).

Research suggests that the father, or entrepreneur, finds it difficult to give up power (Kets de Vries, 1996, Levinson, 1971, Harvey and Evans, 1994, Lansberg et al., 1988) even to the extent that he will engage in corporoeuthanasia (Kets de Vries, 1996, Danco, 1982), the process of wilfully killing a business by failing to provide for continuity in ownership. This may be attributable to a variety of factors such as a fear of recognising their own mortality, a reluctance to let go, a loss of identity, an inability to choose amongst potential successors and a fear of retirement (Leach and Bogod, 1999).

The father continues to see the younger family members in general as children and cannot quite reconcile himself to the fact that they are responsible, capable adults (Rivers and Campbell, 1998, Harvey and Evans, 1994). This threat seems to take on a particular focus with his son and potential successor. Unconsciously, the entrepreneur considers that he will yield his masculinity by passing on the business to his son and will fear his own mortality (Beckhard and Dyer, 1983a), which influences powerful feelings of rivalry and jealousy towards potential successors (Lansberg et al., 1988). Unconsciously, he also has a need to demonstrate his own competence.

Authors have suggested that entrepreneurs are prone to concerns at certain stages in their life and that the quality of the father-son working relationship in general is affected by their respective life cycle stages (Tagiuri and Davis, 1982). If both father and son are going through periods of identity formation or crises, the chances of conflict are greatly increased (Tagiuri and Davis, 1982). For example, Le Van (1999) suggests that the period between the ages 35-45 is particularly turbulent for entrepreneurs, who feel that time is running out and they strive to give their life meaning. The entrepreneur may feel acutely challenges from the son at this stage, which may in turn add to the fathers own questioning of themselves. The entrepreneur, during this period, typically seeks to strive for competence, recognition, advancement and security (Le Van, 1999).

On the other hand the son seeks increasing responsibility commensurate with his growing maturity and the freedom to act responsibly on his own. He feels frustrated by his fathers' intrusions, his broken promises of retirement and his self-aggrandisement. The son resents being kept in an infantile role "*...with the accompanying contempt, condescension and lack of confidence...*" (Levinson, 1971; 92). The son feels hostile to his father and also guilty for this hostility. The father in turn sees his son as being ungrateful and unappreciative.

Whilst it is interesting that authors have linked this behaviour to a specific age range, from the perspective of my current research being specific about the age range at which

these feelings arise and persist is less relevant than the fact that there is a growing tension within the family unit over the respective contributions of members.

Research does not exclusively focus on father-son conflict and tension. Whilst there is less research on father and daughter relationships (Le Van, 1999) the suggestion is that they are more harmonious than the father-son relationship (Dumas, 1989). Authors have written about conflict that may arise through sibling (Friedman, 1991) and brother-brother rivalry (Leach and Bogod, 1999, Levinson, 1971) and through intrafamily factional disputes (Levinson, 1971, Rivers and Campbell, 1998, Beckhard and Dyer, 1983b). In addition, frustration may emerge amongst the founder's children in general as they feel resentful and develop feelings of frustration (Dyer, 1986, Rivers and Campbell, 1998) as they develop different agenda and seek to establish themselves (Gersick et al., 1997).

Sibling rivalry is generated through the competition for parental love and attention (Friedman, 1991). However, the parents' response has a major influence on the relationship that develops amongst their children (Friedman, 1991). For example, rivalry and the jockeying for position may even be encouraged by the father (Levinson, 1971) so that the business becomes a scene for the playing out of a competition for power between potential successors.

The literature suggests that sibling rivalry is a growing source of conflict. Family inheritance has moved away from primogeniture and a variety of patterns of transition now exist (Cates and Sussman, 1992). For example, the position of Chief Executive may pass to a younger son or daughter because of perceived competence. The lower status sibling may appear simultaneously at the top of the company hierarchy and at the bottom of the family hierarchy. Family hierarchies are upset, causing discomfort and tension for the family (Barnes, 1988).

A similar scenario may arise through intrafamily disputes where conflict develops into branch competition with siblings heading branches of the family (Gersick et al., 1990) or

more generally into factional divisions being formed to which family members and even non-family employee's ally.

An Employee's Perspective?

The overwhelming focus in the literature is from the perspective of the family. The themes that emerge from the literature on the sources of conflict, how it is handled and in terms of its implications are predominantly considered from the perspective of family members. Little work seems to have been carried out into the non-family employee's perspective of this conflictual environment or how they cope with it (Ram, 2001).

The nearest that the literature seems to get to assessing the implications of this for non-family employees are broad conclusions and passing references by authors to the working environment. For example, family businesses are recognised as being prone to having poor communication systems which are highly defensive in nature and allow little scope for feedback (Dyer, 1994) and the failure of family businesses may be attributable to improper or poor management of personnel (King et al., 2001, Astrachan and Kolenko, 1994).

Authors have touched on life from an employee's perspective and have implied that life within family businesses can be very different for family and non-family members. However, this seems to be drawn out again through passing references and broad conclusions with little in the way of substantiating arguments. For example, authors write about a general recognition of the inherent deficiencies of family businesses for non-family employees (Davis and Stern, 1988), resentment on the part of employees towards the advantages given to children of the family (Rivers and Campbell, 1998, Harvey and Evans, 1994), the need for managers to develop coping strategies to deal with the idiosyncrasies of the founder (Goffee, 1996) an acceptance that family businesses may in some ways not be very good places for non-family members to work (Beehr et al., 1997) and a tendency for first generation family firms to have a paternalistic culture which sees human beings, unless they belong to the family, as basically untrustworthy (Dyer, 1988).

Overview

It is helpful at this stage to draw conclusions about the themes in the family business literature on conflict and the coping strategies adopted by employees.

From this review of the literature it does seem as though there is increasing recognition of, and attention given to, family businesses as an environment characterised by conflict. The scope for the interaction of the family and business systems to create a harmonious working environment seems to be matched by its potential as a source of conflict.

The value of much of this literature for my research is, however, limited for two reasons- the overriding emphasis on workplace relations from the perspective of the family and the predominant focus in the literature on succession.

The predominant focus in the literature on the family is clear. Little attempt seems to have been made to view the working environment from the perspective of non-family employees, and certainly not in any great depth. This may well reflect problems of access to family businesses for researchers.

The literature does, though, start to draw out the potential for a significant divide between family and non-family members within the family businesses. Authors, particularly through the work reviewed in the last section, have recognised that the very different status of family members and non-family employees, in terms of power, influence, roles and rewards, can have implications for workplace relations. This is seen in terms of, for example, communication and cooperation (Dyer, 1994), with the result that the environment is more contested and conflictual (Ram, 2001) than many researchers portray. What the literature does not seem to tell the researcher is how employees cope with an environment that becomes contested and conflictual.

The second principal weakness in the literature is the significant emphasis on succession within the family. Initially, I considered that my analogy between the company and an

evolving family might give me scope to draw on the literature about conflict in family businesses and apply it to an employee perspective within the organisation. However, the focus of so much of the literature on family businesses is on succession, which is not an issue in the research environment. At no stage in my research has succession featured as a possible explanation for the conflict within the organisation.

As a result of my review of the family business literature, particularly from an employee's perspective, I find myself sharing some sympathy with the view

Perhaps in no context is the management of conflict more critical or less understood than in the family firm. (Davis and Harveston, 2001; 15)

Whilst I have established that the family business is a potentially conflictual environment the family business literature does not help me to understand how employees cope in a hostile working environment. As a result of the deficiencies in this body of the literature I have broadened the scope of my review.

The next section in this chapter reviews the wider literature on employee coping strategies to identify themes that may develop my understanding of the research environment. Initially I will review what researchers have said about the place of employee emotions in the workplace to give a context to work on coping strategies before considering these strategies in more depth.

Employee Coping Strategies

A Subjugated Workforce?

Some authors seem to suggest that I will find it as difficult to identify themes relevant to my research in the wider literature as I have in my review of the family business field.

In part this reflects the scarcity of published research. Conflict at work has generally tended to focus on examples of overt industrial action (Analoui and Kakabadse, 1989). Much less research seems to be available on unconventional practices, a field which

...constitutes the dark side of organisational life, one which is relatively ignored and is the least investigated and understood. (Analoui and Kakabadse, 1992; 5)

Authors have also suggested that the motives and actions of employees in the workplace may be difficult to identify. This is a consequence of emotions being “...*written out*...” (Fineman, 1994; 1) of organisations or misplaced assumptions being held such as that employees are largely if not invariably constructive and conforming (Ackroyd and Thompson, 1999). The literature suggests that this may be a consequence of the imbalance in power in modern organisations. Employees are so cowed by managerial power that although they would like to express dissent they feel there is no point, managerial control is so complete that the tendency to criticise no longer exists (Ackroyd and Thompson, 1999) and the view of employees is that their place is not to question but to comply (Willmott, 1993). Psychoanalytic writers such as Schwartz (1990), Sievers (1994) and Casey (1996) have suggested that organisations have even managed to induce amongst their employees a state of infantile dependence

...a state where employing organizations provide a surrogate for the family and community, supporting their employees’ egos and self-esteem. Hard work, total commitment and flexibility are what employees offer, in exchange for egos inflated by the organization’s power and ego-ideals enriched by its allure. (Gabriel, 1999; 105)

However, I find myself questioning just how representative these views are of the workplace, and certainly those that I have experienced. They create the picture of an all-powerful management completely dominating a passive workforce, which appears reconciled to its subjugation. To me this significantly understates the role of individual feelings, emotions and actions in the workplace. Employees are not passive recipients of action taken against them by management (Collinson, 2000).

Firstly, the workplace is a more contested site than this literature would suggest. A counter line of reasoning sees the workplace, and individual actions, as the means by which employees establish a sense of power, identity and self at work (Collinson, 2000). Whilst these practices might not necessarily challenge managerial control, and perhaps represent resistance by distance rather than confrontation, they may form a counter culture through which employees secure a positive sense of identity and differentiate the self by seeking greater control over the job (Collinson, 2000). As such I see this as raising a significant question mark against the perception that employees are uncritical and compliant in the workplace.

Secondly, the picture created by this literature of an all-powerful management and compliant workforce underestimates the presence and significance of emotion in the workplace.

Emotion is at the core of how individuals relate to organisations (Gabriel, 1999), giving rise to a range of feelings-from loyalty, commitment, responsibility and pride to fear, contempt and hate. This demon of irrationality (Fineman, 1996) will always surface in organisational life (Gabriel, 1999) with the consequence that organisations become emotional arenas in which there exists

...a thick layer of emotions and feelings, at times checked, at times feigned, at times timidly expressed and at other times bursting out uncontrollably. (Gabriel, 1999; 211)

I am much more taken with this view that personal feelings and motivations are active in the workplace and that feelings such as alienation (Spector, 1999) or frustration (Giacalone and Greenberg, 1999) can be the trigger for individual strategies of resistance

Events and conditions of work can induce anger and frustration that are accompanied by antisocial acts such as aggression, sabotage, theft, and the intentional withholding of output. (Spector, 1999; 1)

I find myself empathising with the central proposition of Noon & Blyton's work (1997) that employees develop and learn coping strategies that enable them to assert some control over their work thereby constructing meaning in the workplace. In some instances these strategies are collectively shared and negotiated, in others they represent individual attempts to survive.

Taking this perspective, clear themes begin to emerge in the literature about discontentment, conflict, and the methods adopted to cope with working life

...while ambition, satisfaction, fulfillment and cooperation are commonly present in the office and on the shopfloor, they continue to co-exist alongside (and in many cases remain secondary to) feelings of frustration, resistance and the pursuit of strategies designed to make it easier to get through the working day. (Noon and Blyton, 1997; 2)

The formal management rationality of the workplace is matched by a more informal, less visible, workers counter-rationality as employees experience both satisfaction and alienation, demonstrate both cooperation and resistance and display both common and opposing interests (Noon and Blyton, 1997).

I will now turn to reviewing the literature on the coping strategies adopted by employees within this emotion-laden environment.

Coping in the Workplace

The literature identifies a range of actions followed by employees as coping strategies. These can be direct and indirect as well as individual or collective (Gabriel, 1999). The common theme of these strategies is that they are aimed at helping employees

...survive the boredom, tedium, monotony, drudgery and powerlessness that characterise many jobs. (Noon and Blyton, 1997; 140)

To give a structure to this review I will adopt the conceptual framework, incorporating five employee strategies, put forward by Noon & Blyton (1997).

Making out (Burawoy, 1979) involves employees finding methods of getting around the formal rules and regulations laid down by management within the workplace. Burawoy found, in his research in a machine shop in an engineering plant, an elaborate series of informal rules and practices intended to reduce fatigue, pass time, relieve boredom and generally obtain psychological and social benefits in the workplace. Techniques employed include arranging work in such a way to produce breaks that would not otherwise occur (Ditton, 1979) and building up a kitty of work that could be used to create a break (Blauner, 1964, Ditton, 1979, Burawoy, 1979).

These activities are not necessarily subversive (Burawoy, 1979, Hodson, 1991). Employees are still consenting to the formal rules and structures imposed by management and are not necessarily seeking to avoid work. They are setting the conditions, however, for carrying it out (Hodson, 1991). It seems to me though that some of the literature on making out misses the fact that it can be subversive in nature. Employees may, for example, violate organisational rules to save time on tasks (Linstead, 1985a).

Fiddling features prominently in the literature on coping strategies. Perhaps the most detailed analysis of workplace fiddles is by Mars (1982). The author developed a typology of fiddling and linked this to the distinctive characteristics of different occupations (particularly whether or not jobs were subject to extensive rules and close supervision and whether they involved group activity and were characterised by strong group controls). The author used the presence or absence of characteristics to identify different occupational categories and fiddle patterns.

The focus of much of the research is on fiddling as an economic act-to obtain personal gain. This appears to be a narrow perspective to take. A variety of motives may lay behind the actions taken by employees. For example, the motive may be aggressive in intent (Neuman and Baron, 1999), with the aim of harming or inconveniencing the

organisation. What this suggests is that a more complex approach to establishing the reasons for fiddling seems to be required (Greenberg, 1999), recognising that motives will be based on both the contextual variables (such as the presence of opportunities to steal) as well as individual differences (or personal determinants which determine the propensity to steal). The complexity surrounding the motivation to fiddle perhaps helps to explain its persistence despite the dangers

...it occurs even when penalties are severe and where the possible amounts to be fiddled are small in comparison the gravity of the sanctions applicable if the person is caught. (Noon and Blyton, 1997; 153)

This suggests that any financial benefit from fiddling at work is only one motive and may not necessarily be the most important (Noon and Blyton, 1997). Indeed, it is even suggested that that fiddling may be prosocial in the sense of promoting organisational and group norms (Greenberg & Scott, 1996).

The literature on sabotage as a coping strategy appears to have attracted some criticism. Sabotage traditionally seems to have been seen as an activity very much at the militant end of the spectrum of coping strategies, encompassing willful acts of destruction as retribution for some felt injustice. Generally though, there seems to be a paucity of literature dealing directly with sabotage (Giacalone et al., 1999), and the work that does exist fails to account for “...*the complexity and subtlety of motivation and method*” (Noon and Blyton, 1997; 160), which seems to be a view shared by other authors (Dubois, 1979, Edwards and Scullion, 1982, Taylor and Walton, 1971).

In part this seems to be a reflection of definitional problems, particularly with regard to intent. Research in this area seems to be lacking in terms of specific contextual information, which is critical to understanding the meanings and motives for what appear to be acts of sabotage (Linstead, 1985a). Events with destructive consequences cannot all be categorised as being planned, rational actions with malicious intent. For example, Noon & Blyton (1997) draw attention to the complexity of identifying motivations and intent by drawing a distinction between sabotage which results from a temporary

expression of frustration with the work process, rules or people and an attempt to assert control over the work process. The consequences of the former are transient and pose no serious threat to the workplace whereas the latter poses a direct challenge to authority. To complicate the picture even further actions might have damaging results without there being any malevolence in the minds of the perpetrators (Taylor and Walton, 1971).

The literature suggests that there is sufficient evidence to place sabotage in a framework for analysing employee responses to the alienating tendencies of work. However, a deeper analysis of how this strategy is employed is required to judge the intent behind the action.

Perhaps the most widely discussed coping strategy in the literature is humour or joking

...even a casual browsing of workplace ethnographies shows that humor is an essential and important part of organizational life. (Terrion and Ashforth, 2002; 58)

Almost every careful ethnographic study of work organisation and behaviour has revealed joke practices and relationships (Ackroyd and Thompson, 1999).

However, the role of humour as a coping strategy seems to encompass a number of themes. For example, it is seen in the literature as a means by which individuals can distance themselves from the unpleasant and boring aspects of work (Cohen & Taylor, 1976), for mitigating failure, as a means of redemption in unpleasant situations, for establishing harmony and as a means of coping with defeat (Linstead, 1985b, Fry, 1993). It can be equally effective as a surrender message to disarm an aggressor or as a reaction to triumph over another which allows the vanquished to continue without suffering total annihilation (Linstead, 1985b).

The literature also suggests that humour can be used as a coping strategy in a more indirect way; as an exploratory tool or as an alternative type of discourse (Ackroyd and Thompson, 1999). It seems to provide the teller with a partial amnesty, a licence to

express something which is uncomfortable or risky (Gabriel, 1999), providing an opportunity for testing unfamiliarity or the acceptability of views (Linstead, 1985b) and for giving voice (Hirschman, 1970) to dissenting or unacceptable points of view (Ackroyd and Thompson, 1999). As such, it is an important safety valve through which employees can let off steam without challenging the power structures in the workplace (Noon and Blyton, 1997, Wilson, 1979, Spradley and Mann, 1975, Boland and Hoffmann, 1983) and

...provides employees with an informal structure through which differences of interest and status are negotiated through playful insults and teasing...rather than with open hostility. (Noon and Blyton, 1997; 156)

Humour has a role as a collective coping strategy within organisations. Shared jokes can reinforce social bonds (Gabriel, 1999), forge strong relationships (Ackroyd and Thompson, 1999), establish a common group identity (Noon and Blyton, 1997), foster a sense of community (Duncan et al., 1990) and establish group norms. As such humour can encourage conformity and compliance.

The literature draws attention to a number of positive aspects of joking as a coping strategy. It is intriguing, therefore, why it appears in research with terms such as organisational misbehaviour or anti social behaviour in the title. To what extent can humour be destructive as a coping strategy?

There is some suggestion that humour can form part of a sub or counter culture which can undermine or fragment the organisational culture (Gabriel, 1999) and that it represents a triumph of the informal over the formal (Douglas, 1975). Previous research has identified some actions in specific work settings that could be said to undermine authority (Westwood, 1984). Perhaps humour can challenge organisational controls (Gabriel, 1999), and in specific cases teasing or satire can be backed with malicious intent (Ackroyd and Thompson, 1999). However, I would have some difficulty, based on my reading, in making a generalised case that, when employed as a coping strategy within organisations, humour is predominantly destructive.

The final coping strategy within this conceptual framework is escape. At the most obvious level this involves exiting the organisation (Hirschman, 1970). As a response to a hostile working environment I am not sure that exit is appropriately considered as a coping strategy with regard to my research, where my interest is in survival in the workplace rather than departing from it.

However, the psychological and psychodynamic literature has identified a potentially fruitful angle on 'escaping' within organisations.

Individuals have a need to maintain a view of their organisational worlds as just and knowable places (Bies et al., 1999) as a means of maintaining positive personal and social identities. The workplace is an arena in which employees seek to establish and express these identities (Ackroyd and Thompson, 1999). When events threaten their self-esteem or control individuals take action to affirm a positive self and to restore their perceptions of control (Janoff-Bulman, 1992). However, the workplace might not be conducive to employees asserting or expressing their feelings or identity (as is the case with my research). Fantasy provides the vehicle by which employees can deal with this (Gabriel, 1999). Fantasy provides the opportunity for creating unmanaged spaces within organisations. These spaces provide the opportunity for reality to be remoulded in the interest of pleasure (Gabriel, 1999). Facts can be turned into stories where individuals can cast themselves in roles where they can obtain some consolation and pride. This concept of escaping within the organisation will be an interesting theme to explore in my research, particularly in terms of a small, geographically concentrated family business.

What Value the Wider Literature?

A review of the coping strategies in the literature helps to present the workplace as a more contested environment than suggested by some authors who present the picture of an all-powerful management and a subjugated workforce.

Employees will experience emotions and feelings within the workplace even if these are not always openly displayed. Various strategies may be adopted to give vent to these emotions.

However, in presenting this picture of the contested workplace and employee actions much of the literature leaves me with the impression that coping strategies represent in some way deviant behaviour. The strategies are labeled with terms reflecting a criminological background, such as antisocial behaviour (Giacalone and Greenberg, 1999) and organizational misbehaviour (Ackroyd and Thompson, 1999). There is no doubt that some of the strategies put forward by authors within their frameworks, such as theft or sabotage, constitute antisocial or misbehaviour. However, as generic terms they do not adequately reflect the actions that are the subject of my research interest-coping or survival strategies-and, indeed, some of the actions referred to by the authors themselves. The question of intent is more complex than to simply view these strategies as in some way deviant or criminal in intent. Authors have sought to demonstrate this. For example, Noon & Blyton (1997) illustrate this point by mapping survival strategies on the basis of whether they represent consent or resistance to management.

This more complex picture of emotions is developed by Hodson (1991) who presents a model based on the parameters of occupational self-control and organisational performance. The author identifies three cornerstone behavioural agendas; good soldiers seek to understand organisational goals and make them their own but may become dissatisfied if this commitment is not recognised; smooth operators are primarily motivated to achieve their own goals, which may coincide with or run counter to organisational goals; and saboteurs who do not ascribe to organisational goals and may seek to get even, particularly when employees are over-constrained by rules or supervisors or when they are not adequately rewarded.

In reality, therefore

Resistance and consent are rarely polarized extremes on a continuum of possible worker discursive practices. Rather, they are inextricably and simultaneously linked, often in contradictory ways within particular organisational cultures, discourses and practices. Resistance frequently contains elements of consent and consent incorporates acts of resistance. (Collinson, 2000; 165)

These authors neatly summarise the complexity that underpins employee emotions and attitudes towards an organisation and how these are in turn translated into actions within the workplace. As such, they help to move the debate away from all coping strategies being seen as deviant behaviour.

This more complex picture of motivation is important for my research. My interest is not focused solely on the identification of action that might represent resistance to management. The imbalance in power between the management and employees in my work environment may well lead to strategies being adopted that are not intended to be resistance or a direct challenge to the family, consciously or subconsciously. They may well be no more than strategies adopted to cope with working life. A somewhat superficial view that sees coping strategies as subversive, antisocial or threatening in some way will, therefore, present too simplistic a picture in undertaking my research.

Conclusions

In this chapter I have reviewed the literature on coping strategies, both within the body of previous work on family businesses and in wider research.

I have shown that whilst the family business literature deals with conflict in the work environment it has limited benefit for my research. This is primarily because of its focus on the family and, within that, succession as the trigger of conflict. Where the literature touches on dealing with conflict, again it is primarily from a family perspective. Whilst likening the company to a family might have offered opportunities to develop my research through the use of analogy, the focus of the literature and the absence of any hint of succession as an issue within the company negates the value of this.

To address these weaknesses in the literature I have broadened my review of previous research.

The second part of the literature review has drawn on previous work in the wider organisational behaviour, psychological and psychodynamic fields in particular to identify coping strategies adopted by employees in the workplace. A number of strategies have been identified and I have set these in a context that suggests that the workplace is an arena in which motives and emotions are ever present, even if not openly displayed. This again is significant for my research in that the nature of the company and the power relationships within it suggests that emotions and coping strategies might not be openly visible.

My review of the literature has, however, left me with unanswered questions and it is these that will form the focus of my research. Firstly, I have demonstrated that little exists on the coping strategies adopted by employees in family firms. Whilst the wider literature has given me some clues as to the strategies that might be adopted it will be interesting to see how representative they are of those adopted by non-family employees in a family firm. Secondly, I have a nagging doubt as to how relevant some of the coping strategies that I have identified are in a hostile, and in career terms, threatening working environment where any display of resistance or emotion is likely to be punished.

To address these issues the research question that I will consider is to identify the coping strategies adopted by non-family employees in a family business. In making this decision I recognise that it is equally likely that family members will be adopting their own coping strategies. Whilst this would be an interesting issue to pursue in itself, the focus of my work is the actions of non-family employees. The next chapter sets out the approach that I have adopted to carry out my research.

CHAPTER SEVEN

METHODOLOGY

Introduction

This chapter sets out my approach to the collection and analysis of data during the second cycle of research.

In this chapter I explain my reasons for adopting a qualitative methodology, in particular its consistency with my epistemological outlook and the nature of the data produced. I also recognise the growing acceptance of the contribution that this approach can make to research in the field of family business. I also set out the reasons for the selection of participant observation as the method of data collection, and for the production of an ethnographic text, using discourse analysis to assist in the interpretation of the data.

I have reflected on a number of difficult ethical considerations that have exercised me over the course of this cycle and on the contested nature of data produced by the approach adopted.

The methodology chapter in the first cycle has covered a number of the issues raised here. In this chapter I have built on the methodological explanations in the first cycle and reflected on my evolving understanding and awareness of the challenges involved in pursuing qualitative research.

Qualitative Research

My methodology chapter in the first cycle went into some depth about the reasons for selecting a qualitative approach for my research. Essentially, this reflected the nature of the research issue that I was pursuing and my broad epistemological outlook towards the foundations of knowledge. I consider these views to be equally valid for the second cycle of research.

The identification of coping strategies will require significantly more than a superficial assessment of workplace attitudes and motivations. I will need to look

...below the surface into the depths of the workplace where other complex patterns of action and meaning can be found. To explore this domain, it is necessary to use research methods based on getting close to the subject...(Noon and Blyton, 1997; 164)

It is only by immersing myself in the workplace that I consider it likely that I will be able to collect data with the richness, depth and complexity to be able to draw out the coping strategies adopted by staff. This perspective undoubtedly reflects my epistemological perspective, which I explain in more detail below. I recognised that I could have collected data to address my research question through quantitative techniques. However, I do not believe that the nature of the data collected through these methods would have the depth, richness or complexity to help shed light on the coping strategies adopted by staff.

To complement my natural inclination towards qualitative methodologies, I have become increasingly convinced, over the course of this second cycle, that they can help to address the under researched nature of family business as a field.

My reading during this second cycle has highlighted the growing recognition amongst authors of the contribution that qualitative research can make in the field of family business. Authors argue that researchers need openness to a variety of methods and methodologies to address the under-researched nature of this field (Bornheim, 2000) and to move the field forward (Dyer and Sanchez, 1998). Qualitative methodologies may help to address some of the specific barriers to research in family firms. I find myself sharing the view that the adoption of “...*immersion-intensive research methodologies*...” (Litz, 1997; 65) may be helpful in uncovering the veil of secrecy that pervades in family businesses. More specifically with regard to my research

Detailed case studies using both participant and non-participant observation are more likely to yield insight into the control strategies pursued by owner-

proprietors and the coping responses developed by managers and other employees. (Goffee, 1996; 46)

My work over two cycles of research using qualitative approaches has left me with the firm view these authors are correct in their recognition of the contribution that research of this nature can make.

Thus my selection of a qualitative approach, as well as being consistent with my outlook on the foundations of knowledge and appropriate to my research issue, is also consistent with the growing recognition of the value of this methodological perspective as a way forward in addressing the under-researched nature of family businesses.

Having explained my reasons for adopting a qualitative approach in the second cycle, the specific methods adopted warrant further explanation. I will turn to this next.

Qualitative Research in a Hostile Working Environment

The research environment has undergone some considerable change since my data collection in the early stages of the first cycle.

During the initial stages of my research staff were willing participants in my data collection and were very forthcoming in their views. This situation has changed considerably. The events set out in the first cycle have, understandably, resulted in staff being distrustful and cautious in the work environment. Added to this I am now responsible for the day-to-day management of the company and for all the employees. There is little doubt that I am now seen even more as the Chief Executive's eyes and ears in the office.

The result of this is that at the outset of the second cycle I could not see any circumstances in which the staff would be willing and knowing participants in providing data to address my research issue. The workplace is now devoid of any semblance of trust. This, inevitably, limited the methods available to me for data collection.

On a more positive note I recognised that my position provided opportunities that might not normally be available to researchers in the family business field. I have access to all aspects of the workplace, in terms of documentation, information, management levels and staff on a daily basis. Physically my office looks out over an open plan area in which the majority of staff work. I can, therefore, watch and listen to company employees as they work and interact with colleagues. My location and role within the research environment means that I avoid problems with negotiating access through gatekeepers and of impression management (Hammersley and Atkinson, 1995). I am thus well placed to overcome what Smith (2001) has referred to as the dual constraints on qualitative researchers who study work- the unique barriers to entry to the field and the more universal problem of time.

As I reflected on this situation I found myself trying to reconcile what seemed to me to be almost conflicting sets of circumstances. From my standpoint as a social constructivist I wanted to adopt a method which would give me data with the richness, depth and complexity of understanding that I considered would be necessary to assist with my research issue. To me, this would only come about through immersing myself in the work of my colleagues. And yet I had to achieve this deep immersion with a group of employees who were distrustful of my very presence in the office and who had concerns for their jobs.

As my reading on qualitative methodologies broadened I began to become increasingly interested in participant observation and ethnography. Fundamental concepts which seemed to be particularly associated with these approaches-such as understanding beliefs, motivations and behaviour, and developing a fuller, more meaningful context-seemed to be consistent with the story that I wanted to tell and the nature of the data on which I wished to base it. As an approach it seemed to be consistent with my social constructivist outlook, with knowledge and understandings about coping strategies being jointly produced through immersion within the work environment, observing staff as they go about their work, watching their actions, listening to their language and seeing how they

interact with colleagues. As I became more familiar with this approach I found myself sharing the view that participant observation and ethnography are more appropriate methods to the study of the social world that I am exploring (Taylor, 2002).

I reached the conclusion, therefore, that I would feel comfortable with the data produced by this approach, and that if undertaken covertly it would enable me to obtain data despite the difficulties in the workplace and the lack of trust on the part of employees.

It is now appropriate to look at in greater depth participant observation and ethnography and how I have used these approaches over the course of the second cycle. I will, initially, review the literature on the characteristics of ethnography before discussing its appropriateness to my work.

Participant Observation and Ethnography

Why this Approach?

As a researcher encountering ethnography for the first time I have been struck by the diversity of this method, or more appropriately methods, of research.

In part this seems to be a consequence of the ways in which new information or research data are transformed into a written or visual form. Ethnographic research and experiences have been presented through a variety of formats, styles and genres including biography or life history, memoir, narrative ethnography, novels, short stories, diaries (Tedlock, 2000), performed research (Mieniczakowski, 2001) and photography and film (Ball and Smith, 2001). Perhaps it is not surprising, therefore, that

Contemporary ethnographic research is often characterized by fragmentation and diversity. There is certainly a carnivalesque profusion of methods, perspectives and theoretical justifications for ethnographic work. There are multiple methods of research, analysis and representation. (Atkinson et al., 2001; 2)

It is possible, however, to draw out some common characteristics of ethnography. It is these characteristics that made ethnography an attractive method of research for me.

Generally, as an approach ethnography is

...an ongoing attempt to place specific encounters, events, and understandings into a fuller, more meaningful context. (Tedlock, 2000; 455)

The various ethnographic traditions seem to share many common features.

They are grounded in a commitment to the first-hand experience and exploration of a particular social or cultural setting on the basis of (though not exclusively by) participant observation. Observation and participation...remain the characteristic features of ethnographic research. (Atkinson et al., 2001; 4)

Observation is the mainstay of ethnographic enterprise (Werner and Schoeffle, 1987).

Through this approach the ethnographer is

... participating, overtly or covertly, in people's daily lives for an extended period of time, watching what happens, listening to what is said, asking questions-in fact, collecting whatever data are available to throw light on the issues that are the focus of the research. (Hammersley and Atkinson, 1995; 1)

Observation is based on seeking out situational identities through membership rather than on objective research extrinsic to the social setting (Angrosino and Mays de Perez, 2000). By entering into a close and relatively prolonged interaction with people in their everyday lives, ethnographers can better understand the beliefs, motivations and behaviour of their subjects (Hammersley, 1992).

In referring to researching people's lives, authors adopt broad definitions of the term, such as human activities (Baszanger and Dodier, 1997), ways of life (Denzin, 1997) and human experience (Willis and Trondman, 2000).

Finally, whilst a variety of genres are used to present the ethnographic study, authors seem to emphasise the centrality of writing (Denzin, 1997, Van Maanen, 1995, Taylor,

2002, Angrosino and Mays de Perez, 2000) with ethnography being created through “...*a double process of textual production and reproduction.*” (Atkinson, 1992; 5).

Whilst my initial attraction to participant observation and ethnography was based on its consistency with my epistemological outlook and perception of being comfortable with the nature of the data produced, I also recognised its potential on practical grounds. The opportunity to pursue research through covert methods, whilst giving rise to a certain sense of intrusion and even spying (which I address in more detail below when discussing ethical issues), presented an opportunity to overcome my concerns about staff not being willing participants in my work. Whilst the selection of an ethnographic method on grounds of practicality is recognised as being appropriate (Taylor, 2002) this was very much a supporting reason for my adoption of this approach.

Having reached these conclusions about the contribution that this approach could make to my research issue, I was pleased to find evidence of authors using participant observation and ethnographic texts to address deeply rooted organisational issues. Authors have seen these approaches as effective means for addressing issues such as power, conflict, cultural control and inequality in the workplace to the extent that

By engaging in the same social processes, confronting the same organizational, technological and administrative structures, and being implicated in the same relations of power and control, ethnographic field researchers have acquired a type of data that is simply unobtainable using other modes of enquiry. They reveal to us things that we cannot know by conducting a survey, by interviewing individuals out of context, by doing archival research, or by performing experiments in carefully controlled settings. (Smith, 2001; 228)

This may help to explain why ethnographic inquiry is receiving increasing attention in studies of smaller organisations (Fletcher, 2001) not least because of its value in making sense out of a local situation and yielding in-depth insights and understanding of organisational practices and processes (Denzin, 1997).

Participant observation and ethnography are, therefore, appropriate approaches to adopt in the second cycle in terms of my own perspective on knowledge creation, the nature of

the research issue, on the grounds of practicality and in view of the growing recognition of the value of these methods in the business environment.

Representing the Self

In adopting this approach it is important to recognise the impact of my own perspectives and views as a researcher on the data collection and analysis. To give a context to the data analysis in the next chapter I will seek, in this section, to initially discuss the importance of representing the self. I will then set out my own perspectives on the foundations of knowledge in general and, more specifically for the current cycle of research, my evolving thoughts on issues of identity and power in the workplace, which I see as being central to my current work.

One of the attractions of ethnography for me is the opportunity to represent the self in the research. I believe that this is particularly important during the second cycle. My perceptions, attitudes, actions and the coping strategies I adopt are significant for the research. An ethnographic text provides the opportunity to achieve this.

In part the importance of representing the self is a consequence of the recognition that it is not possible to separate the researcher from the researched. Researchers are part of the social world (Hammersley and Atkinson, 1995) and participate in its construction through selective observation and theoretical interpretation. The resulting ethnographic text is thus an interpretation rather than an observation (Taylor, 2002). As a consequence, discussions of

... ethnographers own interactions, relationships and emotional states while in the field have as a result moved from their discreet place in acknowledgements or forewords to the centers of the ethnographies themselves. (Angrosino and Mays de Perez, 2000; 675)

Some authors develop the concept of representing the self further. The personal and emotional self permeates, and should be represented throughout, the whole research process (Atkinson, 1990) as

...fieldwork is personal, emotional and identity work. The construction and production of self and identity occurs both during and after fieldwork. In writing, remembering and representing our fieldwork experiences we are involved in processes of self-presentation and identity construction. (Coffey, 1999; 1)

Authors such as Coffey (1999) have been critical of guides to ethnographic research, such as those by Hammersley & Atkinson (1995) and Lofland and Lofland (1995), for confining the discussion of personal and emotional issues to particular aspects of the research process. They fail to “...*acknowledge the complexities of identities, roles and relationships that characterise fieldwork.*” (Coffey, 1999; 5)

The ethnographer should thus be self-aware (Wetherell et al., 2001) and should make clear at the outset their attitudes towards and preconceived notions about how people behave (Fetterman, 1998). I am attracted to the thinking behind this observation of participation (Tedlock, 2001), in which ethnographers

...both experience and observe their own and others’ coparticipation within the ethnographic scene of encounter. (Tedlock, 2000; 464)

It reflects the situation that I am in as a manager-researcher, immersed in the research environment, developing my own coping strategies and managing the lives of the research participants.

It is important, therefore, for me to set out my perspectives on the foundations of knowledge in general and on behaviour in the workplace that I consider to be relevant to the second cycle.

Essentially, I take a social constructivist perspective towards the foundations of knowledge. I feel more comfortable with an outlook which accepts multiple realities within a given situation, that human beings do not find or discover knowledge so much as construct or create it, and that knowledge is rich in experience and permeated with values that I hope my research during the second cycle has discovered. In the context of the second cycle my approach is one of ethnographic constructivism (Hammersley, 1990)

rather than naturalism (with its focus on documenting an independent social reality (Hammersley and Atkinson, 1995)).

More specifically, with regard to the current cycle, I feel that it is also important to set out my evolving views on identity in the workplace. My reading set out in the previous chapter has sensitised me to issues of power and identity in the workplace. As my reading, data collection and analysis have progressed I have become increasingly of the view that the workplace, however authoritarian or hostile, is a forum in which individuals seek to exert power and preserve or establish identity. The image painted by some authors of a compliant workforce is not, as I see it, an accurate reflection of reality. Employees will act in ways, consciously or unconsciously, openly or concealed, individually or in groups, which are aimed at exerting some control over the workplace. The workplace is thus a more contested and negotiated environment than some authors have suggested.

These perceptions have inevitably shaped my approach to the collection and analysis of data and are reflected in the emerging conclusions set out in the next chapter.

Data Collection

Data has been collected through participant observation. Over a period of nine months I have been watching the behaviour of staff in an everyday context. Fieldnotes have been collected from staff meetings, interaction between staff, behaviour in the office and the actions of individuals in going about their work. I have also made fieldnotes on discussions that I have had with managers and staff. At the early stages of the second cycle I realised that access to a very significant amount of information over a long period of time made it imperative that I adopted a structure for my data collection to ensure that the research process remained manageable.

Bringing a structure to deciding what to record has been a significant task in itself and has been a learning process over the duration of the second cycle. At the outset of the second cycle I found myself recording very large amounts of data covering events, discussions and actions that I felt might be of significance. My concern was that I might

miss something that might not appear relevant at the time but would carry more significance at a later date. This was time consuming to record, manage and to analyse.

As my work progressed, my reading sensitised me to examples of coping strategies in the workplace and I could reflect on the data I was collecting I was able to bring more of a structure to the events and information that I was recording. I refined this structure as my research continued and themes began to emerge. Essentially, my approach became increasingly focused on recording actions or comments by staff which seemed to me to be challenging authority either directly or indirectly, establishing control over working practices and routines, establishing individual or group 'space' in the workplace; noting the frequency of interactions between staff, and recording the extent to which they acted as a group in seeking to manage the working environment; and recording their actions and responses to changes imposed by the senior management of the company.

I recognise that, as my data recording became more focused, more information was being lost. As I became more selective the nagging doubt remained with me that I might be missing important data that would make a significant contribution to my research. This may have happened. However, my selectiveness in recording data was, I believed, based on a sound footing. My immersion in the research environment for a full working week over many months, my increasing awareness of potential coping strategies from my reading and my reflections on the data I was collecting, has hopefully meant that I have not missed significant events or actions.

The covert nature of my research has meant that fieldnotes could often not be taken verbatim or even at the time of the discussion, event or action. On numerous occasions notes had to be made as soon as it was practical to do so after the interaction. Whilst this casts considerable doubt as to the word for word accuracy of my fieldnotes I still believe that the information is credible and has merit. Word for word accuracy has not always been critical in collecting the data. Individual and group actions have been significant and the message or intent given through verbal exchanges has been more significant than the actual words used. There have also been opportunities for accurate notes to be taken.

I am confident, therefore, that the significance of the actions or exchanges has been captured.

My fieldnotes have included information on the context within which events or actions have taken place. I have also sought to record my own feelings at the time as a researcher, as a manager within the office and as an individual developing my own coping strategies within the workplace.

In collecting data I had hoped to make use of internal documents, which have been recognised as an important source of information in literate settings (Hammersley and Atkinson, 1995). However, the company's policy is to minimise the production of internal documents. As a matter of policy, the Chief Executive has said that internal memos and emails are not sent between individual staff in the headquarters. He feels that in a small company with staff in one building internal communication should be through personal interaction. Little promotional material is produced directly by the company. This is undertaken indirectly by institutions offering company courses who advertise to fill course places. This has limited the scope to collect material other than from verbal exchanges between staff and their attitude and behaviour in the office. However, I feel that my access to all levels within the company and my ability to see the actions of individuals has provided me with sufficient information on which to base my analysis.

Data Analysis

To assist in the analysis of the data and the production of the ethnographic text I have used a form of discourse analysis.

Discourse analysis has been described as the study of talk and texts, or "*...the close study of language in use*" (Wetherell et al., 2001; 5). From my reading discourse analysis encompasses a diversity of approaches and methods. Rather than being termed as a specific approach it seems to be best described as a set of methods and theories for investigating language in use and language in social contexts.

I feel that this is a worthwhile approach for me to pursue because of the constitutive nature of language. It is not a neutral vehicle for carrying data. Rather it is a “...*site where meanings are created and changed.*” (Wetherell et al., 2001; 6). The analysis of language should, therefore, give me ample scope to draw out the meanings that I am looking for to address my research issue.

When starting to form this view I had some concerns about the practicalities of using discourse analysis. This was based primarily on a narrow perception of discourse analysis as the study of talk. I had concerns about the detailed analysis of text because of the nature of my data collection. I did not have verbatim transcripts of interviews. My fieldnotes were based on recollections made after the event.

However, Wetherell et al (2001) set out a framework for discourse analysis that incorporates four broad approaches. One approach for discourse analysts to adopt is to focus on the activity of language rather than the language itself. Attention is centred on the process of interaction. The analysis seeks to identify patterns in the interaction between language users, rather than the language itself. As such the language becomes a resource for studying something else. The subsequent analysis is presented as isolated extracts. This excerpt strategy (Emerson et al., 2001) visually marks off fieldnote extracts from commentary and interpretation.

I feel more comfortable adopting this approach in terms of interpreting the ‘second-hand’ nature of the data that I have collected and in presenting the analysis. My initial thoughts were that the coping strategies adopted would be more effectively presented through isolated extracts of texts that summarise features rather than as complete interactional sequences.

As the previous section explained, data has not solely been collected in the form of verbal exchanges. Behavioural actions, including body language and the frequency of interaction between individuals, have also contributed to the analysis in the next chapter.

The overall purpose of this analysis has been to look for patterns of thought, behaviour (Fetterman, 1998) and action and to produce an insightful description by presenting phenomena in new and revealing ways (Hammersley, 1990). This will help me to link events, actions and talk to draw out themes that will, in turn, provide a deeper level of explanation for individual behaviour in the workplace. The categories or themes developed through this process have been used to organise the ethnographic text that follows in the next chapter. I have again used WinMAX to assist with the storage, management and analysis of data.

Ethical Issues

Ethical considerations have exercised me considerably throughout the course of the second cycle as a result of the covert nature of the research I have undertaken. The adoption of covert participant observation to data collection requires some justification. Adopting a position that I feel comfortable with, and which supports this approach, has been particularly challenging.

I do not seem to be alone in finding that ethical issues present a considerable challenge to a researcher. The literature presents a diversity of views and perspectives on what can be considered ethically appropriate and justifiable. Indeed, the lack of consensus about methodology in ethnography seems to be reflected in discussions about ethics (Murphy and Dingwall, 2001). My reading has left me with the conclusion that it is difficult to draw hard and fast rules to cover ethical considerations in research of this nature.

As a consequence of this I must take and defend a stance to cover the ethical issues raised by my research. In this process it is inevitable that my epistemological and ontological perspectives will have implications for the judgements I make about my responsibilities as an ethnographer (Murphy and Dingwall, 2001) and I recognise that the subjectivity of this approach will leave my stance open to challenge

In the process, we shall find conflicting indications, difficult judgements and probably disagreements. Ethical issues are not matters on which simple and consensual decisions can always be made. (Hammersley, 1990; 134)

My reading has drawn out a range of ethical issues that my research could potentially be in conflict with. For example, deontological approaches focus on the inherent rights of research participants, such as the right to privacy, the right to respect and the right to self-determinism. Much of the literature on ethics is permeated with terms such as informed consent, protecting privacy and the avoidance of harm and exploitation. Authors have written about the participants in the research process being informed in a comprehensive and accurate way and giving their unconstrained consent to participation, of avoiding potential damaging consequences for others through publication and of respecting privacy. My initial reaction was that covert participant observation cut across these principles and seemed unlikely to be defensible on ethical grounds.

I sought to put together an argument in my own mind that might justify my approach. To do this I took a practical consequentialist perspective that focuses on outcomes, with research being ethical if its benefits outweigh the potential for harm (Murphy and Dingwall, 2001). A view can thus be taken on the relative costs and benefits of the research (Hammersley and Atkinson, 1995), weighing the contribution of the research against the chances and scale of harm (Hammersley, 1990).

To build on this approach I found the ethic of proportionate reason in observational research (Angrosino and Mays de Perez, 2000) to be a helpful framework. The ethic is based on three criteria; ensuring that the means used do not cause disproportionate harm; selecting the methods that do the least amount of harm but which enable the research to be completed; and ensuring that the means used will not undermine the purposes of the research.

I recognise that this approach entails a high degree of judgement and subjectivity, in particular about perceived costs and benefits, whether the latter outweigh the former, and who can be said to benefit from the research. But my reading has left me with the

impression that judgement and subjectivity are ever present in developing views about ethics in qualitative research (a view neatly encapsulated by Hammersley (1990) in the quote above).

I still had a sense of uneasiness with the route I was going down in terms of building an academic argument to ethically justify covert participant observation. However, to take my approach further I had to develop a view on the potential benefits of my research in terms of a contribution to theory and practice.

My previous chapter has highlighted the limitations of previous research on family businesses in general and, in particular, the employee coping strategies adopted. My role as a manager-researcher in a family business has given me the opportunity to become immersed in a generally under-researched environment. The collection of data on the issues that I am researching might not generally be available to external researchers. Indeed, it must be questionable just how many small businesses would invite research into the topics that I am looking at. Whilst any publication of the research would have to be carefully drafted to ensure anonymity the work being undertaken could make a contribution to an under-researched field.

My reasoning went that my research has the potential to make a contribution within the company. The benefits might be seen as a number of different levels, for the staff concerned, for my role in managing the company on a day-to-day basis and for the future stability of the company. Having a fuller understanding of the actions and reactions of staff in a hostile and very unstable working environment is likely to contribute to my managerial role. Being able to recognise the actions of staff as coping strategies and recognising when staff are acting to exert some identity or control over their work will be valuable information for me in understanding and bringing some stability to the workplace. Recognising these actions for what they are, and accepting or perhaps even facilitating them where this is appropriate will be an important safety valve and is likely to be beneficial to the individuals concerned and the workplace.

I also have major concerns about the likely consequences of the continuing conflict within the organisation for the future of the company. It seems inevitable that if this conflict continues ultimately the business must be harmed. Being aware of, and perhaps facilitating, ways in which staff can try to manage the hostility and the work environment may help to limit or prevent longer term damage to the company.

I developed the view, therefore, that my research has a number of potential benefits. I also recognised that there were potential harms against which these benefits should be considered.

Whilst my research is covert, and has been carried out without the informed consent of staff, it is also being undertaken without the knowledge of the Chief Executive and his wife. Whilst rarely can an ethnographer give absolute guarantees that identities will remain hidden (Murphy and Dingwall, 2001) it is likely that the identity of the company will remain confidential to my supervisors, examiners and myself. Thus the potential harm to participants is minimal. Further, the impact on participants will be minimal. The actions and exchanges would have occurred even if I had not been observing the staff. They are doing no more than carrying on as they would have done otherwise (Wetherell et al., 2001).

In reflecting on this argument I still had a sense of uneasiness. Despite reviewing the work referred to above and even though I had formulated an approach which seemed appropriate to me I realised that at no stage had I read or written anything that convinced me I could build an academic argument to justify covert participant observation on ethical grounds. I have reached the conclusion, therefore, that fundamentally, I do not believe it is.

However, I do not believe that reaching this view rules out covert participant observation as a method of research

The use of deception-the deliberate withholding of, or misinforming about, important information-usually is seen as permissible as long as certain conditions

are met (such as when no alternative means of investigation are available, risks are minimal...). (Kimmel, 1988; 34-35)

Circumstances dictate that no other method is appropriate for gathering data to address the research issue. In this case the central issue for me becomes the potential risks or harm that participants are exposed to. My analysis above left me with the view that the potential risk to staff within the company as a result of my research is minimal. Set against this is the potential benefit that I may gain from the work in terms of my day-to-day management of the company. I reached the conclusion, therefore, that whilst I could not build an academic argument to suggest that covert participant observation is ethical, I felt that, in the circumstances of my case I could proceed.

Judging My Research

Qualitative research in general is a contested field (Silverman, 2000). Broad concerns such as the validity or criteria for the evaluation of qualitative studies, the wider application of research conclusions and the influence of the researcher on the research process (Gergen and Gergen, 2000) seem ever present in the questioning of the merits of qualitative work.

I find it hard not to draw the conclusion from my reading that ethnography seems to be a particularly contested area, with the field characterised by constraints and contradictions to the extent that it has become an arena of debate and contestation (Atkinson et al., 2001). This has been brought home to me by the challenging ethical judgements that I have had to make. The diversity of practices and the absence of clear criteria for assessing ethnography have undoubtedly contributed to this debate.

Authors have asserted a variety of bases on which ethnographic research can be judged. It is noticeable that in seeking to do this many authors hark back to quantitative terminology when suggesting how ethnographic research can be judged or assessed. Terms such as validity, relevance and generalisation appear on a regular basis (Hammersley, 1990, Hammersley, 1992, Wetherell et al., 2001). Thankfully, whilst the

terminology may exhibit quantitative tendencies, the ideas put forward are more relevant to judging ethnographic research.

In part good practice in academic research should form part of any assessment of ethnographic research or discourse analysis. Its location in relation to previously published work, coherency and rigour in analysis should form part of the criteria (Wetherell et al., 2001). This does little more than state the obvious. Fortunately, authors have also drawn out other, more specific criteria.

For example, good practice and quality of interpretation (Wetherell et al., 2001), coherence and fruitfulness of the findings (Potter and Wetherell, 1987), plausibility, credibility and relevance to issues of public concern (Hammersley, 1990), checking with the participants (Seale, 1999) and persuasiveness, coherence and pragmatic use (Riessman, 1993) and judging knowledge claims in terms of likely truth (Hammersley, 1990) have been suggested as ways of judging the merits of ethnographic research. Authors have even put forward frameworks for assessing ethnographic research, drawing in issues such as the degree to which theory is produced, the novelty of claims made, the consistency of claims with empirical observations, the credibility of the account to readers and those studied, the extent to which findings are transferable to other settings and the reflexivity in the account (Hammersley, 1992).

The position is thus one of diversity, with a wide range of concepts suggested by authors against which qualitative research can be judged. Because of the absence of widespread acceptance about the criteria for judging qualitative research

It therefore becomes necessary for the researcher to present an argument for the value of the analysis, which may include explaining and justifying the criteria for evaluation... (Wetherell et al., 2001; 319)

I presented a framework for judging the merits of my research during the first cycle (see chapter four). The work of the authors referred to above builds on this, particularly in the context of ethnographic research. I believe that the earlier framework establishes an appropriate basis for judging my research in this cycle.

Before moving on from how my research can be judged I feel that it is important to recognise what I believe has been a limitation with my research in this cycle.

I have found myself in a strange position, on the one hand immersed in the work environment, managing on a day-to-day basis, adopting my own coping strategies as an employee. And yet on the other hand I have created a separate place for myself, standing back, watching the events transpiring in the office, making copious notes on anything that seemed relevant to my research.

I am sure that these are similar reflections to those experienced by many practitioners-researchers. I have a feeling though that the covert nature of my research has led to more of a separation of these two roles than might otherwise have been the case. The interactive element of the research process has been reduced. The identification, consideration, reflection and analysis of data are mine alone. I have not been able to test my perspectives and emerging thoughts through discussion with staff, to have misinterpretations corrected or to have new lines of thought opened up through discussion with colleagues as would be the case, for example, through interviews. I feel that this is a limitation that needs to be recognised.

However, as I have thought about these concerns I have recognised that my deep immersion in the work environment, for the whole working week over almost a year, has given me confidence that my interpretations are representative of coping strategies in the workplace. The themes I have drawn out in the next chapter can be substantiated by recurring examples or actions, comments or incidents. I do accept that there is scope for me to have misinterpreted actions or comments, but then the next chapter is presented as being no more than my story, based on my interpretations, feelings, judgements and assessment of life within the company.

Conclusions

I have set out in this chapter the approach adopted for collecting and analysing data.

I have found this to be a difficult chapter to write. In some sense this seems strange. The issue that I am researching this cycle lends itself to qualitative methods of inquiry.

Participant observation is an appropriate method to collect data and the production of an ethnographic text an interesting and appropriate approach to presenting my story. I feel comfortable with the methodological approach and methods adopted in terms of the knowledge produced and my epistemological outlook. And yet as I write this I have a sense of uneasiness, due entirely to the covert nature of my work.

I cannot put forward a general academic justification on ethical grounds for covert participant observation. I have presented a justification for my approach with which I feel relatively comfortable. My work will, I believe, be beneficial to the company and the potential harm to participants is minimal. I recognise though that this hinges very much on my work remaining confidential and not, in particular being available to my employer. I believe that it will, and hence on the basis of my analysis in this chapter my work can be justified. But the nagging sense of uneasiness is still with me due, I believe, to my work being based on collecting data from colleagues who have no knowledge of the fact that I am doing this or drawing conclusions about how they are acting in the workplace. Covert research with people who you share your working life with is not easy.

Having set the context for the collection and analysis of data it is now appropriate to set out my conclusions from the research undertaken over the last nine months.

CHAPTER EIGHT

LIVING WITH THE ENEMY

Introduction

In this chapter I intend to give an insight into how deep and personal conflict has become part of the daily life within the company and the practices adopted by staff to cope in the hostile environment that they, and I work in.

To give a context for this I will describe the physical environment within which we work. Understanding how employees are coping within the organisation will only, I believe, be fully appreciated if I convey a sense of the company as a workplace. The physical structure and internal design of the building, the small size of the company, the close proximity of all employees to one another and the current approach to managing staff are important contextual factors in understanding how staff cope with a difficult employment situation.

The Setting

The company occupies a two-storey former Victorian watch chain factory. The long thin building is no more than 60 metres in length and six metres wide. The, now, 11 staff are split between these two floors- the DTP Operator, five Examinations Officers and myself on the top floor, the Chief Executive, Director of Administration, IT Consultant and Customer Service Officer on the lower floor. The Examinations Officers occupy individual workstations in an open plan area covering most of the top floor. The remaining staff have individual offices.

The setting is thus characterised by physical closeness. All the employees are in close proximity to one another and interact with one another throughout the working day. The nature of the open plan area on the top floor leaves little room for privacy, in terms of actions, comments or working practices. Sitting in my office looking out over the open

plan area of the office I am struck by the goldfish bowl nature of the work environment. The large numbers of windows in a relatively small office enhances this feeling. Glass seems to be all around. The building was designed to allow in as much natural light as possible to work on very small Fusee watch chains. This original design concept has been maintained.

The design of my office only adds to the claustrophobic, goldfish bowl analogy that I have drawn. Situated at one end of the top floor, the office is separated from the open plan area only by only a glass partition. I can see the activities and actions of the Examinations Officers and DTP Operator throughout the working day. I am sure that the nature of my research, with my focus on watching and listening to staff as they go about their work has only added to this analogy.

I cannot escape the feeling, though, that I am just as much in a goldfish bowl. The staff are very conscious of my presence in the office. The uncertainty, suspicion, anxiety and general distrust that now permeates working relationships within the company takes on, I feel, a particular significance in terms of how staff view me. I am seen as the eyes and ears of the Chief Executive and I am in no doubt that staff see a major part of my role to be to keep an eye on them. In the circumstances there is some interest in what I am doing as they watch me through my glass partition.

The resulting intimacy created by the physical setting in the office contributes to a work environment quite unlike anything I have experienced before. The first cycle demonstrated the open nature of the hostility in the office. The consequence of the physical setting that I have described is that there is no hiding place. I have worked in large bureaucracies, with multiple layers of management and more complex organisational structures in which it has been possible to hide from or avoid difficult situations or conflicts. Within the company, the small size of the organisation, compounded by the long, narrow and open nature of the building means that the hostility is there to be seen and experienced by all. And my research leaves me in little doubt that

‘the family’ takes advantage of the physical characteristics of the premises to make sure that the hostile intentions are seen and experienced by all.

The physical closeness that is a consequence of the design and structure of the building might make a positive contribution to workplace relationships in a more harmonious working environment. In the current situation the physical characteristics of the building give rise to a claustrophobic anxiety and a deep and all pervading sense of fear. And when I see and reflect on how the family acts within the workplace I am find myself understanding, and uncomfortably, sharing this anxiety.

Managing the Company Way

A second important factor in understanding the environment within the company is the behavioural actions of characters within the workplace.

Even the most routine settings and issues can become a focus for naked rage and hostility

I cannot believe you lot and what you’ve done. You’ve let me down, cheated me, abused my trust and now you think you know how best to run this company. Listen to me now. You do what I tell you or get out. I will never trust you again. (Director of Administration at a routine staff meeting with the Examinations Officers).

And the cause of this hostile attack on employees by one of the two family members who own the company? Staff had stopped recording data manually that was now held on a computer system. It was perhaps inadvisable to take this course action without first seeking management approval but it is the extent of the overreaction, and the tone of the attack that is difficult to adequately convey in words, that is unusual.

When I look back on my data I am struck by just how often minor procedural issues or workplace practices resulted in very emotional and blunt attacks of quite a personal nature

You are not to listen to what [DTP Operator] tells you about course changes. She has no idea what is going on and nine times out of ten will get it wrong. It

wouldn't surprise me if sometimes she does it just out of spite to make things difficult for the rest of you. That's the sort of person she is. (Chief Executive at a meeting for all staff, with the exception of the DTP Operator, commenting on incorrect details about syllabus content being given to a potential student).

Neither are staff credited with having any intelligence

...the people we have here wouldn't get a job anywhere else. They're not very bright and don't really understand what goes on here. We are doing [names of three Examination Officers] a favour by giving them the money that we do. No one else would have them let alone give them that. (Chief Executive in a discussion with the author about the likelihood of staff moving on from the company).

They would be lucky to get an 'O' Level between them. (Discussion with the Director of Administration about sponsoring the staff to undertake IT training).

Neither is their contribution to the workplace recognised. The nature of the comments made by the Chief Executive during my first cycle have been repeated in my current research

Just remember it's me who brings in the business. You just sit here processing paperwork. I generate the income. Without me the company would be nothing. You would all be out of work. (Chief Executive at a regular team meeting with the Examinations Officers).

You do really wonder at the arrogance of these people. They think that they have an important role in this company. Don't they realise they're just clerks? We could replace [two Examinations Officers] tomorrow and no one would know the difference. There are dozens of people queuing at the Job Centre who can shift work just as well as they can. (Comments by the Chief Executive at a meeting with his wife and the author held to prepare for appraisals).

I continue to be surprised by the views expressed and the personal and hostile tone taken at staff meetings. It is hardly surprising that I sense a feeling of trepidation as each staff meeting approaches. I wondered for some time why the Chief Executive and his wife continued to hold staff meetings. They were of little constructive value as far as the management and operation of the company were concerned. I began to realise though that they were not intended to fulfil any useful management role. They were little more than stage-managed opportunities designed to fulfil the personal needs of the family. The

motives behind the outbursts were not designed to bring about a change in behaviour of the employees. They were opportunities for the family to vent their spleen at their disloyal and untrustworthy employees, to express their anger at what they saw as personal betrayal and to effectively bully staff. From my discussions with the Chief Executive and his wife it seemed clear to me that their actions were in part shaped by their experiences with the unlawful dismissal of the member of staff referred to in the first cycle

I don't see why we should be stuck with these people. I don't want them here. They are not the sort of people that I want in this organisation. I can't trust them, I don't like them and they have never really understood what I want from them. It's my business. Why can't I just get rid of those people I don't want? (Chief Executive in a personal conversation with the author).

Over this cycle it has become clear to me that their approach to staff relationships is based on an attitude of being stuck with people that they didn't want, trust or like and who, they felt, had betrayed them. This is a constantly recurring theme in my field notes

The law gets in the way of good management and what it is about being an entrepreneur. We could do so more if we could just get rid of [two Examination Officers] even if we just had two half-decent people. I don't see why the law should stop me from making a good business decision and getting rid of people that I just don't want. (Chief Executive in a meeting with the author).

...[Examination Officer] just can't be trusted. I want her out but I know I can't get rid of her. It will just be money down the drain. (Director of Administration in a conversation with the author).

She [DTP Operator] is evil and goes out of her way to make things difficult. She is deliberately obtuse, has to be chased to do even the simplest task and doesn't like me. And what can I do about it? If I had my way she would be gone from this place. (Chief Executive in a personal conversation with the author).

What has become significant over the second cycle is that two very distinct groups have emerged within the company-the employees who were part of the company prior to the events described in the first cycle (who now number two Examinations Officers and the DTP Operator) and those who have joined the company since (three Examinations Officers). This split makes a significant contribution to the coping strategies in use within

the organisation. However, I mention it here because of its implications for the management style and arrangements within the company.

The split is recognised and indeed encouraged by the Chief Executive and his wife. My field notes make frequent reference to the Director of Administration referring to 'in' and 'out' groups and 'my girls' when referring to the former.

The key criteria for membership of the groups seem to be based on whether or not the employee with the company prior to the events set out in the first cycle. My discussions with the Chief Executive and his wife leave me in no doubt that new recruits are expected to join the 'in' group and that a view is taken on whether this is the case

We've lost her to them. That's her choice but I hope she knows what it means. We can't trust her and she will have to go. (Director of Administration commenting on a new employee who was considered to have aligned herself with the 'out' group).

The actions of the Chief Executive and of his wife in particular, visibly reinforce this split. The following extract encapsulates this. The discussion took place shortly after one of the Examination Officers in the 'in' group announced that she was getting married. I happened to be working downstairs in the Customer Services Officers room

Director of Administration: Keith call [two Examinations Officers] down here. I need to arrange something with my girls (The two staff join us)

Director of Administration; right girls. [Examinations Officer] gets married in four months. I think that we each ought to put £10 aside each month to do something special for her. I don't want the other lot involved. You mustn't tell them what we are doing. This is just something for us to do and I want [Examinations Officer] to know that it is just from us.

When I look back and see similar extracts in my fieldnotes it strikes me how the exchanges are almost always one sided. The Chief Executive or his wife tells us what will be happening and we accept it without question. Perhaps we have quickly learned not to question what we are being told or maybe fear plays a part. Looking back and reflecting I

find it hard to escape the uncomfortable the conclusion that we seem have become conditioned to the unequal treatment of colleagues and just accept it.

The split is recognised in other ways. The company has a policy that leave cannot be taken in the time around the despatch of examination papers to teaching centres. When a member of the 'in' group asks for this to be waived the request has been invariably granted. Over the period of the second cycle every request (four that I am aware of) by a member of the 'out' group has been refused, with the reason given being the company policy.

The company has a tradition of regular, company paid for social events. Throughout this cycle of research the company attendance at or organised events have continued- a charity dinner, barbecue, trip to the theatre-but in each case the only staff invited by the family have been the 'in' group and myself. This is even true of more casual occasions such as lunchtime or after work drinks in the pub.

It seems to me that much of this unequal treatment is only partly motivated by a wish on the part of the family to reward perceived loyalty. In a small company it is common knowledge amongst all staff that these events are happening. I am left in no doubt that these invitations and events are also used a means for conveying the family's displeasure with them to the individuals in the out group. I find this ironic though when I consider that the treatment of this group is such that I find it hard to imagine that they would wish to spend any time with the family outside of work hours.

The split is also recognised in financial terms. Every member of the 'in' group received a bonus at Christmas 2001. No member of the 'out' group received a bonus. One member of this group was due a loyalty bonus for 10 years service. This was not paid

There is no way that she is going to get anything from us. Not after she betrayed us. I will take great delight in telling her my decision. (Director of Administration in conversation with the author).

The treatment at times verges on the unlawful. As I write the first draft of this chapter I am telephoned by the Director of Administration who is looking at the jobs page in the local paper

...and I want you to show them [the 'out' group] this paper and ask them why, if they dislike it so much here, they don't get one of these jobs. We don't want them so let's get rid of them.

As the split became more apparent I found it hard to reconcile the comments that I was hearing at staff meetings, which seemed to be directed at everyone, with the clearly favourable treatment given to some employees. It subsequently emerged that the favoured staff were being told that the unpleasant message did not apply to them. This was brought home most forcibly to me by a discussion with the Chief Executive and his wife following the announcement of possible redundancies in the company

I have told [the three Examinations Officers in the 'in' group] that they have nothing to worry about and that we are going through the motions to get rid of [DTP Operator]. I don't want them worrying that they might lose their jobs. (Director of Administration in a meeting with the Chief Executive and the author).

And I have told [Customer Services Officer] that she has nothing to worry about. (Chief Executive in the same meeting).

Looking back on this meeting the comments and the actions referred to encapsulate the extent to which the family would go in the unequal treatment of their staff.

At times I have reflected that the attitude and actions of the managing family when dealing with staff are entirely in keeping with the traditional picture associated with the heritage of our building- a Victorian workhouse occupied by child employees.

Management is all powerful, authoritarian and dictatorial in nature, accepting no dissent or even expression of an alternative view, and ruling by fear. And yet at the same time the family considers itself to be caring and paternalistic and a model of good employment practice.

The feelings of vulnerability and being at the mercy of the total control exercised by an all-powerful family are new to someone who has spent their career working in large bureaucracies. After fifteen years in local government I had not appreciated just how exposed and vulnerable it was possible to feel as an employee to the whims and moods of an organisation, personified in the controlling family. Reflecting on this it occurs to me that bureaucracies offer a degree of safety that is absent in my current situation. The systemised nature of bureaucracies, with developed procedural arrangements governing relationships, as well as the multiple layers of management provides safeguards which just are not present in a small company. This is not to suggest that employees in small businesses will as a matter of course be treated poorly. Rather it seems to me that they are more susceptible, have fewer safeguards against and fewer procedural responses available to respond to treatment that would be considered unacceptable by the vast majority of employers and employees alike.

I sense myself sharing this fear on the part of staff. So far I have not been on the receiving end of the practices referred to above. It is impossible to escape the feeling, however, that it is or could be only a matter of time before I fall out of favour. I may not be alone in this perception. I referred above to the sense of fear and trepidation that descends on the company prior to staff meetings. I feel that this is shared by all of us, including the more favoured staff. Perhaps they share my sense of uneasiness at the whims of the family and the ease and speed with which they can fall out of favour. Whilst they receive favourable treatment perhaps they too feel that it is only a matter of time, hence what I feel to be their uneasiness in the workplace.

Staff are cautious in their discussions with me. However, as I look back over my fieldnotes I find notes and reflections that support this view

It's not easy working at the office. You don't know where to look sometimes and you just feel as though you are stuck in the middle. I never know what to say.
(Conversation with an Examinations Officer from the 'in' group).

You really feel as though at times you just have to agree with what is being said to you. I don't want to upset anyone. I just want to come here and do my job. You just feel this pressure at times that you are expected to do or agree with things that you don't like. (Comment during an appraisal interview with an Examinations Officer from the 'in' group).

The conclusion that I draw from this is that even those who are seen as being the favourites, who toe the line and are perceived as being rewarded, feel a degree of uneasiness from the positions they are put in at the office. The uncertainty and instability, and perhaps even a sense of unfairness at how colleagues who they work with day in day out are being treated, may add to a sense of uneasiness. My observation of this group of staff has left a clear view in my mind that they too have had to develop survival strategies.

A Fragmented Identity

It is within this environment that I have carried out my observations over the last nine months. I have found this quite a difficult period. As I look back over this time my overriding sense is one of fragmentation of my identity. I have a sense of being different things to different people within the workplace.

The sense of being a little underhand that I reflected on in the first cycle has remained with me, based on carrying out research which would not be welcomed by my employer, who is sponsoring me to undertake the doctorate. I feel that this sense of, to some extent, deceit has only been enhanced by the covert nature of my observations. I am not the researcher that my employer perceives me to be. And yet my sense of fragmentation runs deeper than this. The staff are wary and even distrustful of me because I am seen as the presence of the family within the office. At the same time whilst I have not been relegated to the 'out' group I do sense a certain degree of frostiness at times on the part of the family because I will not always carry out their instructions without discussion. I seem to occupy a half way house. My own perceptions only add to this. Being self-employed I am not part of the organisation. I am a consultant carrying out a management role. I do not feel part of the company. Having said that, there have been many occasions

over the course of the research where I have taken some satisfaction in this. Perhaps it offers a degree of independence that allows me to distance myself from some of the worst excesses of the company. Even so, it adds to my overall perception of my identity in the workplace being fragmented.

The consequence of this fragmentation is that I have recognised over time the development of my own personal coping strategies. Over the course of the cycle I have realised that the fragmentation of my identity has added an extra dimension to these strategies. My strategies have evolved to cope with my role as a researcher, as well as an employee, whose work and conclusions are concealed from the individuals within the organisation. Looking back I now see that many of my own strategies were active during the first cycle of research. I will draw in my reflections on my own strategies in the next section.

Initial Conclusions on the Workplace

I have tried to convey in the first part of this chapter a sense of the company as a working environment. The physical closeness, intimacy and indeed the sense of claustrophobia that comes from working in a small business accentuated by the physical design of the building. And yet at the same time the sense of separateness that has arisen from the delineation of 'in' and 'out' groups within a workforce that barely reaches double figures. Overarching this is a management style which is characterised as authoritarian, aggressive, emotional, unpredictable and vindictive in nature. It is within this environment that I began to identify coping strategies. It is the strategies that have been adopted that this chapter now addresses.

Coping in the Workplace

Over these last three months it has been fascinating and intriguing to observe the staff as they have sought to cope, or perhaps more appropriately survive in what has been a very difficult and hostile environment. As I have tried to convey above, the hostility has been directed in particular towards a smaller group of staff. There is little doubt though, from

my observations, that the remaining staff find the treatment of their colleagues and the general atmosphere that pervades within the office difficult to deal with.

This section, then, sets out my observations on the themes that have emerged as staff try to cope in this environment.

Managing the Workspace

The preceding sections in this chapter should have left the reader in little doubt about the degree and nature of control exercised by the family. It has become apparent to me over this cycle that within this environment of absolute control the staff are seeking to create a space in which they can make decisions, to an extent about their own work routines and activities.

My reading of previous research has sensitised me to this aspect of workplace behaviour. Concepts such as making out have been written about by a number of authors. I find it interesting though that staff have sought to bring an element of decision-making and discretion into their work routines even in the environment of total control and fear that exists within the company. I have also been intrigued by the fact that the strategies that have been pursued are of both an individual and group nature and have transcended the boundaries of the 'in' and 'out' groups.

I have noticed over time a number of recurring events that support my conclusion.

The Lunchtime Ritual

'Have we done lunch yet girls' has become a daily ritual within the office. The morning routine in the office is punctuated with a seemingly important but in essence, from a work perspective, a meaningless exercise in providing cover over the lunchtime period.

The company has never had a policy about ensuring the office is staffed over the lunchtime period. It has never been an issue. The cost of international calls means that the majority of contact with the company is by email. The time difference between the UK and its main markets means that the majority of calls that are made to the company are received in the morning. The overseas nature of its business means that there are very few personal callers. All members of staff are expected to answer the phone, including Directors. Taking all this into account even in a small company the office is always covered at lunchtime and the company has never felt it necessary to have stipulated lunch breaks for staff.

Despite this I noticed and became increasingly intrigued by what seemed to be the stage managed daily discussion amongst the five Examinations Officers, the DTP Operator and the Customer Services Officer about who would go to lunch at what time. I captured a typical exchange in my fieldnotes

Examinations Officer 1	; have we sorted out lunch yet girls
DTP Operator	; I need to go early
Examinations Officer 2	; it doesn't matter to me when I go
Examinations Officer 1	; can you go at 12 then [Examinations Officer 2]?
Examinations Officer2	; ok, if it helps
Examinations Officer1	; what about you [Examinations Officer 3]?
Examinations Officer 3	; I'm probably not going out
Examinations Officer 1	; ok. I'll check with [Customer Services Officer]
	She wants to go late. Have we sorted you out [Examinations Officer 4]?
Examinations Officer 4	; I've had two early lunches this week so I wouldn't mind a late.
Examinations Officer 1	; ok that seems fair. Now, have we got that sorted? [DTP Operator, Examinations Officer 1]
	you go early. I'll go late with [Customer Services Officer, Examinations Officer 4]

This discussion, which this extract summarises, lasted five minutes before the team had decided who would be going to lunch when. A visitor listening to the exchange might see

this as a routine and sensible office practice and indeed this could be one interpretation of this routine. However, when I reflected on my field notes I began to draw similarities between this routine and the 'making out' practices described by Burawoy (1979). My thinking was drawn in this direction not so much by what was said but the context of the exchange. The practice started without any suggestion from me or the other managers that it was necessary. The ritual seemed to take up a disproportionate amount of time. To me the obvious question to ask was simply who will be here between 12-1pm and 1-2pm. Rather, the daily event was characterised by a network of exchanges between staff of varying durations (with a discussion of 11 minutes recoded in my notes on one occasion) and internal telephone calls to confirm who would be going to lunch when. I was also interested by the fact that there was no obvious initiator of the lunchtime ritual. With the exception of the Customer Services Officer, who is on a different floor, I have recorded the fact that each of the staff has initiated the ritual on a number of occasions.

Procedural Flexibility

The internal processes involved in the examinations work of the company are highly proceduralised. Over time procedures have been introduced to ensure that, for example, examination material, answer scripts, results and certificates are received from or sent to teaching centres can be tracked and accounted for. Many of these procedures were developed by the Chief Executive and Director of Administration who maintain a keen interest in this area of the company's operations and expect to agree variations in these practices.

Looking back over my notes I have noticed, despite the importance attached to these matters at the highest levels within the company, a degree of procedural flexibility creeping into the work of the Examinations Officers. I saw this term coming to characterise 'unilateral' decisions by staff to change established procedures. Three examples of this, which have occurred in the last five months, illustrate this.

Before certificates are issued to successful students details, such as grade, student number and correct spelling of the name are triple checked by staff to ensure accuracy. I noticed earlier this year that one of these checks was no longer being undertaken. On querying this with the Examinations Officers I was told that it had been decided to remove this check to speed up the issuing of certificates. The staff could not recall who had made this decision. The Chief Executive and Director of Administration subsequently confirmed that they had not been consulted about or authorised this change.

Some of the larger colleges offering company programmes can have students following 30 or more different subjects. Traditionally, the company has released the results of individual courses to centres as they become available. This had been a decision of the Director of Administration some years ago, the intention being that students should have their results as soon as possible. However, it came to light earlier this year that results were only being released to a college when the information was available for all students following company courses at that centre. When challenged by the Director of Administration the two Examinations Officers who had been with the organisation for some time commented that this had always been the procedure.

I had direct experience of this procedural flexibility with an initiative that I was involved with. Eighteen months ago the Chief Executive decided that particularly impressive answers by students would be developed into model examination answers. The Examinations Officers were asked to word process answers scoring 19 or 20 marks out of 20 and to pass these to the Customer Services Officer to compile into a database. During a meeting I held with the Examinations Officers, the following exchange occurred

Author	; how are you getting on with the model answer?
Examinations Officer 1	; we're not
Author	; sorry
Examinations Officer 1	; we're not doing it
Author	; why not?
Examinations Officer 1	; we were told not to
Author	; who told you? And when?
Examinations Officer 1	; I can't remember
Examinations Officer 2	; it was you [referring to the author]

Author ; I haven't said anything of the sort
Examinations Officer 2 ; I'm sure it was you. I'll ask [Examinations
Officer 3] when she's back.

I had not given this instruction. On checking with the Chief Executive and Director of Administration it was clear that staff had not been told to stop this procedure.

These actions, as isolated incidents, might seem to the casual observer to be relatively minor. However, to me they take on a greater significance when viewed in the context of the environment within the company, characterised by its authoritarian rule, direct, hostile and inappropriate responses to even minor lapses and by the fact that many of the procedures in place had been established by the Chief Executive and Director of Administration.

To me these themes, the lunchtime ritual and procedural flexibility, represent examples of the individuals within the company seeking to establish some control over their own workspace as a response to the authoritarian and dictatorial control exercised by the family members. I recognise that other interpretations could be drawn from these events. However, the fact that staff seemed to be working to create opportunities in which they could make decisions, even in an environment that was not conducive or supportive of this, drew me back to the work of Collinson (2000) in terms of staff seeking to create a sense of identity and control over the job and Burawoy (1979) in respect of drawing similarities with the 'making out' activities he describes.

In the case of the lunchtime ritual I see this as an example of both individual and collective action towards these ends. The ritual gave individuals the opportunity, albeit in very narrow time bands, to decide when they would break from offering their services to the company. I also view the ritual as serving collective ends through the staff working jointly to establish some limited control over their workspace.

The procedural flexibility that I have referred to would appear to reinforce this latter perspective in that the changes seem to have been adopted by all the Examinations Officers.

Passive resistance

I believe that there is an added dimension to this theme of procedural flexibility. In reflecting on why staff might have sought to change well established procedures it has occurred to me that the motivation, in part, may well have been the very fact that they were established by the Chief Executive and Director of Administration. This fact, and knowing how important they continued to be to the family, may well have been an added motivation to making the changes referred to. It gave the staff the opportunity to act in a way in which they were taking some action against the family members. As such one explanation that I have some sympathy with is to see this as a form of passive resistance.

I have no direct evidence of this. I have not heard this view or motivation expressed by staff. It is, though, an added dimension that helps to explain to me why staff have taken action which defies logical explanation.

Viewing these as acts of passive resistance is also consistent with the acts of some individual, rather than group, actions I have noted in not complying with established office practices. I have recorded a number of events of a minor nature but which to me seem consistent with the view that the motivation is passive resistance. For example, company policy is for all staff to answer the phone. I overheard a conversation between two staff being critical of the DTP Operator for never answering the phone, or for emptying the office bins, another task carried out by all the staff. Staff also make tea and coffee for the office in accordance with a rota. One member of staff has to be reminded, almost without exception, every time she is due to make drinks.

Clearly, these actions could not be termed as sabotage in terms of how this is traditionally portrayed in the literature as being wilful acts of destruction. However, if a broader view

was to be taken of this term and the motives behind it perhaps sabotage could be seen as encompassing a spectrum of activities, with wilful acts of destruction at one extreme and passive resistance at the other. Certainly, the actions that I have outlined above suggests to me that acts of passive resistance represent an expression of frustration, which Noon & Blyton (1997) see as one of the motives behind sabotage.

I would have liked to explore my perspective on this through interviews with staff. Unfortunately, as explained in the previous chapter, this was not possible in the current environment within the company.

I find it interesting that, with the exception of the individual acts referred to above, I have identified no discernible difference between the actions of the 'in' and 'out' groups. The Examination Officers, and to a lesser extent the Customer Services Officer (who is not as closely involved with examinations procedures) have acted jointly in the actions I have referred to. It is not clear why this is so other than to reflect on my earlier view that the hostility in the office makes the workplace an uncomfortable environment for all concerned. Again this is a topic that I would have liked to pursue through interviews with staff.

Joint action on the part of all these staff has not, however, characterised a further theme, to which I will now turn.

Safety in Numbers

I have watched with interest over the last nine months the way in which the development of in and out groups within the workplace has become progressively more formalised and recognised through the actions of the family. Over this period group relationships have become an increasingly significant way in which staff have coped within the workplace.

Mutual support within the groups has taken on a number of forms

It's bloody typical. There's [DTP Operator] helping [Examinations Officer] again. She will never give us a hand. It's always [Examinations Officers in the 'out' group] who she wants to help no matter who is the busiest. Two can play that game. (Discussion between two Examinations Officers within the 'in' group).

Examinations Officers are given countries to look after. One of the consequences of this is that each Examinations Officer has quite significant peaks and troughs in their workload. This is recognised and it is a practice within the office that during quiet periods staff are expected to help their colleagues.

After hearing the comment above I spent some time watching the interactions between the three Examinations Officers in the in group and the two Examinations Officers and the DTP Operator in the out group. It became quite clear that staff were working within their groups. Offers of support were, almost without exception, only offered to colleagues within their own group.

What became similarly clear is that the pattern of interaction between staff largely reflected group membership. Clearly, the requirements of their work necessitated interaction between all staff. However, through watching and listening to staff a clear pattern emerged about the more casual discussions amongst staff. Discussions, comments and interactions were largely contained within each group.

As part of this I was intrigued by what seemed to be a disproportionate level of mutual congratulation within each group. The frequency with which staff indulged in congratulating colleagues and the disproportionate nature of the comments seemed to bear little resemblance to the actual achievements. For example, each Examinations Officer is responsible for sending examination packages to colleges within their countries. Five examination sittings are held a year, which means that this is a routine process. However, I noted this exchange as being an example of the disproportionate nature of comments of mutual support in the workplace

You've done brilliantly [Examinations Officer]. To get 93 packages out in two weeks is brilliant. That must be the most ever. I wish I could do it. (Examinations Officer in the 'out' group).

It is difficult to convey, without an appreciation of the workplace, how disproportionate and out of place a comment of this nature is in completing a regular and routine process. I had not appreciated this at the time but, looking back at my notes, this comment was made by the Examinations Officer shortly after a particularly bruising encounter with the Director of Administration at a staff meeting where the member of staff being paid the compliment had been criticised for talking too much in the office. Looking back I now see this as indicative of how staff used their group membership as a coping strategy.

I find this interesting in that the impetus for the formation of the groups came from the family through their differential treatment of staff. However, this situation has evolved into one in which members are using the group as a coping mechanism, providing the opportunity for mutual support, assistance and congratulations and as such a coping strategy within the workplace.

I see the motivation behind this being attributable, in part, to safety in numbers. Taking this view has helped me to understand why the points I have made above are equally relevant to the 'in' group of Examinations Officers. The sense of togetherness that comes from group membership is a response to the uncertain nature of the workplace, which is felt by even those considered to be the favoured members of staff.

I have been fascinated by consequences of 'in' and 'out' groups, and the actions of the family towards each group, for the appointment of new members of staff. Three individuals have joined the company in the course of this cycle. I was intrigued by a comment, noted above, of the Director of Administration some three months after the first-an Examinations Officer-joined

We've lost her to them [the 'out' group]. That's her choice but I hope she knows what it means. We can't trust her and she will have to go. I don't want her here.

The Director of Administration was convinced that the 'out' group had sought to recruit the new member of staff. I could not say whether this was the case or not. From my notes it was clear to me that she interacted far more frequently with this group.

The individual subsequently left and I received specific instructions from the Director of Administration regarding the induction of her replacement

I'm changing the office around so she will be sitting with [the two Examinations Officers who were the 'in' group at that time]. I want you to make sure that you give her work to do that involves the three of them working together. I don't want you to let her work with them [the 'out' group].

Even if the staff themselves are not seeking to reinforce the group influence, and its significance as a coping strategy within the company, the family are.

Talk

Within this process of using the group as a coping strategy I have become interested in the use of talk as the means by which group identity has been established and differentiated and support given to colleagues.

I have reflected on above how talk has been used as a vehicle through which to provide support to colleagues within a group, as a method of providing reassurance and support and to establish a sense of togetherness.

Talk has also been used to demonstrate separateness. The predominance of interaction on non-work issues within groups is one angle on this. The 'in' group has used talk to separate themselves from their colleagues and to demonstrate their preferred status, for example in openly discussing their latest invitation to a social event with the family members.

A common theme in the use of talk in the office is that I sense it is as much directed at the audience i.e. all staff as it is to their colleagues within the group. Talk is being used to

demonstrate togetherness, a sense of identity, and in the case of the 'in' group a preferred status. As such it seems to me that talk when used as a means of giving a message to the office in general is a coping strategy in itself and not just a vehicle through which other coping strategies are enacted.

Escape

Much of my analysis so far has focused on group coping strategies. My perspective is that individuals are enacting their own coping strategies through the group themes above. However, my research has also identified a number of different ways in which individuals have adopted individual coping strategies. The common theme that characterises these strategies for me is escape. I have identified a number of elements to this.

I Want Out

The most obvious form of escape strategy is to leave the organisation (Hirschman, 1970). Three members of staff have left the company over the course of the second cycle. Two of these individuals left the company without jobs to go to, the third taking a position on lower pay. In each case frustration with the work environment was evident

I just have to get out of this place. I can't cope with it. They're [the family] mad. The way we're treated is unreasonable. You know what, I'm better off staying at home with no money than being treated like dirt here. (Examinations Officer in a discussion with the author).

I've had it with those sick idiots. How can you put up with it? They tell us what a great place this is and then treat us like slaves. You never know where you stand with them. One minute something is fine the next you have [Director of Administration] jumping down your throat saying its not. I've never hated a place as much in such a short time. (Examinations Officer, who replaced the member of staff referred to above, in discussion with the author).

The IT Manager employed by far the most astonishing escape 'strategy'. Over the period of a month the Director of Administration became increasingly critical of the IT Managers performance, both to him and generally around the office. This coincided with

the IT manager being under pressure as he was about to leave on a three-week holiday. This culminated in two very hostile exchanges, the second of which resulted in the IT Manager punching a hole in the wall and screaming at the Director of Administration as he left the building

I'm sick of you and this place. You can stick your ***** job up your ***** ****. You don't give a damn about what anyone does around here. You don't care how hard anyone works. I'm sick to death of you and this place. I'm going before I lay one on you.

The IT manager was made redundant following this exchange.

The approach adopted by these three staff was, in effect, not to cope. In all three cases the only way in which the staff could cope with the environment was to leave the organisation.

The remaining staff, including the three longest serving employees who form the 'out' group are making no obvious effort to leave. I have, however, identified strategies which seemed designed to leave the organisation in a less obvious and dramatic sense.

Creating a Space

Looking back over my fieldnotes I can draw out a theme that suggests to me that staff are temporarily escaping or disengaging from the office environment and perhaps moving into the arena of fantasy (Gabriel, 1999). This seems to be very much an individual rather than group strategy. This strategy seems to be characterised by individuals seeking to create a space between themselves and the normal everyday operation of the office.

The disengagement seems to take a number of forms. For example, the DTP Operator has gained a reputation for not engaging with her colleagues

My view that this was a strategy being played out was given further weight by a similar attitude that was adopted by the Customer Services Officer. She similarly seemed to wish to maintain a distance with the workplace characterised by a seeming disinterest in what was going on. This is despite the fact that she has only been with the company since April of this year. Her comments to me at her six-month appraisal gave weight to my view

I find it quite hard here at times. I sometimes feel that the best thing is not to know too much about what is going on and not to talk to people. I want to know where the company is going. I want to go upstairs and chat with the girls. I just find myself thinking that the best thing for me to do is just stay in my office and do my job. At least I can be blamed for saying the wrong thing or talking to the wrong person. (Customer Services Officer).

I found this comment significant in another way. Whilst my response to her was that it was important for her to be interested in company initiatives and to build relationships with her colleagues, I found myself thinking that she was probably right in her view. This may give an insight into my own personal coping strategy, which has been a source of some considerable reflection in recent months.

And me?

I have found my role within the company to be increasingly difficult. The environment has remained hostile, I see irrational actions on the part of the family resulting in unfair or even illegal, in employment legislation terms, treatment of employees and the family increasingly sees me as the vehicle through which they want to deal with staff. I have never felt so uncomfortable in a work environment. To make matters worse I see little immediate prospect for change. I have asked myself, and reflected on throughout this cycle, how am I coping in this situation. My conclusion seems to be that my strategy is one of escape.

In one sense I find myself hiding behind my role as a self-employed consultant within the company. Whilst this adds to my sense of uncertainty and uneasiness in the office I seem

to be using it as a means of distancing myself from the worst excesses of the organisation. I find myself rationalising my lack of resistance to some of the family's excesses in terms of seeing it as the actions of a company that I do not belong to. I have been brought in to carry out a brief but I am not part of the company. In effect I am using my self-employed consultancy role to create a space between the company's actions and my own feelings and beliefs.

In my heart of hearts I know that this does not stand up to even my own scrutiny. I know that I fall within the I Want Out theme above. I see little prospect of change on the part of the family. Neither do I see the staff who they want out taking any steps to find work elsewhere. And even if they do leave, do I really think that the family will be sweetness and light in their actions? The answer must be no. They seem to feed off the hostility in the workplace. Some other individual or group will become the enemy, possibly even me. There is no doubt, therefore, in my mind that escape is my chosen strategy.

I see the workplace as something that I must tolerate and survive until I can escape. In the meantime I have come to realise that my interim survival strategy is characterised by three themes; hiding behind my consultancy role, resigned compliance with the irrational, intolerable and unacceptable, and my research. Reflecting on this strategy as I write I had not been aware of how important my research had become to me as a coping strategy in itself. I am not sure that I am clear in my own mind how it forms part of my strategy. Certainly it is a motivator. The workplace can be thoroughly unpleasant at times but this in itself contributes to my research. It is also an escape in the sense that it gives me the scope to try and rationalise what I am seeing in the workplace or at least to develop my own personal framework in which I can try and understand events in the office. Perhaps I just see it as some good which can come out of the situation that I can find myself in. What I do know is that it has become so important to me that my ultimate goal of escaping from the organisation will not be seen out, if I have any say in it, until my research is complete.

Conclusions

I have set out in this chapter the coping strategies which have evolved in the workplace to cope with the hostile and unpredictable environment which is the company.

If I look back over this chapter there seems to be a strand running through the themes I have outlined. Staff seem to be creating their own space in the work environment in which they can manage, cope or just survive.

My review of the literature would suggest that creating a space could be considered to be a common feature within the workplace as a means of escaping the boredom of everyday work. However, what is interesting in the context of my research is that staff create a space, in a broad context, to try and manage the work environment even in hostile situations where the degree of risk is considerable. Creating space, therefore, is not just about escaping from the boredom of jobs. It is a means of asserting some degree of identity and control.

Staff seem to create this space through a variety of means. At one extreme this is physical separation as staff exit the organisation. At a more subtle level staff seem to be trying to bring a degree of control to their work through introducing a degree of decision making, or seeking to isolate themselves in the workplace. They seem to be trying to create a comfort zone. Whatever strategy is adopted though the authoritarian nature of the workplace means that the room for discretion is limited.

In this context what I find interesting is that so few members of staff have left the company voluntarily. There are no obvious signs that other staff are seeking to leave. I have not received requests for references, or to be a referee, there is no obvious scanning of the job pages and I do not overhear discussions about jobs. This may reflect a concern staff have about my role in the office. To me, however, it suggests that there is almost a sense of resigned compliance to the situation that the staff find themselves in which they seek to make more tolerable through the themes I have identified above.

What has now begun to interest me is the why this might be so. There is a clear sense of fear within the company. The highest level of commitment or motivation towards the company seems to be resigned compliance to irrational, hostile and unreasonable treatment. Uncertainty and concern is evident even on the part of the staff considered to be in favour. The question that has begun to emerge in my mind is with the level of irrationality, hostility and fear in the workplace why have so few staff voluntarily left the company, a question I find even more intriguing when I reflect on the conclusions that I have drawn about the workplace and the strength of my desire to leave. I will address this in the third cycle of research.

CHAPTER NINE

INTRODUCTION TO THE THIRD CYCLE OF RESEARCH

This chapter is intended to link the second and third cycles of research. It sets out some of the key developments within the company since the second cycle, explains the view that I am left with of needing more explanatory depth to understand the actions and motivations of staff within the company than has been provided by the analysis of coping strategies, and sets a context for this last cycle of research.

The uncertainty and unpredictability that seems to have characterised the organisation since I joined the company has continued into the current cycle of research.

A number of staff changes have taken place. Two staff have left. The Customer Services Officer left after a short period of time as a result of domestic difficulties. The DTP Operator took the option of resigning rather than being dismissed following the theft of company property. It emerged that she had signed a contract for the supply of toner cartridges to the company. The cartridges, unknown to the company, carried the incentive of Marks & Spencer vouchers with each order made. She ordered an excessive number of cartridges, taking the vouchers for her own use.

The management style of the family has remained unchanged. The continuing attitude towards the staff and the very visible hostile nature of exchanges are illustrated by the events surrounding the departure of the DTP Operator. When it emerged that vouchers (to the value of a few hundred pounds) had been supplied to but not received by the company, the Chief Executive's wife called in the Police to investigate.

After the visit the Chief Executive's wife explained to me

They came straight to my office. I told them to go upstairs and ask for me. I wanted all the staff to see them to put the fear of God into them all. (Comment to the author).

I was asked to interview, along with the Chief Executive's wife, the three staff who could have been involved in taking the vouchers. The Police, who were present for the interviews, explained the importance of keeping the interviews factual and calm. However, the intensely emotional overreaction that has characterised so many of the exchanges between the Director of Administration and staff surfaced during the interviews. For example, it was agreed that I would begin the interview with the DTP Operator. Yet before I had even explained the purpose of the meeting the Director of Administration said

I trusted you. You've let me down. You're a thief and you betrayed me you b***h.

The Police had to intervene to take control of the interview and to obtain a confession. The senior policeman commented to me after the meeting that he had never seen such a hostile and emotional reaction from an employer following a theft from the workplace.

In a similar vein, prior to a staff meeting the Director of Administration commented to me

Right Keith, I want you to really shout at them at the meeting. Tell them that we don't trust them to work properly or to do the job how we want it done. Tell them you want a rota showing what they will all be doing throughout the day.

For reasons that I will explain shortly I was able to refuse to do this.

The issue that was beginning to intrigue me at the end of the second cycle was why staff seemed to be willing to remain in this working environment. Few staff have voluntarily left the company in my time with the organisation. My reading and research over this cycle has only fuelled my interest.

To some extent my research into coping strategies in the last cycle helped me to understand how staff were able to function in the hostile work environment. But my analysis lacked the explanatory depth to explain why staff were prepared to remain in this environment. At the end of the last cycle I was keen to find an appropriate framework to research this.

A change in my circumstances has added a new dimension to this interest. At the end of March 2003 I was offered, and accepted, a job in the NHS. As I write the initial draft of this introduction, on the train heading for my first day, I have the usual sense of anticipation, excitement and nervousness that comes with any new job. I also have a huge sense of relief that I am no longer with the company. When I look back on the reasons why I felt that I had to leave the company, the discipline that I had to impose on myself not to apply for any job that looked remotely interesting just because it meant escaping, the disappointment that I felt in not being offered the first job I applied for because it meant going back to the company and the sense of relief that I now feel, I ask myself why have others not shared these emotions and tried to leave? The treatment of others has, if anything been far worse than I have received. So why have so few staff left the company voluntarily?

Since leaving the company I have been surprised by the steps I have taken to avoid returning to the organisation. My father remains an examiner with the company and I have given him a lift to the office on a couple of occasions. On each occasion I have not been able to bring myself to go into the building and have dropped my father off round the corner from the building. I feel a sense of almost anger at the thought of returning to the company.

The depth of my feelings and my reluctance to even set foot in the building has only strengthened my interest in why the employees wish to remain with the company.

I took an early decision to adopt the psychological contract as the framework through which I wished to address this question. The concept has been the source of much debate, which I will reflect on in the next chapter. However, my early reading confirmed in my mind its potential value to me as an analytical framework for providing the explanatory depth that I felt was lacking at the end of the last cycle and for addressing the research issue I had in mind.

My feeling at the outset of this cycle was that I had to develop a much deeper understanding of the workplace and the attitudes and motivations of individual staff within the company. I had to find a framework which would provide a deeper level of understanding regarding the behaviour of employees-to explain not how they coped in the workplace, but why they would want to remain there at all. I felt that the psychological contract would provide a suitable framework for undertaking this.

My decision was based on the belief that the concept can help to explain individual behaviour

...it is an important determinant of the behavior and attitudes of employees.
(Anderson & Schalk, 1998; 640)

and the employment relationship in general

...its versatility in explaining the dynamics of employment...suggests that the psychological contract... [has] a central role to play in organisational behaviour by better specifying the dynamics of the employment relationship. (Rousseau, 1998; 670)

The next chapter reviews the literature on the psychological contract and its relevance to my research issue in greater depth.

Finally, leaving the company seems to have assisted my data collection. Staff have been willing to be interviewed and seem to have been remarkably candid in their views. It has also created an opportunity to have discussions with the Chief Executive and his wife

about a range of issues including the company, its future management and staff. The data that has been gathered from these interviews is analysed in chapter 12.

Initially, however, it is appropriate to review the literature on the psychological contract and its relevance to my research.

CHAPTER TEN

THE PSYCHOLOGICAL CONTRACT: A REVIEW OF THE LITERATURE

Introduction

This chapter synthesises the growing body of literature on the psychological contract, drawing out themes relevant to my research issue.

One of the features of the literature on the psychological contract is the variety of uses to which the concept is put and the multitude of issues that it encompasses. Consequently, I have been conscious of the risk for the researcher that a review of the literature can become unfocussed. To address this and to make this concept useful for my research requires a clear structure to tease out the key aspects of the psychological contract that will be useful to me in my research.

I have adopted a structure for this chapter which discusses the concerns in the literature about the value of the concept as an analytic tool, defines the psychological contract, and reviews its building blocks and core constructs, before concluding with a review of the literature on breach and violation of the psychological contract. I believe that in structuring my review of the literature in this way I am able to take a stance on what I see to be the defining elements of the contract relevant to my research issue.

Initially, then, it is appropriate to review the concerns in the literature to set a context for my use of the concept before defining the psychological contract and drawing out its key constructs.

A Useful Analytic Tool?

My initial reading suggested that the literature for this cycle of research would be as difficult to pin down as it had been in the second cycle, albeit for different reasons. Whilst previous research seems to be more readily available than was the case with my earlier work, authors have sent out broad warning signals to researchers daring to use the psychological contract as an explanatory framework.

For example, concerns have been expressed that it has

...become a 'pop' concept used to label phenomena for which it is inappropriate, thereby losing its analytic rigor. (Rousseau, 1998; 668)

and

...the fact that it is so easy to talk about this concept, and that it seems to be closely connected with current developments in organizations where employment relations are characterized by 'new deals', founded upon greater flexibility, mobility and self reliance...leads to the danger that the concept will degenerate into empty rhetoric... (Anderson and Schalk, 1998; 639)

In part, these concerns seem to have arisen as a result of the relatively recent research into the psychological contract (Turnley and Feldman, 1999b, Turnley and Feldman, 2000, Robinson et al., 1994, Pate and Malone, 2000), the consequence being that as a concept it is theoretically underdeveloped (Conway and Briner, 2002).

This seems to have been compounded by the reasons behind the renewed interest in the concept. Authors suggest that its more recent resurrection is as a consequence of the search for an analytic tool to help understand the new employment relationship in organisations. A variety of trends are having a profound effect on employees-the striking pace of change, loss of job security, demands from employers for a more flexible and innovative workforce (Anderson and Schalk, 1998), restructuring, downsizing, increased reliance by companies on temporary workers, demographic diversity and foreign

competition (Kissler, 1994, Morrison, 1994, Morrison and Robinson, 1997). These changes suggest that the traditional employment relationship of job security and steady rewards provided by the employer in return for hard work and loyalty on the part of the employee no longer exists (Sims, 1994). In particular, the consequent state of turbulence and uncertainty makes it difficult for organisations to fulfil all the obligations that they make to employees (McLean Parks and Kidder, 1994). The psychological contract seems to have been thrust into this breach to help explain the consequences of these changes. However, the concern is that by

...emerging into common usage, the concept risks becoming diffuse, losing analytic rigor and being devalued as a powerful explanatory concept. (Guest, 1998a; 649)

As a consequence of this, the literature is characterised by an at times robust debate about just what the psychological contract is. Whilst there does seem to be a degree of agreement that as a concept it has face validity this consensus does not extend to the definition or content of the psychological contract (Anderson and Schalk, 1998)

In contrast to the continued general consensus on what the psychological contract refers to, its constituent dimensions have remained elusive and have not been generally agreed upon, with different researchers developing varying operationalizations on both theoretical and empirical foundations. (Thomas and Anderson, 1998; 746)

Despite these warnings about its use my initial reading of the literature gave me every indication that, as a concept, authors suggest that the psychological contract could be a valuable tool in helping me to understand the dynamics of the workplace, capturing how people feel about their work (Guest and Conway, 2002) and for helping me to understand the motivations behind staying with the company

...the construct of the psychological contract can explain substantially more variance in organizational behaviour than either organizational or job commitment, including extraordinary activities, intention to stay or leave, and absenteeism. (Millward and Herriot, 2000; 242)

...psychological contracts are now playing an increasingly important role in helping to define and understand the contemporary employment relationship. (Turnley and Feldman, 2000; 25)

...there is (implicit) consensus between psychological contract researchers that although the psychological contract is rarely explicitly discussed it is an important determinant of the behaviour and attitudes of employees. (Anderson and Schalk, 1998; 640)

Recognising the difficulties referred to above, authors have emphasised the importance of defining boundaries in the use of the psychological contract as an analytic tool (Rousseau and Tijoriwala, 1998b, Anderson and Schalk, 1998)

The confusing treatment that the concept of a psychological contract and related terms receives suggests the boundaries defining what is and is not a psychological contract require refinement. (Rousseau, 1998; 668)

Initially, then, it is appropriate for me to define the boundaries of the psychological contract, its core components and constructs, as I see it relevant to my research. In this way I will aim to avoid the criticism that

One of the superficial attractions of the psychological contract is its ability to explain everything. (Guest, 1998b; 676)

It is worth making the point my review of the literature is on the psychological contract as a general concept. For the reasons discussed in the previous cycle, little research is available on the psychological contract in family businesses. Once again, therefore, the focus of my review is on the wider literature.

Initially, therefore, it is appropriate to define and to draw out the building blocks of the psychological contract.

Defining the Psychological Contract

It is not surprising that the debate about the psychological contract extends to its definition. Authors have taken very different perspectives on an appropriate definition of the concept.

Early authors (Levinson et al., 1962, Schein, 1965) saw the contract as being based on expectations about the reciprocal obligations that compose an employee-organisational exchange relationship. In other words the contract is a set of beliefs about what each party is entitled to receive or is obligated to give in exchange for another party's contribution. More recent research sees the psychological contract as being made up of employee beliefs about the reciprocal obligations between them and their organisation

...an idiosyncratic set of reciprocal obligations held by employees concerning their obligations (i.e., what they will do for their employer) and their entitlements (i.e., what they expect to receive) in return. (McLean Parks et al., 1998; 698)

However, this is not a universally accepted view. Much of this more recent research has been criticised for a lack of clarity about definitions. For example, Guest (1998a) is critical of the fact that authors write about the psychological contract in terms of perceptions, beliefs, promises, and obligations. Each of these terms implies a different level of psychological engagement and should not be used interchangeably.

A further criticism relates to the fact that little research has been undertaken into the employers' perspective on the psychological contract (Lester et al., 2002), the view being that, unable to perceive, organisations cannot have psychological contracts. Guest (1998a) and others comment that this situation is a little surprising if the psychological contract is concerned with reciprocal obligations. Perhaps based on my experience with the company, where the organisation and ownership are so dominated by two individuals, I have some sympathy with the view that it is possible for organisations to have a psychological contract. This would be an interesting issue to explore in future family

business research. However, for the purposes of my research I can leave this debate on one side, as it is employee expectations and actions that are of particular interest to me.

On the basis of the comments in the preceding paragraphs, I have adopted the following working definition for my research

A psychological contract is an individual's belief in mutual obligations between that person and another party such as an employer. (Rousseau and Tijoriwala, 1998; 679)

In terms of developing an understanding of the concept, it is appropriate to delve a little deeper into the building blocks that make up the development and functioning of psychological contracts within organisations before turning to an analysis of their core constructs.

Contract Formation

Psychological contracts are an inevitable part of organisational life even where formal contracts exist, helping to increase control and predictability in the workplace (Shore and Tetrick, 1994). Formal contracts are not able to cover all aspects of the employment relationship. In this situation, psychological contracts reduce uncertainty by drawing in, at a perceptual level, other aspects of the employment relationship whilst giving employees the belief that they are able to influence their destiny within an organisation (Shore and Tetrick, 1994).

The perceptions which comprise the psychological contract form a mental model or schema (Shore and Tetrick, 1994, Rousseau, 2001). Schemas are highly structured pre-existing knowledge systems used to interpret the organisational world and generate appropriate behaviours (Shore and Tetrick, 1994). Schema gradually develop from past experience and guide the way new information is organised, forming a belief structure about what is expected to occur in an organisation and what is expected of the employee (Rousseau, 2001). These become the lenses through which subsequent experiences are

viewed (Rousseau, 2001). When specific information is not available schema serve to fill in the missing blanks (Hiltrop, 1996, Rousseau, 2001). As such, schema lend a sense of order, structure and coherence to social stimuli that would otherwise be complex, unpredictable and often overwhelming (Rousseau, 2001). This predictability is, in turn, an important factor in the development of trust (Maguire, 2002) which plays an important role in the functioning of psychological contracts. Once formed schemas are relatively robust (Shore and Tetrick, 1994) and tend to be maintained (Rousseau, 2001).

Promises form the foundation of contracts (Rousseau, 2001). Generally, these promises seem to arise from words, whether spoken or written, or from the interpretation of actions. Research suggests that the antecedents of schema are to a large extent formed through pre-employment experiences (Shore and Tetrick, 1994) such as recruiting practices (Rousseau, 1989), and from early on the job socialisation (Thomas and Anderson, 1998), specific promises made by organisational representatives, an employees' perception of organisational culture and their own idiosyncratic expectations regarding how the organisation operates (Turnley and Feldman, 1999a). Turnley & Feldman (1999a) helpfully classify the sources of contract formation as coming from interactions with organisation representatives and perceptions of organisation culture. Certain commitments do, however, seem to carry more weight than others, with those of an overt and public nature exerting more influence than subtle or private ones (Rousseau, 1989).

As schemas, psychological contracts are often relatively incomplete in the initial phases, motivating individuals to seek out and integrate new information to better understand the employment relationship (Rousseau, 2001). Employees fill in these gaps quickly, to the extent that, within 18 months of entering the organisation

...organizational newcomers are likely to be near the completion of organizational socialization toward becoming organizational insiders, with a complete and hence violable psychological contract. (Thomas and Anderson, 1998; 748)

Psychological contracts are, however, dynamic. Expectations within the contract will continue to develop as, over time, recruits to an organisation perceive employer obligations to increase whilst their own decrease (Robinson et al., 1994). Contracts are revised throughout an employee's tenure in an organisation to the extent that in the eyes of many staff long term employment gives rise to mutual obligations of loyalty (Rousseau, 1989), based on the trust that develops with maturing relations (Robinson et al., 1994).

The promises made through these processes create not only obligations but also lay the foundations for the development of trust in the workplace by providing information that people would not otherwise possess about another's intention (Rousseau, 2001).

Contracts thus play a key role in an employee's perspective on the workplace. However, the very process of the development of the psychological contract lays the seeds for its breach and violation

...the fragmentary promises, cognitive limits, divergent terms of reference, and the formative nature of relationships combine to make reaction-based agreements highly subjective. (Rousseau, 1989; 123)

Having developed a broader picture of how psychological contracts form and develop it is now appropriate to deepen this understanding by reviewing the literature on their core constructs.

Authors agree that the construct is multidimensional (Robinson, 1996, Rousseau, 1995) yet its components are discussed in a variety of ways (Kickul and Lester, 2001). For the purposes of my review I have adopted the framework put forward by Morrison & Robinson (1997). I find this helpful in drawing out the key characteristics of the psychological contract in a manner which is useful to my research issue.

Key Constructs

Perception

The psychological contract is inherently perceptual (Robinson et al., 1994). As a consequence, parties to a contract can have very different perceptions about its terms (Rousseau, 1989, Robinson and Rousseau, 1994). This is significant in terms of the methods adopted to collect data from staff within the company, as

It is their perception of reality, not any so-called objective reality that shapes their expectations, their attitudes, and their behaviours. Consequently, to understand employee attitudes and behaviours, it is necessary to understand their perceptions, their reality. (McLean Parks et al., 1998; 697).

The implication of this, which perhaps betrays my social constructivist stance, is that individuals will each experience their own psychological contract within an organisation. These beliefs may not be shared by the organisation (Lucero and Allen, 1994, Shore and Tetrick, 1994), or by colleagues

The individual is thus the direct source of information regarding the contract because it is the perception of mutuality in fact that constitutes a psychological contract. (Rousseau and Tijoriwala, 1998; 680)

Rousseau (1989) helpfully draws this point out by making the distinction between psychological contracts, composed of expectations held by individuals that may or may not be shared by others and implied contracts which consist of commonly understood or shared expectations.

Perceived Promises

Psychological contracts are based on perceived promises, which are seen as any communication of future intent (Rousseau, 1989).

The perception that a promise has been made can arise from a variety of sources-written or oral communication, organisational policies and organisational practices (Rousseau and Greller, 1994). The varied sources of perceptual promises demonstrate the potential breadth of an individual's psychological contract, encompassing not only obligations established via formal or implied contract but also perceived obligations that result from more implicit means (Morrison and Robinson, 1997).

Transactional and Relational Contracts

The literature makes a distinction between those contracts which are largely transactional and those which are largely relational in nature (Morrison and Robinson, 1997). The former are composed of specific, monetizable exchanges between parties over a finite and often brief period of time (Robinson et al., 1994, Millward and Herriot, 2000). The latter entail broad, less specific and long term obligations as well as monetizable elements (Morrison and Robinson, 1997), comprising socio-emotional elements such as loyalty and support, honesty, friendship, respect and opportunities for growth (McLean Parks et al., 1998) that establish and maintain a relationship (Robinson et al., 1994). These elements make the relationship more akin to a partnership between the employer and employee (Millward and Herriot, 2000), engendering feelings of affective involvement or attachment in the employee and committing the employer to providing more than monetary support.

There seems to be a tendency within the literature to draw too sharp a distinction between these two broad types of contract. I have some difficulty in seeing contracts as being purely relational or transactional. Rather, I have more sympathy with the view that contracts form a spectrum, balancing transactional and relational elements in varying proportions (Rousseau, 1989) where there is scope for the two dimensions to interact (Maguire, 2002), with, for example, changes in transactional terms influencing the kinds of relational rewards expected.

Individual Beliefs

Contracts represent employee beliefs about the obligations between them and their employer (Rousseau, 1989, Sims, 1994). Authors suggest that they are held by employees alone (Robinson et al., 1994, Robinson and Rousseau, 1994, Sims, 1994, Shore and Tetrick, 1994). The organisation provides the context for the creation of the contract but, being unable to perceive, the organisation cannot have a psychological contract itself (Morrison and Robinson, 1997). The subjectivity in the contract means that each individual can have a unique experience regarding the exchange relationship with their employer (Rousseau and Tijoriwala, 1998).

Having defined the concept, identified the developmental process of psychological contracts and drawn out their key constructs, it is now appropriate to turn to the particular area of relevance for my research-breach and violation of the contract.

Breach and Violation of the Psychological Contract

Breach and violation seem to dominate the literature on the psychological contract, reflecting the view among authors that

Perhaps the most important construct in psychological contract theory is that of breach. (Conway and Briner, 2002; 288)

Violation is seen generally in the literature as the perception that an organisation has failed to fulfil one or more of the obligations comprising one's psychological contract (Robinson and Rousseau, 1994, Morrison and Robinson, 1997, Turnley and Feldman, 1999a).

However, whilst authors might recognise the central position of breach and violation in research on the psychological contract, different perspectives have been taken about how

it is perceived at the individual level. The two main strands in the literature are drawn out in the work of Rousseau (1995) and Morrison & Robinson (1997).

Rousseau (1995) sees violation as the cognition that the other party has wilfully breached the psychological contract. This cognition encompasses the emotional consequence of that breach. On the other hand, Morrison & Robinson (1997) see violation as a causal chain developing from the perception of unmet promises, resulting in a perceived breach and then violation of the contract. Breach is the cognition that a discrepancy exists and violation is the emotional consequence of that breach.

The essential difference between these two models seems to be conceptual in nature i.e. whether violation is an evaluation of a discrete event as suggested by Rousseau or an emotional response, proposed by Morrison & Robinson (Rousseau and Tijoriwala, 1998).

From my reading, I am drawn to the latter perspective, which seems to capture the more complex nature of breach and violation-its subjective and imperfect nature, the influence of cognitive biases and personal dispositions and the nature of the exchange relationship. I have expanded on this below.

Morrison & Robinson (1997) suggest two potential sources of violation; reneging (when an agent or agents of an organisation knowingly break a promise to an employee) and incongruence (when an employee and agent or agents of the organisation have different understandings about a promise). Breach through incongruence is more likely when promises comprising the contract are complex and ambiguous in nature. Either condition can lead to unmet promises by creating a discrepancy between what is promised and what is received. This discrepancy serves as a trigger for a comparison process. Breach then occurs if the employee considers that they have made contributions as promised yet these have not been reciprocated. It is this latter cognitive action which makes the potential employee response to breach and violation potentially less clear. As with any cognitive activity, this process is imperfect and does not require deliberate reflection or awareness on the part of the individual (Morrison and Robinson, 1997).

The literature has not resolved this debate between the two cognitive processes. However, from the point of view of my research, there is a significantly greater degree of unanimity over the consequences of breach and violation, whatever the cognitive process by which this perception is reached.

Consequences of Breach and Violation

The consequences of employees perceiving that their contract has been violated can be significant and multifaceted.

At a general level, it is understandable for unmet promises or expectations to cause disappointment on the part of an employee. However, breach and violation of the psychological contract engender a much deeper response because of the erosion of trust and the impact on the very foundation of the relationship between two parties (Robinson, 1996)

The distinction between the psychological contract and expectation is of great practical significance because violating psychological contract based obligations can engender more intense and emotionally salient reactions than does failing to live up to other forms of expectations... (Rousseau and Tijoriwala, 1998; 681)

Responses are likely to be more intense due not only to unmet expectations arising from the perceived failure to receive something which is both expected and desired (Robinson and Rousseau, 1994, Morrison and Robinson, 1997) but also because of more general beliefs about respect for individuals, codes of conduct and other patterns of behaviour associated with relationships (Rousseau, 1989). As a result

Perceived contract violation yields deeper and more intense responses, akin to anger and moral outrage... (Rousseau, 1989; 128)

Experience of psychological contract violation, involving a breach of promise and trust, goes beyond disappointment and produces feelings of betrayal. (Robinson and Rousseau, 1994; 247)

which seems to be due to the fact that

Psychological contract violations damage the very foundation of the relationship that exists between the organisational and the individual. (Turnley and Feldman, 2000; 28)

These feelings may give rise to a range of emotional responses on the part of the employee such as anger, resentment, frustration and hopelessness (Robinson and Rousseau, 1994, Turnley and Feldman, 1998, Morrison and Robinson, 1997) and a sense of injustice, wrongful harm and betrayal (Rousseau, 1989).

Violation may also engender a change in attitude, such as a loss of trust in the organisation (Robinson, 1996) and decreased loyalty and commitment, since a breach indicates to the employee that the organisation does not appreciate their contribution (Kickul, 2001b). And employee cynicism may result, demonstrated through a belief on the part of the employee that the organisation lacks integrity, negative emotions being felt towards the employer and a tendency to criticise organisational actions (Dean et al., 1998). Where unethical practices and processes are present alongside breach, the impact on workplace beliefs and actions are likely to be more significant, with employees more likely to participate in deviant workplace behaviours (Kickul, 2001a).

Not surprisingly, research has found that contract violation is significantly related to efforts to find another job and neglect of in-role duties.

This suggests that violation of the psychological contract is likely to have very significant organisational consequences, including departure from the organisation. However, a significant strand in the literature, reflecting the staged cognition process in Morrison & Robinson's (1997) model, suggests that breach of the psychological contract will not necessarily lead to a perception of violation on the part of an employee. The literature suggests that there are a range of moderating influences and situational constraints which

may influence the individual employees' cognitive processes. As this could well be significant for my research issue, it is appropriate to explore this strand of the literature.

Situational Constraints

It is helpful to review the literature on moderating and situational constraints drawing on the work of Morrison & Robinson (1997) and bringing in the work of other authors where appropriate.

The framework developed by Morrison & Robinson suggests that whether breach leads to violation depends on the meaning that the employee attaches to breach. This process is influenced by a number of issues.

The reasons behind an organisations decision to renege seem to be significant. Organisations may renege due to an inability or unwillingness to deliver what is promised. A perception that reneging is due to an unwillingness to deliver what is promised is more likely to lead to feelings of violation.

An employee may assess how well they have fulfilled his or her own individual obligations. If they consider that they have not adequately fulfilled their obligations they may consider the costs of the breach of the psychological contract by the organisation to be lower and thus less likely to result in the perception that it has been violated.

The nature of the exchange relationship may also be significant, with a breach in a contract which is relational in nature being more likely to lead to a perception of violation on the part of the employee.

Psychological contracts that are made up of promises that are implicit in nature, conveyed through past practice or casual remarks (Rousseau and Greller, 1994) are particularly vulnerable to incongruent perceptions and thus more prone to feelings of violation.

The saliency of the discrepancy-the degree to which a stimulus stands out from its immediate context-may also be a factor. Saliency is affected by the size of the discrepancy, the importance of the promise to the employee, the extent to which it is vivid in the mind of the employee and the extent to which it is explicit or recently made.

Employee vigilance may also be a factor. This refers to the extent to which the employee monitors how well the organisation has been fulfilling the psychological contract. This process requires energy and so varies across time and between people. Vigilance is affected by uncertainty (employees are more vigilant when uncertainty about fulfilment is high), the nature of the relationship (with employees being more vigilant with transactional exchange relationships) and the perceived cost of discovering an unmet promise (with individuals often avoiding information that they fear will be disquieting and thus becoming less vigilant when the costs of discovery outweigh the value of the information).

Other authors have added to the complexity surrounding contract breach and violation by identifying other factors which influence employee perceptions and actions.

The availability of attractive alternative employment opportunities is likely to influence employee responses (Rusbult et al., 1988, Withey and Cooper, 1989, Rousseau, 1995, Robinson, 1996). If no alternative employment opportunities are available employees are more likely to stay with the organisation in the face of contract violation (Turnley and Feldman, 2000).

The justification for the violation may also be significant. Research suggests that individuals consider the justification for adverse organisation factors when deciding how to respond to unfavourable events (Turnley and Feldman, 1999a).

Perceptions of justice and equity also seem to be significant. Organisational justice is concerned

...with the ways in which employees determine if they have been treated fairly in their jobs and the ways in which these determinations influence other work-related variables. (Moorman, 1991; 845)

The reaction to contract violation involves an assessment of fairness by the employee (Shore and Tetrick, 1994). The literature suggests that in making this assessment three sources of organisational justice may be relevant; distributive justice (the fairness of outcomes received), procedural justice (the fairness of procedures used to determine outcomes) and interactional justice (the quality of treatment received during the implementation of a procedure) (Shore and Tetrick, 1994, Andersson, 1996). Research suggests that individuals' responses are less severe when they perceive decision-making processes to be procedurally just (Moorman, 1991). One of the most important criteria for judging this is consistency (Bies and Moag, 1986). Employees who perceive the decision-making processes to be unfair are more likely to react negatively when an action or inaction violates the psychological contract and vice versa (Turnley and Feldman, 1999a).

Similarly trust has attracted the attention of authors, influencing the likelihood that an action is perceived as a breach of the psychological contract (Pate and Malone, 2000). In broad terms breach undermines two conditions leading to trust-judgements of integrity and a belief in benevolence (Robinson, 1996). Trust is cognitively established in the sense that it builds probabilistic beliefs about another's future actions based on past behaviour. A breach is perceived when the employee perceives an inconsistency between the employer's words and actions, with the former losing confidence that contributions made today will be reciprocated in the future (Robinson, 1996). Similarly, breach may throw into conscious question the validity of the assumption on the part of the employee the employers concern for the welfare of the individual.

However, prior trust may moderate the relationship between breach and trust (Robinson, 1996) influencing both the recognition and interpretation of breach and the contribution of the employee after breach. For example, an employee with low prior trust may be more likely to look for, find and remember incidents of breach of the psychological contract.

These situational and moderating factors suggest that a range of individual cognitive processes and actions are possible. I find this interesting in the context of my research issue, and possible employee actions in a situation where there is a significant risk of organisational retribution.

The complexity of possible employee reactions to breach and violation has been captured in a model developed by Hirschman (1970). This framework has been developed and applied by authors (Farrell, 1983, Turnley and Feldman, 1999a, Rusbult et al., 1988, Withey and Cooper, 1989) to examine the consequences of psychological contract violation.

Hirschman's model suggests three possible reactions by an employee to violation of the psychological contract-increased exit, increased voice (taking the initiative to improve conditions) and decreased loyalty. Farrell (1983) added a fourth category- increased neglect (such as absenteeism, lateness and reduced quality of work). Different employee responses may be more likely in different types of situations. For example, if employees feel that they have over invested in the organisation they seem more likely to engage in neglect behaviours (Farrell, 1983) or decrease their extra role behaviours in the organisation (Organ, 1988, Robinson and Morrison, 1995, Moorman, 1991). If employees cannot easily leave the organisation or decrease their contribution without fear of retribution they may engage in voice behaviours to get their concerns addressed (Rusbult et al., 1988), which is seen as constructive behaviour aimed at repairing the employment relationship (Turnley and Feldman, 1999a). If employees have a greater degree of latitude and freedom in how they behave, they are more likely to leave the organisation altogether (Robinson and Rousseau, 1994, Guzzo et al., 1994, Lee and Mitchell, 1994). The decision to withdraw requires considerable effort by the employee and usually means that they do not think the situation will improve (Farrell, 1983).

This model provides an interesting framework that has helped to shape my thinking about possible employee responses to violation and against which to test the reactions of company employees.

Conclusions

Researching and writing this review has been helpful in adding depth to my understanding of the psychological contract and issues around its formation, development and the consequences of violation. My review of the situational and moderating influences has given me an insight into why staff might remain with the company.

However, my review of the literature has left me with a sense of having unanswered questions. I am not convinced that the moderating and situational factors, or the model proposed by Hirschman (1970) may fully explain the actions of employees in the circumstances that I am witnessing within the organisation. For example, the previous cycle drew out sociologically orientated group actions on the part of staff. I remain unconvinced that group motivations and actions have been addressed sufficiently in the literature on the psychological contract. I am left with a sense of rationality and individual action pervading the literature on how employees are likely to assess and respond to breach and violation of the psychological contract. I am left wondering how relevant the explanatory frameworks reviewed in this chapter will be to the extreme case which is the company, where rationality in behaviour is often not a feature of decision-making, and where power is so heavily concentrated with the family.

Chapter 12 will begin to address these issues. Initially, however, it is appropriate to explain briefly how data has been collected over this cycle.

CHAPTER ELEVEN

METHODOLOGY

Introduction

This chapter sets out the approach adopted to collecting and analysing data over the third cycle.

I have only addressed this briefly as a fuller justification for the use of a qualitative approach, and for adopting interviews as the means for collecting data have been set out in earlier cycles.

Data Collection

Data has been collected through eight semi-structured interviews.

In part, the method chosen to collect data was influenced by my experience during the second cycle. I had felt uncomfortable in terms of my relationships with colleagues and on ethical grounds in using covert participant observation. However, in hindsight I also found this approach limiting in the sense of not being able to explore with colleagues my emerging thoughts and their views on issues which were relevant to my research.

Complementing this was my belief that the nature of the issues I wished to research in the third cycle required interaction with my colleagues. I had to gain their insight into the workplace and why it was an environment that they seemed prepared to continue working within. I felt at the outset that I needed to interact with my colleagues to explore their thoughts and to gather the rich data to address my research issue.

As well as offering the opportunities presented by qualitative research in general, interviews have a particular strength in finding out what people think (Robson, 1993), for

exploring in depth the meaning of questions (Arksey & Knight, 1999) and for providing depth, detail and richness (Rubin & Rubin, 1995, Doyle, 1998).

The issues that I wished to explore in the interviews would require sensitive handling and would benefit from me, as the interviewer, being present to guide the process (Doyle, 1998).

For these reasons I adopted interviewing as the method of data collection for this cycle.

I adopted the ethical framework for the interviews, based on informed consent, set out in chapter three.

As in previous cycles, WINMAX has been used to assist with the coding of data and to help draw out themes across the interviews.

Conclusion

This brief chapter reiterates the reasons for my adoption of qualitative techniques throughout this research. The nature of the research issue, my own beliefs regarding the formation of knowledge and my experiences during the previous two cycles of research have made the continued use of qualitative techniques appropriate.

CHAPTER TWELVE

EMERGING THEMES

Introduction

This chapter analyses the data that has been collected over the third cycle. It draws out the emerging themes from interviews carried out with staff that are relevant to my research issue.

To bring a degree of structure to this analysis I have reviewed the data under the following broad headings-the nature of the psychological contracts within the company, their formation, perceptions about breach and violation of contracts and employee responses to the perceived breach and violation.

In analysing the data my approach has been to assess the views and perceptions of employees against the themes identified in chapter 10. This has enabled me to identify where the actions of employees are consistent with the findings of previous research. However, it has also enabled me to draw out actions with regard to moderation of psychological contract breach which have not been addressed in previous research.

Formation of the Psychological Contract

The interviews drew out evidence to support the view of Anderson & Schalk (1998) that the psychological contract is formed as part of the pre-employment experience

The Agency told me it was an amazing place to work. You do things like going on holiday together and get presents at birthdays and Christmas. They said it was like being part of a family. (Examinations Officer A, who first joined the company through an employment agency).

When I was interviewed by {the Chief Executive's wife/ Director of Administration] she said that it was a really warm, friendly, happy place to work. Everyone was treated as part of the family. (Examinations Officer B).

And evidence was provided to support the view of Thomas & Anderson (1998) that the contract continued to develop in the early months of employment

...when I first joined the company we went on holiday each year. It became a regular annual thing until a couple of years ago. (Comment by one of the longer serving Examinations Officers, C).

But what is the nature of these contracts?

The interviews suggested that the formal contracts given to staff are very limited in terms of content and, in Morrison & Robinson's (1997) terms transactional in nature

I've always felt that contracts should be simple and just set out what people have to do to get their pay. I don't want to be undone by promising any more than just their pay. (Chief Executive in discussion with the author).

I don't know why they even give us contracts. They say nothing and are just about what I have to do. My contract seems very one-sided. (Examinations Officer A).

However, whilst the paper contracts might be limited in nature the family portray the employment relationship as being, in terms of the spectrum of contracts referred to by Rousseau (1989) and McLean Parks (1993), more relational in nature

We look after our people. Ok we have had a few problems which I've dealt with but if you just do your job we look after you...it's not what is in contracts. It's how we treat people as being part of the family that shows what sort of employer we are. We treat people as adults, give them space to grow and to feel as though they are something more than just a cog in a wheel. We give them opportunities to grow and to work in an environment that is unique. (Chief Executive in conversation with the author).

It's a pretty special company to work for. We look after people in quite unusual ways that you just don't see usually. Tell me what other company takes staff on holiday? We have helped staff when they have been in trouble, lent money, given them a chance to have responsibility that they wouldn't usually get with their skills and treated them as though they were family. Tell me how you put all that in a job contract? As an employer there's a lot more to how we look after staff we like than you see in job contracts. (Director of Administration).

And this was the message picked up by employees, at least in the early stages of their employment with the company

I can still remember being told by [Chief Executive] on my first day that he wanted to make the office more like a family than a workplace. He said that we were all adults. (Examinations Officer B).

[Chief Executive] said he wanted to keep the company small so it could carry on being like a family. (Examinations Officer D).

I was told that the company couldn't pay much but it made up for it by being a friendly place to work and looking after staff. [Director of Administration] told me they did things like lending money to people to buy cars. (Examinations Officer A).

In terms of the perception of employees (and interestingly, how the family still see themselves as employers), contracts are thus seen to contain a significant relational element, drawing in such elements as friendship, support and opportunities for growth referred to by authors including McLean Parks et al (1998), as being typically present in contracts of a relational nature. From the family's perspective, the contract is largely relational in nature

We give people opportunities that they would not get anywhere else. They get better pay, better working conditions, better treatment and more opportunity for responsibility and making something of themselves than you see anywhere else. (Chief Executive in conversation with the author).

As I write this I am struck by the picture this paints of the company as being quite unlike the company I have worked for and written about for three years. But the interviews suggested that I was not alone in sharing this perception.

Breach and Violation

The interviews provided significant evidence that individual psychological contracts had been breached

...really I feel the impression given is a total fantasy. It's just a selling job to make certain people feel better. When you have been here for a few weeks you realise that the idea of holidays and all that other stuff is just a fantasy. (Examinations Officer D).

I don't know why so much is promised when there's no intention to do it. They just want you to come here, do your job, not raise any problems and then go home again. (Examinations Officer E).

I've been out on a couple of work social trips since I started. But in three years that's nothing special is it? It's been nothing like the friendly, supportive place I was told about at the interview. I daren't even ask a question at our meetings just in case I get blasted. That's hardly a friendly employer is it? (Examinations Officer B).

This suggests to me that in Morrison & Robinson's (1997) terms staff perceived promises regarding their psychological contract as having gone unmet. This seemed to be a widely held view amongst the employees, although the two remaining longer serving employees presented a different angle on this, suggesting that promises had been met in the past

Things have changed a lot. When I first came here we went on a company holiday once a year. [Chief Executive and Director of Administration] would take us out for dinner. It was a friendly place to work. (Examinations Officer C)

...it used to be much a more sociable place to work. Even though there were some months when the company couldn't pay us they always found a way to say thank you and to make it up to us. The atmosphere was good. I don't understand why it should be different now we are doing so well. They seem to still talk about the company in the same way when new people come, but they don't act the same. (Examinations Officer E).

As Morrison & Robinson (1997) suggest is the case, the interviews provided evidence of unmet promises leading to a perception of violation on the part of employees. In some cases this is a violation of transactional terms

I feel angry about the way they didn't give me my loyalty bonus. I've been loyal to this place for years so I'm due the bonus. It's even company policy. But I'm told I'm not getting it because I've betrayed their trust. I feel cheated. (Examinations Officer C).

In terms of my own psychological contract, I can share and understand some of the frustrations of staff in having their transactional terms breached. On accepting the job the Chief Executive told me what my salary would be increased by over the next two years. In reality, it declined in real terms.

The interviews also suggested that staff perceived a breach in the relational terms of their contracts

I'm not really sure that there is any effort to make you feel part of a family. This stuff about presents from [Chief Executive and Director of Administration]. It all feels a bit patronising and just for show really. I don't find it very genuine. (Examinations Officer A).

I have been told so many times that this place is different, that you get looked after, that you are treated as part of the family. There has been so much of that nonsense but I just don't believe it any more. (Examinations Officer D).

The comments expressed during a number of the interviews supported the view of Rousseau (1989) that breach of the psychological contract had undermined trust in the workplace

I feel that I was misled when I joined the company. There was a lot of nonsense talked about how friendly and supportive it was here. It's rubbish. (Examinations Officer A).

I wouldn't say it's exactly friendly here. You hear [Chief Executive and Director of Administration] talking about what good employers they are but I've learnt pretty quickly that their actions don't match what they say. I don't feel able to talk to them about anything. I don't trust them to act like a normal employer should. (Examinations Officer D).

I've worked in places where you don't get much support but at least they have been honest about it. Being promised so much and seeing none of it just makes you think you can't trust what you hear. (New DTP Operator, appointed 2002).

Added emphasis seemed to be given to these feelings by the source of the violation. In Morrison & Robinson's (1997) terms, employees traced the reasons for the breach to reneging on the part of the company

I can't understand their attitude. I do my job pretty well. Everyone pulls their weight here and does what they are supposed to. But we have all these problems here. The company can afford to pay. If they wanted to [Chief Executive and Director of Administration] could do all the things they promise like the holidays. It could be a friendly place. It's like they don't want it to be. It's weird. (Examinations Officer A).

To me it's bloody obvious that they don't want to do what they promise. Simple as that. (New DTP Operator).

The tone of these comments suggest that the responses are consistent with the feelings of anger, resentment and frustration that authors such as Robinson & Rousseau (1994) and Turnley & Feldman (1998) suggest arise from breach of the psychological contract.

In terms of the framework put forward by Morrison & Robinson (1997) and reviewed in the chapter 10, all the evidence suggests that the majority, if not all of the employees, clearly perceive that their psychological contracts have been violated. The framework suggests that individuals are more likely to perceive violation if reneging is due to an unwillingness to meet promises, if a contract is relational in nature and where the discrepancy is prominent in the mind of the employee. The comments set out so far suggest that all these factors are present. And yet the employees have made no obvious effort to find work elsewhere. Why is this?

Situational and Moderating Influences

From my review of the literature, it was clear that employees may remain with the company because of the situational factors discussed by authors such as Rusbult et al (1998), Moorman (1991), Pate & Malone (2000). I used the interviews to explore the possible influence of the situational factors identified in the literature, including the availability of alternative employment opportunities, prior trust, and perceptions about the justification for the violation.

Discussions with interviewees about the justification for the violation of the psychological contract, in terms of both its transactional and relational elements, brought some very forthright responses.

You know the answer to that question. There's no reason for what's gone on here. Isn't that why you're leaving? The people here do everything that's asked of them but we get spoken to like dirt. (DTP Operator).

What's gone on these last few years really is unfair. The company is doing well. [Chief Executive] gives the impression that it's just down to him but everyone knows it's not. A lot of it is down to us. And you see the thanks we get. (Examinations Officer A).

The company is doing well financially but we haven't even been paid a cost of living increase for two years. And then you see [Chief Executive] driving around in an £80,000 car. It's not exactly fair is it? (Examinations Officer D).

Clearly, the views above indicate that staff within the company do not consider the breach of their psychological contracts to be justified. In terms of the work by Turnley and Feldman, (1999b), the suggestion is that employees who do not consider the breach of the psychological contract to be justified may react more unfavourably than those who do.

Taking this a stage further, the literature suggests that perceptions of justice and equity may also be significant. However, a sense of unfairness came through the interviews in terms of how the employees felt that they had been treated

We have these meetings where [Director of Administration] rants at us about how they don't trust us and how we've taken advantage of their generosity. I just want to say to her what the bloody hell have we supposed to have done? But you can't. You know what would happen to me. None of us deserve to be treated like that. (Examinations Officer D).

Sometimes you feel that [Director of Administration] comes into the office wanting to have a go at someone or all of us. She will find a reason even if one doesn't exist. And when she does you just have to take it. You can't stick up for yourself because it only makes it worse. Most of the time it really is so unfair. (Examinations Officer A).

Everyone seems to get tarnished with the same brush here. If someone makes a mistake it seems like an excuse for them [Chief Executive and Director of Administration) to have a go at all of us. (Examinations Officer E).

In terms of the work by Shore & Tetrick (1994) and Anderson (1996), these comments suggest a perception on the part of employees that the treatment received is unjust in distributive, procedural and interactional terms. The literature suggests that where employees perceive the decision-making processes to be unfair, they are more likely to react negatively to violation of the psychological contract.

In the circumstances, I should not have been surprised that the interviews very clearly ruled out prior trust as a reason for moderating employee responses to violation of the psychological contracts

...but it's sad that one of the first things you learn in this place is that the promises are just lies. You can't believe what you are told. I was promised the job of supervisor a year ago. We even got as far as agreeing a salary. Then nothing. I don't believe any of the promises any more. (Examinations Officer D).

[Chief Executive] can't be trusted. He lies. You see it every time someone comes to visit. And it is bloody annoying that he does it to us. He forgets his own lies at times and contradicts what he has said to us before. (Examinations Officer A).

I haven't believed anything those two [Chief Executive and Director of Administration] have told me from about a week after I arrived. I don't trust them. It's not that they lie all the time. I just find it easier to assume that they are. (New DTP Operator).

The responses suggest that, in Robinson's (1996) terms, low prior trust exists. This suggests that individuals are more likely to look for, find and remember incidents of breach of the psychological contract. The strength of the comments suggests that employees have little faith in the integrity of the organisation and a low opinion of the company's belief in their benevolence.

The question of the availability of alternative employment opportunities brought forward a mixture of responses. Where no alternative employment opportunities exist employees

are more likely to stay with the organisation in the face of contract violation (Turnley & Feldman, 2000). Some staff felt that there were few other opportunities for them

I don't have any qualifications. Since I came back to work all my experience is with [the company]. Who else would have me? I don't have the qualifications that you see places asking for in job adverts. I only know [the company]. Would you interview me if you saw I had no qualifications? (Examinations Officer C).

I know I've moaned a bit about this place but the pay is pretty good for what we do. I haven't looked but I don't suppose there are many admin or clerical jobs out there paying this much. Not in this area. With a mortgage to pay I would find it hard to take a job for less money. (Examinations Officer D).

I've been here so long that no one else would look at me. I'm not sure I could cope moving jobs. Coping with new ways of doing with things doesn't sound very like me does it? (Examination Officer E).

The limited availability of alternative employment was not a universally shared view however

If you look around you see lots of clerical jobs about. They don't all pay as well but it's a pretty good area to find admin sort of jobs. (Examinations Officer A).

When I came here I had three other interviews. I suppose that means I could get a job somewhere else. (Examinations Officer B).

To some extent I was a little surprised by the mixed responses to this theme. After my reading of the literature I had anticipated that, as suggested by Rusbult et al (1998), Withey & Cooper (1989) and Rousseau (1995) the availability of alternative employment opportunities would be a significant factor in staff remaining with the company. This certainly seems to have influenced some staff, but not all.

Reviewing the data against the themes discussed in the literature review has thus given me a clear indication that staff perceive a violation of their psychological contracts. However, the situational or moderating influences give only a partial explanation for their subsequent decision to stay with the company. For the employees to want to remain with the company, other situational or moderating factors must exist.

The next section builds on the comments above to offer a fuller interpretation of why staff are remaining with the company.

The Appeal of the Company

During the interviews with staff a number of interesting themes emerged which helped me to build a picture as to why staff were staying in an environment in which breach and violation of the psychological contract were perceived. These themes are discussed below.

Resigned Acceptance

The two remaining long serving employees almost seemed to have resigned themselves to accepting their lot

I've got to be realistic here. I mean, I don't have the qualifications to get a good job. I have to accept that I'm not going to have a career. This is the only work I can do. (Examinations Officer C).

...and I've been here so long now I'm not sure another company would have me. You know, some people get funny when you've been with one organisation for so long. They think that you can't work anywhere else. (Examinations Officer E).

Their attitude seemed to be one of accepting that the jobs they had with the company were the best that they could get. However, in both cases this was a perception rather than based on experience

... I haven't been for an interview since I came here. It's just how I see things from talking to friends or seeing things on TV. It's all about qualifications nowadays. (Examinations Officer C).

You only have to see the people who come to work here now. I mean, some even have degrees. What chance would I stand against people with those qualifications? (Examinations Officer E).

I think it's good to have been in one place a long time. It shows loyalty. I just think that when you see how often people change jobs now it's unusual to find anyone who's been in a place as long as I've been here. I don't know anything else other than how we do things. (Examination Officer C).

Whilst these were views expressed specifically by the two longest serving staff, I began to see a theme emerging within this broad category, which affected a number of the other staff. One of resigned acceptance. I began to build a picture of staff having been broken, in the sense of accepting that the criticisms made of them were in some way justified

Maybe we have brought some of this flak on ourselves. There might be some justification for criticising us. After all we do make mistakes. (DTP Operator).

We've been given a chance here so I guess it's only fair that we get told off if we get it wrong. It's not as though you don't get criticised in other jobs. (Examinations Officer B).

I suppose that it does get scary here but it's not like it comes as a surprise when [Director of Administration] blows her top. (Examinations Officer A).

Looking back on the texts of the interviews I gain a sense of the criticism and hostility being so common that it had been accepted by staff as being normality. It is the way the company works. And to underpin this was the sense that the criticism must be in some way justified.

This gives me the sense of staff having accepted their lot and being resigned to accepting the company approach to employee relations. But it seems to me to go beyond this. I also find myself interpreting this as staff being, in effect, broken. The constant criticism and hostile treatment has broken the will to resist; their confidence as individuals had been broken and they exhibited resigned acceptance of their situation, believing that there must be some justification for the treatment received and that it is in some way deserved

[Director of Administration] has told me that I'm lucky to have this job. She's said that if I was applying for this job now I wouldn't get it. She's right I suppose when she says I haven't got much to compare with people who apply for jobs here now. (Examinations Officer C).

Look, for [Chief Executive and Director of Administration] to get as angry as they do there must be some justification for it. Maybe we have done something wrong. If we have it's their company so it's ok for them to criticise us. (Examinations Officer D).

This seemed to be in complete contrast to some of the comments referred to earlier in this chapter, in particular in discussing employee perceptions about the fairness of the treatment received as a moderating influence. I find this contrast difficult to understand other than in terms of sensing the comments above as being examples of the staff trying to find a reason for the treatment received and, not being able to come up with a valid explanation, accepting that because of its nature and intensity there must be some justification for it.

I was struck by the number of staff who made comments which suggested resigned acceptance on their part. Whilst undertaking the interviews this theme came through very much as an individual perception on the part of the employees. However, when reflecting on my data I have wondered about the extent to which this might be a shared understanding on the part of staff. My perception is that the similarity of views expressed by a majority of staff might suggest that is the case. However, I have not been able to find any comments within the data to support this.

What is clear to me is that the situational or moderating factors referred to by authors such as Turnley & Feldman (1999), Moorman (1991) and Robinson (1996) do not encompass this theme of resigned acceptance. The availability of alternative employment opportunities may touch on this (with the literature suggesting that employees are more likely to accept their current situation when alternative employment opportunities are limited) but I have not found reference to the broader issue of resigned acceptance. Neither does this theme fit comfortably with the model of possible employee responses to breach and violation of the psychological contract developed by Hirschman (1970).

Prior Employment Experience

The interviews suggested that prior employment experience might have influenced employees' reaction to breach and violation of their psychological contract. This supports Rousseau's (2001) view that schema, such as the psychological contract, are formed through past experience. What the literature does not seem to do in any great depth is to set out how past experience can influence a decision to stay with an organisation despite breach and violation of the psychological contract.

During the interviews I talked to staff about their previous work experience. This helped to draw out some of the ways in which past employment experience influenced their perceptions. There are a number of different aspects to this, as staff demonstrated different ways in which they had been influenced by past experiences.

It was interesting to discuss with two staff how the termination of their previous employment had influenced their attitude to work

...and before [the company] I ran newsagents with my husband. It didn't work out. We lost it. It hit us both hard.....We wanted to go it alone but never again. You wouldn't believe the hours we had to put in. My husband was up at 4am every morning, we could never go out, and we didn't go on holiday for five years. Some of the people here don't know what it's like to work in the real world. (New DTP Operator).

I was made redundant in my last job. It was just before Christmas and it was the first time it had happened to me. You feel rejected and you think you will never work again. I couldn't believe it when I got offered this job. (Examinations Officer A).

In talking to these staff I sensed a great deal of gratitude to the company for having offered them a job at a very difficult time. But I also sensed something deeper. There was a sense of their experience having made them more prepared to put up with the less tolerable aspects of the company environment

...in a way it does get tough here at times. I couldn't say that I've enjoyed it. But when you've seen your business fall apart around you, you don't get so worked up about these things. I've not liked the way I've been spoken to here but I just think of how it felt to lose everything. It's more secure here than I've felt for a long time. (New DTP Operator).

It's work. I'm getting an income. Believe me when you've been made redundant it's amazing how your attitude changes. You realise what it's like to not have a job, or not work and you are just more grateful to have a job, whatever its problems. (Examinations Officer A).

I had a sense when talking to these staff of their being greatly affected by their employment experience immediately prior to joining the company. There was a sense of relief at being in work, and the fear of not having a job had made them more resilient in handling some of the less desirable aspects of family-employee relationships with the company.

A further angle on this theme was provided by the two remaining long serving members of staff

The grass isn't always greener on the other side you know. Ok, some very harsh things have been said here and some people have been forced out. But who is to say it's not just the same in other places. I've not worked anywhere else so I can't compare. Better the devil you know. (Examinations Officer, C, who had only worked for the company since returning to work after raising a family).

How different is this place? You tell me. I've only worked in Sainsbury's filling shelves before coming here and that was a long time ago. That could be pretty hard at times too. (Examinations Officer E).

My interpretation of the discussion with these staff is that the lack of comparative employment experience had made them more tolerant of the practices of the family within the organisation. There was a recognition on the part of the two staff that they were at times treated harshly within the company, but their limited employment experience seems to have significantly influenced, in terms of, for example, the Hirschman's (1970) model, their reactions.

In one sense I find this surprising. Whilst their own personal experience is limited, there is greater awareness and attention given to good employment practice through, for example, new legislation and coverage in the media. My own expectation would also have been for the two employees' own experiences to have been compared with, for example, that of friends. It might have been expected, therefore, for their own experience to have been supplemented in some way, giving them the opportunity to make judgements about the practices within the organisation.

However, when I thought about the responses of these employees I began to wonder just how much they wished to be able to form judgements on the practices within the company. Morrison & Robinson (1997) refer to employee vigilance as being significant in influencing whether or not contract breach is perceived as violation. Employee vigilance is influenced in part by the perceived cost of discovering an unmet promise, with individuals often avoiding information that they fear will be disquieting. Neither of these two individuals considered themselves to be marketable in employment terms (the quotes at the start of the theme on resigned acceptance were from these two staff). Drawing on Morrison & Robinson's concept, I wonder, therefore, if it is a case of the two employees not wanting to be in a position of making judgements about company practices because of their perceived inability to move on should they conclude that this is their preferred response.

The themes discussed so far have been essentially negative in nature. My research has also identified more positive reasons for employees wanting to stay with the company despite the hostility in the workplace. I will turn to these next.

Space

During the second cycle I had been intrigued by the concept of escaping from whilst remaining in the workplace, discussed by authors such as Gabriel (1999). I discussed this as part of the framework used by company employees to cope within the working environment.

At the time I had not recognised the significance of an aspect of this as a reason for staying with the company-having space within the workplace. A number of linked issues are drawn together under this theme

I've never had a job where you are left to get on with it like you are here. I know we have procedures to be followed for everything, and you are for it if you get it wrong but otherwise you are pretty much left alone to get on with your job. (Examinations Officer A).

It's the first time that I felt I've had a job which is mine. At the building society I was just a clerk and there were five of us doing the same job. I know we are all Examination Officers but we all have our own areas which are just ours to look after. (Examinations Officer D).

It's great that we have our own countries to look after. You get to know colleges and principals in your countries. There's a real sense of having a job that's yours. I haven't had that before. (Examinations Officer B).

I was quite surprised by the real sense of freedom that staff seemed to perceive within the company. I had never had the same sense of space or freedom within the company. I had perceived it as quite an oppressive and harsh environment. On looking back over my previous cycles, my research diary and interview notes, there seems little doubt that staff had the same views about the workplace. And yet these views were being expressed by the Examinations Officers.

In one sense I believe that this theme develops the previous comments about prior work experience. I was left with the impression that those staff who had previously worked in large bureaucracies (a local health trust and a building society for example) had not experienced having a job area that was as definable as is the case with the company. The nature of the way in which work is organised in the company means that each Examinations Officer is responsible for liaising with colleges and students in designated countries. Whilst the jobs were characterised by a significant degree of proceduralisation, a degree of ownership was created through each Examination Officer being responsible for specific geographic areas.

This point is, however, more than just about having some responsibility. It seems to me that the way the work of the Examinations Officers is organised creates a sense of individuality in the workplace

It's great having my own work area that no one else gets involved with. It sounds weird but it makes me feel important. I know better than anyone the principals in the UK colleges. If they want information or help they ring and ask for me. They give out my name to students as the contact for [the company]. You probably think it sounds silly but it makes me feel important. Not many junior clerical or admin people can say that about their job. (Examinations Officer D).

I know I get teased letting the Irish students get away with anything. But it makes me feel quite important, knowing that any Irish centre or student ringing up will be put through to me. They want my advice. It makes it all worthwhile knowing that when you have had a bad day here. (Examinations Officer B).

It feels good knowing that I'm the expert on my countries. Not even [Chief Executive] knows as much about my areas as me. I like it that when he is going to Ghana or The Gambia he will want me to brief him. I'm never sure that I have much to tell him but it makes me feel good knowing that it's only me who can brief him. You must think I have a huge ego. It makes me feel important though. I've not had that before in a job and I'm not sure I would get the same in a clerical job anywhere else. (Examinations Officer D)

I was intrigued by the sense of identity that came through comments such as these. Despite what I perceived to be the onerous nature of much of the working environment within the company, staff seemed willing to accept this in return for the sense of responsibility and identity that was a consequence of the way that work is organised in the company. I could understand this view being expressed by the staff who had spent much of their time working in large bureaucracies where the sense of identity is perhaps more limited. However, this view seemed to be shared by most of the staff, irrespective of their background and prior work experience.

On re-reading the interview data I began to realise that there was a third aspect to this theme of space-the opportunity provided by the job to escape. This is linked to the scope

offered for a degree of individuality and responsibility flowing from the way in which work is organised

...and it doesn't matter how difficult it gets you know you can just switch off and get on with your job. I love being able to do that. (Examinations Officer D).

With my job I know if I'm having a bad day I can just get on with it. I don't need to worry about what else is happening. I know what I need to do and I can just do it. That's a pretty nice thing to have in a job. We all have days when we just want to keep to ourselves. (Examinations Officer A).

I had a sense of the staff being prepared to tolerate the work environment because it offered the opportunity to withdraw into their work. Certainly, this is a coping strategy in the sense of my research during the second cycle. However, the comments of staff during this cycle seemed to be suggesting that the opportunity to be able to 'escape' into their work was an attraction of the job.

As such, space within the work environment and the scope that it creates for a sense of responsibility, identity and escape is a significant situational or moderating constraint that has not been addressed in the context of breach and violation of the psychological contract.

Hanging in There

Linked to this theme was a perception on the part of staff that things would get better

It gets you down a bit at times. You get criticised for no good reason. But it can't be like this forever. It must ease of a bit. I like my work and the freedom I get so it's worth putting up with this hassle until things sort themselves out. (Examinations Officer D).

... but I think it will get better here. Once they [the family] have the people they want it will be all right. I can put up with it until then. (Examinations Officer B).

Comments such as these suggested to me that whilst staff felt uncomfortable with the criticism they received, and, as the comments in this chapter show, perceived it as unfair they seemed prepared to tolerate the difficulties in the belief they were short term.

I am not sure of the extent to which this reflects the reality of the situation. My own perception is that the family will find it difficult to change their style and attitudes towards the staff, which have been consistent for over two years now. Staff seem to fall out of favour quickly, and there always seems to be an individual or group who are regarded as being anti the interests of the family. The important point though is that staff perceive it as being a temporary phase and, as such, this moderated their response to breach and violation of the psychological contract.

Unity

There is agreement amongst authors that one of the key constructs of the psychological contract is its basis in individual perception (Robinson et al, 1994, Robinson & Rousseau, 1994, Sims, 1994). Consequently, breach and violation of the psychological contract is based on an individual cognitive process.

The comments in the earlier sections of this chapter demonstrate that individuals within the company perceive their contracts as having been broken. However, an interesting theme to emerge has been the extent to which breach and violation have been moderated by a sense of unity on the part of staff

I don't like the way we get spoken to her. But it feels odd in a way because we're all getting moaned at. I don't feel so bad because it's not like it's really about me. (DTP Operator).

I think we have got pretty good at putting up with the treatment we get sometimes. When [Director of Administration] has one of her tantrums it's not like you can say anything at the time. You just have to put up with it and once it's over we all have a moan and a laugh and it doesn't feel so bad. (Examinations Officer D).

When [Chief Executive and Director of Administration] are having a real go I look at some of the others and you can see they think it's unfair. That helps. (Examinations Officer A).

Looking back over the interview transcripts I can sense that whilst the staff felt the treatment they received was unfair, their reactions to violation of the psychological contract was moderated by group influences. Firstly, it was moderated by the fact that the perceived unfair treatment was dissipated over a group of staff. Secondly, it's impact, and hence the likely reaction of staff, was lessened by a shared sense of unfairness, which the group openly expressed by discussing the criticism after the event.

I found this interesting the context of my review of the literature. Because breach and violation of the psychological contract is an individual perception, the discussion of moderating influences, for example by Morrison & Robinson (1997), Turnley and Feldman (1999a) and Shore & Tetrick (1994) focuses primarily on personal or individual factors. Little mention seems to be made of moderating influences that might be based on group perceptions. The comments made during the interviews suggest that group influences and shared perceptions can play a part in moderating breach of the psychological contract.

Conclusions

I have found this to be a fascinating chapter to write. My emerging understanding of the company as a workplace over the two years prior to this cycle had left me wondering just why staff would tolerate the irrational, unpredictable and hostile treatment delivered by the family. The last cycle teased out how the staff cope in that environment. This chapter has deepened the analysis of employee behaviour by seeking to understand why they would want to remain in the workplace at all. My own circumstances have added weight to this interest.

My approach in this chapter has been to use the psychological contract as a framework for assessing employee behaviour within the company. Prior research suggests that it is a

useful framework for undertaking this task. My approach has been to analyse the data against themes identified in previous research on the psychological contract. I have drawn out where my work has been supportive of earlier research.

It has undoubtedly been useful as a framework in helping to determine the existence, nature and content of the psychological contract within the company and the perception amongst staff that these contracts have been breached. And in general terms previous research into situational and moderating factors has demonstrated how perceptions of breach can be eased.

However, my analysis has left me with mixed feelings about the value of the psychological contract in helping to understand employee behaviour within the company. I am left with a sense of something being missing in terms of its use as an explanatory framework. I will address this issue in greater detail in the next chapter. However, in terms of drawing this cycle of research to a close it is appropriate to explain my emerging thoughts.

Perhaps the limitations of the psychological contract, in terms of my research, is a reflection of the fact that the company is an extreme example, which presents greater opportunities for new learning than would otherwise be the case. Certainly I am left with a sense that much of the previous work on the psychological contract seems to be based on rational cognitive processes and actions on the part of organisations and employees. Little attempt seems to have been made to delve into the murky depths of employee responses to breach and violation of the psychological contract in an environment characterised by extreme and irrational behaviour or, indeed, where power rests so completely with the employer.

The literature seems to suggest that when faced with breach and violation of the psychological contract employees will leave the organisation or, if their perceptions are moderated by certain influences, give voice to try and re-establish harmony in the workplace (but perhaps reducing organisational citizenship behaviours in the process).

Hirschman's (1970) model offers perhaps more explanatory weight for the situation within the company. He proposes the possibility of a passive loyalty. Employees "*...stick with the firm for a period of time before reacting to the problem if at all.*" (Farrell, 1983; 593). This passive loyalty may offer some explanation for staff remaining with the company, suffering "*...in silence, confident that things will soon get better.*" (Hirschman, 1970; 38). However, rationality pervades even this approach. Hirschman notes that most loyalist behaviour retains an enormous dose of reasoned calculation (Farrell, 1983)

...an individual member can remain loyal without being influential, but hardly without the expectation that someone will act or something will happen to improve matters. (Hirschman, 1970; 78-79)

I have not detected a degree of confidence or rational calculation on the part of staff that things will get better.

Even though I may be doing an injustice to previous researchers, it helps to demonstrate that my work has added a new dimension to studies into breach and violation of the psychological contract. I believe that it does this in a number of ways. Firstly, it gives an insight into how employees deal with breach and violation in a family business and the particular power relationship that this form of organisation embodies. Secondly, the moderating influences identified by previous researchers seem to revolve around issues concerning the relationship between the employer and employee. This chapter gives an insight into how other factors, such as the nature of the work itself and relationships between employees may be moderating influences. Finally, my work shows that even in extreme cases employees do not necessarily seek to escape when they perceive breach and violation of the psychological contract. Moderating influences can still play a part in influencing employees to remain with an organisation even when there is little evidence that they believe the situation will improve. I will develop these points in the next chapter.

My task now is to bring together my learning and evolving understanding of the company as a workplace over these last three years, and the actions of my former employers and colleagues, to draw out the contribution of my work.

CHAPTER THIRTEEN

DISCUSSION

Introduction

The purpose of this penultimate chapter is to draw together my conclusions from the three cycles of research undertaken and to set out what I believe to be my contribution to theory.

In tackling this I am conscious of the need to meet the challenge posed by Silverman (2000) to researchers

...namely, have the researchers demonstrated successfully why we should believe them? And does the research problem tackled have theoretical and/or practical significance? (25)

The structure of this chapter responds to the questions set by Silverman.

Contribution

In broad terms, my contribution to theory has been in building a deeper and richer understanding of the response to conflict with the family by employees within a family business. Specifically it has broadened understanding about, in the context of a case study,

- (a) why employees remain within the difficult work environment created as a consequence of this conflict
- (b) how employees respond individually and collectively to make the work environment more tolerable

In achieving this it has developed the literature and understanding of coping strategies adopted by employees, moderating influences on employee behaviour in the context of the psychological contract and the application of these concepts within a family business. Depth and richness has been added by the methodological approach and the focus of the study adopted in a traditionally under-researched area and the opportunity presented by the high level of access afforded, enabling an insider perspective to be adopted. It is, therefore, appropriate to discuss in the context of this chapter characteristics of the research approach which have not been present in much of the earlier work on family businesses-the qualitative methodology, the longitudinal nature of the study, the focus on the motivations and actions of employees and the focus on individual and group perspectives.

The remainder of this chapter develops these points.

Making the Intolerable Tolerable

The family business literature is silent on the development of coping skills and strategies by employees. As such, my research has made a contribution to theory by drawing out coping strategies which are developed within the context of a family business.

My research has also, however, made a contribution to the broader literature on coping strategies. In reviewing the coping strategies identified in the broader literature, I was left with two general impressions. Firstly, the literature seemed to suggest that coping strategies represent in some way deviant behaviour. The strategies are labelled with terms reflecting a criminological background such as antisocial behaviour (Gialacone, 1999) and organisational misbehaviour (Ackroyd & Thompson, 1999). My research has shown that the motivations behind, and nature of the coping strategies adopted are not necessarily deviant. Secondly, I was left with the query as to just how relevant the strategies in the literature were in the context of a hostile and, in career terms, threatening working environment. My work has given an insight into this.

So within these broad themes, what has been my contribution to theory?

With regard to my contribution on coping strategies in the context of a family business, the reader will be left in little doubt that confronting the family head on or even discussing the situation or their actions with the Chief Executive and his wife, are not realistic options for staff to pursue. Despite this it has been fascinating to see how, despite my comments above, staff have acted individually and collectively to try and make the situation more tolerable.

The coping strategies that I discussed in the second cycle were set very much within the confines of the power relationship within the company. The objectives behind the coping strategies were not to actively challenge the family in their management of the company. Rather, it seems to me that the motivations behind the coping strategies were three-fold- to survive, to exercise a degree of control and to assert a degree of identity.

Firstly, in part the actions have reflected a desire on the part of individuals just to survive and as such have been an immediate response to a conflict situation. For example, expressions of mutual support referred to under the theme of talk fall within this category. I see this type of coping strategy as being simply a means of mutual support used to help endure the treatment within the workplace. It does not seek to challenge the family. As such it is consistent with my comments in the preceding section.

Secondly, however, there is little doubt in my mind that coping strategies have also been used in a more positive way, as a means of exercising some very limited control over actions within the workplace. I was struck by the inventiveness of staff in finding ways to achieve this. For example, the lunchtime ritual, whilst having little positive or indeed negative effect on the operation of the company, gave the staff a sense of control over their contribution to the company for a few hours each day. It represented an opportunity for the staff to have a degree of control in a way that did not threaten the predominant position of the family and was not likely to result in any form of retribution.

This is not true of all the coping strategies adopted. As I look back over the second cycle of research and review the actions of staff in the context of my later research, I see the actions of staff in trying to exercise some control as being on a scale of resistance. The lunchtime ritual could not be seen as a challenge to authority. The examples of passive resistance represented a limited challenge to the effective functioning of the workplace. The instances of procedural flexibility represented examples of staff confronting the family in a more direct way.

Finally, strategies have been used by staff to assert a sense of identity. To some extent this permeates all the coping strategies that I have discussed, reflecting the view of Collinson (2000) that employees are not passive recipients of action taken against them by management. My analysis has demonstrated that staff will work individually and together to create this sense of identity. Indeed, the last chapter drew out that the opportunity afforded by the nature and structure of the jobs within the organisation made this one of the reasons for remaining with the company. I will discuss this in more detail in the next section.

In developing my thoughts on coping strategies, what strikes me as interesting is the degree of resilience staff were demonstrating through their actions. Whilst obviously recognising their weak position, coping strategies were used to create situations in which individuals could survive, re-assert their identity and offer a degree of resistance.

To me, though, the presence of this degree of resilience and indeed inventiveness in developing coping strategies on the part of employees begs the question why they did not just leave the company.

Finding Positives in the Intolerable

Few staff have voluntarily left the company. To me, as someone who has moved between organisations on a regular basis, I found this surprising, bearing in mind the working environment within the organisation.

Perhaps this 'stickability' is a testament to the resilience of human nature. Perhaps it is a reflection of, in an organisational sense, the ability of individuals to endure even the most difficult situations. My research has left me with the view that the actions of the staff within the organisation do reflect this (which I will discuss further below). However, this is characteristic of their actions whilst remaining with the company. It still begs the question of why they remain at all.

Developing the Psychological Contract as a Concept

I have used the psychological contract as a conceptual framework to try and explain why this is so. Whilst its value as an analytic tool has been questioned, for being a pop concept (Rousseau, 1998) that if used carelessly will degenerate into empty rhetoric (Anderson & Schalk, 1998) and risk becoming diffuse and losing analytic rigour (Guest, 1998a) I was attracted by the general consensus that it is an important determinant of the behaviour and attitudes of employees (Anderson & Schalk, 1998).

The psychological contract has been of some value to me in answering my research question. However, my research has identified limitations in its value as an explanatory tool within the company and it is in this area that I believe I have made a contribution to theory.

The psychological contract has been helpful to me in a number of areas. It has been a useful framework for establishing that features traditionally forming the contract are present within the company and that the formation of contracts follows the process and path identified by previous researchers. My work has confirmed that employees considered their psychological contracts to have been breached by the family. My analysis has drawn out from the literature, and my research, the existence of moderating influences that impact upon the employee response to psychological contract breach. However, the previous research into the psychological contract has only helped me to partly answer the question I posed myself as to why staff remain with the company. I am left with the perception of having a partly completed puzzle.

As I began to conclude in the last chapter, this view might be based on my perception that the literature on the psychological contract seems to suggest a degree of rationality on the part of individuals. When faced with breach and violation, employees will either leave the organisation or, if their perceptions are moderated by certain influences, remain and give voice to try and re-establish harmony in the workplace. Perhaps I am being a little unfair in that the company is undoubtedly an extreme 'case'. It perhaps should not come as a surprise that findings from previous research do not necessarily explain actions within the organisation.

However, the situation within the company, characterised by highly irrational behaviour, where power rests so completely with the family, and the opportunities for voice on the part of employees is so limited, provides opportunities for new insights into the psychological contract.

Where I believe my work offers new insights, in particular, is in the area of moderating influences to breach and violation of the psychological contract. My review of the literature on the psychological contract led me to conclude that situational and moderating influences identified by researchers revolve around issues concerning the relationship between the employer and employee and judgements about the actions of the former by the latter. For example, moderating influences falling within this description include judgements about the decision to renege on contract terms, the nature of the exchange relationship and whether it is transactional or relational, an assessment of fairness and prior trust. These are all reasonable explanations behind moderating influences. However, they do not carry sufficient explanatory weight to help understand the situation within the company.

Where my research has made a contribution is in drawing out a number of pull factors that keep staff with the company- the nature of the work and the way responsibilities are structured as moderating influences and the impact of group behaviour. In broad terms I

see these pull factors as acting as moderating influences, enabling staff within the organisation to exert a degree of identity, both individually and collectively.

The Strength of the Individual

As I began to conclude in the last chapter, the scope offered by the job to provide for a degree of responsibility, and individual identity for the individual, weakens what would otherwise be an understandable desire to leave the company.

I found the work of Collinson (2000) to be influential in helping me to understand the motivations and actions of individuals within the work environment. Collinson emphasised the role of the workplace as a means by which employees establish a sense of power, identity and self. Whilst I could understand this at a conceptual level what the literature and previous research had failed to explain was whether this was the case in an environment of extreme hostility and, if so, how individuals would act to achieve these goals and how they would do so in the power relationship characteristic of a family business. My work over the second and third cycles has contributed to filling this gap.

The comments in the preceding section draw out how staff individually and collectively act to exert a degree of identity in the workplace. I believe that my work also makes a contribution at a deeper level, through offering an explanation as to why individuals remain with the company-the scope provided by the work and the way it is organised, which enables a degree of individual and group identity to be expressed.

Each member of the team within the company has a clearly defined work area which, in the case of the Examinations Officers (who form the majority of the staff) is geographically based. This, combined with the progressive disengagement of the family from the day to day running of the company, allows significant scope for the expression of individual identity through work. Staff were seen as being responsible for their regions, were the first point of contact, and had a level of knowledge about their areas greater than anyone else in the company, including the family members. I see this as

offering individuals a real sense of identity, which, interestingly, becomes stronger the longer they remain with the company. The longer an individual remains with the company, the more knowledgeable they become about 'their' countries and the stronger their links become with teaching centres in their area.

Thus, I see the way that work is organised within the company provides considerable scope for the expression of individual identity, which only becomes stronger the longer an individual remains with the company. As such, this is a situational influence, or pull factor, which moderates the inclination of the staff to leave.

Strength in Numbers

From a group perspective, in the second cycle of research I identified that staff were working collectively to cope with the difficult working environment. The interviews during the third cycle reinforced the significance of group actions as a means of coping with and responding to the worst aspects of the family's management of the company. Group actions were influential as a means of mutual support and as a vehicle for exercising some influence over the work environment. As I reflected on this growing perception I began to see that these strategies were underpinning the development of bonds between staff. I see the hostility of the environment combined with the absence of *any power* on the part of the staff fostering a sense of unity between staff, an awareness, perhaps subconsciously, *that all is against them* in the work environment. In the face of the family's actions, and their lack of power, *bonds have been forged* between staff to help them to survive, to reassert their identity and to respond by trying to exert *some control*, albeit in a marginal, non-threatening way. This unity and the influence of the group, from the perspective of the psychological contract, in turn acts as a moderating influence. The sense of unity that has been forged to cope with the immediate need to survive has had a longer-term influence by moderating the inclination on the part of staff to leave. Ironically, therefore, I seem to be concluding that a consequence of the way in which individuals are responding as a group to abusive treatment on the part of the family

is making it harder for them to escape the abuse by leaving the organisation. In terms of research into family businesses, this is an area in which the literature is virtually silent.

I recognise that this line of thought may conflict with the discussion during the second cycle about 'in' and 'out' groups. However, the delineation between these two groups of staff was a consequence of the attitudes and actions of the family rather than a conscious decision on the part of staff. I did perceive that staff were predominantly acting within their 'group'. However, this was not to the exclusion of contact with members of the other group. I have begun to see, also, that the existence of these groups was a transitory stage in the playing out of the conflict within the company. Indeed, it could well have been that the formation of these two groups was a precursor to the development of the bonds between staff that I have been discussing in this section.

This perception about the influence of group bonds has only begun to emerge as I reach this stage of my work and as I look back over three years of research. It would be a fascinating theme for future research in the context of employee actions within family businesses.

Interacting Influences: The Battered Workforce Syndrome?

As I approach the end of my research, I have begun to wonder about the extent to which it is the moderating influences functioning alone which result in staff remaining with the company despite breach and violation of the psychological contract. I have begun to see the possibility of these influences interacting with a sense of submissiveness on the part of employees and a perception that verbal violence and harsh treatment are the norm.

At times there seems to be a sense of submissiveness on the part of employees - a willingness to accept the intolerable. As I look back over the three cycles of research I have noticed how the attitude of staff has changed. In the first cycle of research the fact that the staff expressed their views was the trigger for the actions of the family. This situation changed markedly. During the latter two cycles I have begun to see how the

attitude of staff may have been transformed into one of submissiveness. Staff seem to accept the bullying nature of family-the resigned acceptance I wrote about in the last chapter. Perhaps this is because they see little opportunity of getting another job or feel that they must be in some way to blame for the treatment received. Perhaps this submissiveness might be explained by the imbalance of power within the organisation and the absence of any procedure for airing grievances or for seeking a degree of protection. As a consequence they had little option but to accept it. However, if this were the only explanation, would the response of staff be to perhaps accept that there was no option in the short term but to tolerate the treatment, but then to seek to leave the company.

A train of thought is emerging which sees a second aspect to the sense of submissiveness and the battered workforce syndrome-violence becoming the norm. Staff seem to be expecting conflict and abusive treatment from the family-the often highly emotional outbursts on the part of the Chief Executive and his wife have become the norm.

Perhaps staff have become conditioned to accept a high level of conflict and unpleasant treatment in the workplace. What might considered to be unusual and unacceptable behaviour on the part of owners and managers has become the norm within the company. As a result, the threshold of what constitutes inappropriate or unacceptable behaviour, and a trigger for action such as leaving the company is that much higher with the company. Employees have come to accept, and perhaps become subconsciously conditioned to, the harsh treatment as the norm.

I am not able to explore this issue without undertaking further research. This might be an interesting topic for future study.

Research Approach

Before discussing the limitations of my work, I consider it appropriate to mention briefly the contribution of my research approach. I believe that the approach adopted has added a

degree of depth and richness to my conclusions that has not always been the case in family business research.

My work has commented on the limited research available on family businesses (Wortman, 1994, Litz, 1997, Goffee, 1994). Even the research that is available has been criticised for being mostly descriptive, anecdotal, consultative (Bornheim, 2000) or little more than armchair articles (Wortman, 1994). My research approach has been based on particular features that address some of these weaknesses in previous research.

In particular, as a longitudinal study with high levels of access, based on incremental cycles of evolving understanding, my conclusions have a degree of depth and richness that has not always been the case with earlier research. I cannot underestimate the particular value that has been added to my work by being able to adopt an insider perspective. The insights that I have been able to draw, the themes that I have written about over the last three years and the depth and richness that has been added to my work owe so much to being able to take an insider perspective.

This depth and richness has been developed further by the adoption of qualitative methodologies. There seems to be a growing recognition of the contribution that qualitative methodologies can make in the field of family business research (Bornheim, 2000, Dyer & Sanchez, 1998).

The characteristics of my research approach-my immersion in the research environment, over a long period of time and using qualitative methodologies-has enabled me to progressively uncover themes that have not been addressed in earlier family business research.

Limitations

I also recognise, however, that my research has its limitations.

I have been concerned throughout this research about how open staff are being with me. I am not an independent researcher studying the company. I was the line manager of all the staff I interviewed. This power relationship inevitably influenced the situation. The level of conflict within the organisation may well have compounded this and the concern staff might have had about their job security. Realistically, I can never know to what extent staff have been influenced by this when talking to me.

However, my view is that there has been a considerable degree of openness, honesty and indeed frankness in the discussions that I have had with colleagues during the interviews. The quotations that I have set out in the first and third cycles support this view. On occasions some staff may have been influenced by my role. However, I do not believe that this was a common occurrence.

I have some concerns about the use of an ethnographic approach in the second cycle. Leaving aside the ethical issues, I feel a degree of uncomfortableness in drawing out and writing about themes almost in isolation. The absence of any opportunity to interact with staff to test my emerging thoughts left me, at the time, a little uncomfortable about the words I was writing. I still see this as a limitation. I would very much have liked to talk through my thoughts on coping strategies with staff on an individual basis. However, looking back I recognise that this was not a weakness. Rather, it was just a different research approach. The conclusions I was drawing were my thoughts on emerging themes, just as those based on interviews were.

I also recognise that my limited interaction with the family members has detracted from my work. I would like to have drawn the family into my research, to have gauged their reactions to the conclusions that I was drawing, and to have made the family itself part of the focus of my research. The reader will understand why it has not been possible to do this. However, the story I am telling is of the reaction of staff to the hostility within the organisation, how they cope and why they stay. Given this objective I do not believe that the failure to involve the family to a greater extent undermines the conclusions I have drawn.

Where the difficulties in involving the family have been a problem is in using my research in a positive way to bring about change within the company. I began this research with positive intentions of helping the company, through action inquiry, to improve its operation and to help build on the commercial success it was enjoying. I finish my work by being thankful for having escaped. My impact on the organisation, as a consequence of my research, will be limited. I recognise that this would have been the case even if I had remained with the company. The nature of my conclusions would have prevented any disclosure to the family. However, the limited opportunity to intervene in a significant way remains a *disappointment* and, in some ways, a source of guilt in that I may have let people down. I reflect on this in the next *chapter*.

Having said that, I feel that my work has given me an albeit limited opportunity to intervene and has influenced me, both during my time with the company and subsequently. I will discuss this in greater depth in the next chapter.

Conclusions

So what does three years of at times painful research tell me?

My time with the company has shown me the extent to which nothing short of organisational madness can take over an organisation. It has demonstrated just how vulnerable staff in small businesses can be to ill treatment from the top, and how few avenues are available to respond. At the outset of my research I could never have imagined myself writing about the issues I have covered in this work.

Despite this one of my lasting impressions from my work is of resilience-on the part of staff and indeed the organisation itself. I continue to be amazed by the willingness of the staff to tough it out, to look for the positives in their work and to demonstrate a view that things will get better. Perhaps this shows a degree of naivety on their part. But the resilience of the human spirit is impressive.

I am also impressed (or should that be surprised) by the resilience of the organisation. Despite the disharmony within the company, the company continues to be successful. Growth continues apace, more students are registering with the company and taking exams, income and profit continues to grow. But I wonder how long the situation within the company can continue. Will there come a time when staff are no longer willing to hang in there or tough it out? Will the moderating influences that I have discussed above no longer exert the same influence as time goes by? Or will commercial success begin to be affected by the disharmony within the company? From a research perspective these are all fascinating questions that I would undoubtedly enjoy investigating. From a career perspective I am just grateful not to be with the company to see the answers unfold.

CHAPTER FOURTEEN

REFLECTIONS

Introduction

The purpose of this chapter is to add a degree of reflection to my research experience, to stand back from the three cycles of research and to further explore my data from a different perspective. Through this process I will draw out my emerging relationship with my research and how it has influenced me *personally and managerially*.

To some extent the longitudinal nature of my work, based on cycles of emerging understanding, with each building incrementally on the previous one has involved a degree of reflection prior to this chapter. My emerging thoughts at the end of each cycle and my choices about the nature of the research to be undertaken in each has already involved reflection and explanation. This chapter provides the opportunity to bring together my reflections and to look back on my emerging thoughts from the position of having finished my research.

Reflections on the First Cycle

When I look back on my motives for undertaking this research I feel more than a tinge of embarrassment. My motivations, with the benefit of hindsight, seem naïve.

My reasoning behind embarking on this journey was to help the company move on to the next stage of its development. The company was experiencing uncontrolled growth, one consequence of which seemed to be a growing gap between the aims of the Chief Executive and the staff. I saw the doctorate as a way of drawing on good management practice and research, whilst offering a significant academic challenge and scope for personal development, to intervene within the organisation and close this gap. This seems such an incredibly naïve view when I consider how little I have been able to intervene.

The passage of time has not lessened my astonishment at the highly emotional and durable nature of the family's response to what seemed to me a fairly regular organisational concern on the part of staff over pay levels. The nature, tone and duration of the family's anger is something that I had not experienced before within an organisation. It very quickly brought home to me, with a perspective based on many years in large public sector organisations, just how vulnerable employees in small or family businesses can be to inappropriate management practices.

How did my work over the first cycle affect me? My feelings of naivety are complemented by a sense of inadequacy. I am left with a sense of inadequacy for two reasons. Firstly, how did I not spot the signs of the family's management approach? I have been associated with the company as an examiner for a number of years. Should I have not seen some sign of their management style? I find myself questioning my ability as a manager to be aware of the situation around me. My career prior to joining the company had involved working at the centre of local authorities. I had thought that this had left me being reasonably well attuned to being aware of the organisational environment. *I wonder now if this is the case.*

Secondly, I have a sense of inadequacy about how little I could do to influence the situation during the first cycle. One of the attractions of the doctorate was its focus on intervention. That appealed to me in terms of how I felt I could influence the company and help its continued success. My expectation was, therefore, that I would be intervening to address issues in the workplace. Unfortunately, the nature of the family's behaviour meant that I found myself in a position of not being able to intervene, even though both managerially and as a consequence of my research, I could see interventions that might be beneficial to the company. Looking back, my own personal survival instincts took over. Seeing the actions of the family at first hand, and setting these in the context of the literature and previous research, left me in little doubt as to how any action on my part to improve the working environment would have been seen. So, during the first cycle I found myself watching and trying to understand.

Interestingly, I believe that this last point also demonstrates a degree of naivety on my part. In the second and third cycles, as I began to get used to the environment, I found myself intervening, albeit in a limited way, without, from the family's perspective, becoming one of the enemy.

Reflections on the Second Cycle

As I look back on the second cycle I am struck by two themes which characterised the events unfolding around me-the enduring hostility of the family and the emerging resilience and adaptiveness of the staff in dealing with this.

It is still a source of some regret that I was not able, in some way, to reduce the degree of hostility on the part of the family. The unpredictable and irrational nature of their actions and the sense of uncertainty this created, had an unsettling effect on all around them, even me, who was seen by them as being very much on their side.

In many ways I see now that the staff began to cope with this situation far more quickly than I did. Being expected to manage staff one minute, and then make life difficult for them the next was a situation that I continued to find conflicting, unpleasant and out of character. I found this expectation, together with my growing awareness of the literature and some of the deeper influences that might offer some explanation for the family's actions, to be an uncomfortable situation to be in. At the same time, I can now see that my colleagues were developing coping strategies to deal with this environment.

I am inclined to believe that my research approach added to this sense of being uncomfortable in the work environment. I have written about my sense of unease about using covert participant observation to collect data. The sense of using my colleagues, without them being aware, still remains with me.

Having expressed my limitations, it was during this cycle that I first recognised this research influencing my management practice through interventions in the work

environment. As the cycle progressed, I found myself adapting to the enduring hostility of the family and to the work environment. I see now two distinct types of intervention.

Firstly, as the family disengaged from the work environment, and began to restrict their involvement in the day to day business of the company to, it seemed concentrating on clashing with staff, I found myself avoiding situations where confrontations were likely to occur. I was seen as the eyes and ears of the family within the company, by now responsible for the day to day running of the company. The expectation on the part of the family was that I would bring them in when necessary and particularly when there were 'problems' with staff. I found myself avoiding, where I could, involving the family. For example, there is no doubt in my mind that once I became aware of the coping strategies being used by staff, the expectation on the part of the family would have been for me to draw these to their attention. I did not do this. Generally, I sought to keep their involvement to a minimum, for the benefit of the staff and me.

Secondly, I found myself being tolerant of the coping strategies being adopted by staff. I began to realise, through this research, the significance of these strategies to staff. I am sure that without this work I would not have recognised the strategies or their importance to staff in managing in the work environment. However, being aware of them I was tolerant of activities, such as the lunchtime ritual, which might have otherwise seen to be a waste of time or unnecessary.

It would be wrong to suggest that these actions were part of an overall strategy on my part to resolve the conflict or to protect staff from the actions of the family. I felt very much as if I was being battered by circumstances beyond my control, principally the actions and irrationality of the family. At the time it felt very much as I was responding to events and circumstances in a piecemeal way. It is only now that I can stand back and to perhaps put my actions in a wider context.

What was becoming clear to me during this cycle was that the family's attitudes and approach were not going to change, there was little I could do to influence the work

environment, there was a significant risk that I would fall out of favour with the family and it was a situation that I could not stay in. I began planning my escape. The reflections on the third cycle should perhaps be viewed in the context of someone who was actively trying to leave the company.

Reflections on the Third Cycle

The preceding paragraph sets an interesting context for my last cycle of research-a growing divergence between the apparent continuing wish of staff to remain with the company and my desire to leave at the earliest opportunity.

My admiration for the resilience and adaptability of staff within the company grew over the last cycle. I am sure that they must have felt as personally insecure as I did. And yet they stayed with the company, despite the expressed frustrations and the insecurity they shared with me about their jobs.

Personally, I felt worn down by the experience of being stuck in the middle. I recognised that the family were no longer interested in growing the business. Their motives seemed confined to taking as much money out of the company as they could whilst continuing to make life uncomfortable for staff. These motives, my inability to influence events in *anything* other than a small way, the continuing actions of the family in expecting me to act unreasonably towards *staff* and a growing level of personal insecurity resulted in a significant level of frustration on my part.

Despite this, or perhaps as a result of my growing frustrations, I recognise interventions on my part in the work environment.

My own level of passive resistance, which I now see as an intervention within the workplace, seemed to be increasing. I found myself quietly ignoring some of the unreasonable or inappropriate instructions passed down from the family, such as criticising staff without justification individually or within team meetings. I see now that

I was increasingly becoming a buffer between the family and staff. I am not sure whether the spur for this was a wish on my part to protect staff, or a response to my growing frustrations within the company. Honesty tends me towards the latter.

There is no doubt though that my research gave me a broader perspective of the work environment and influenced the issues on which I would resist the family. Most notably, I argued against plans to reorganise work which would have resulted in breaking the link between Examinations Officers and specific countries. My approach was influenced significantly by my work on coping strategies and the psychological contract. Even now, though, I wonder if it would have been fairer to staff not to have opposed this change if the reorganisation had encouraged them to leave the company.

This could only be a short-term strategy. I am sure now that my actions were leading me to be seen by the family as being one of the enemy. I began to see myself as being on the receiving end of treatment meted out to others who had fallen out of favour. Thankfully, I escaped before being pushed.

The Dangers of 'Smallness'

The discussion so far has dealt largely with my own perceptions on the problems, and inadequacies, that I have encountered as a manager-researcher and the impact of the research on my own perceptions and beliefs. It would be wrong to conclude this chapter without reflecting on my view that this research adds an interesting dimension to the debate about working in family businesses and, more broadly, the trend towards encouraging large organisations to organise and think small.

Firstly, chapter six discussed the traditional image of family businesses as harmonious working environments. Whilst this view has less currency now, my work has demonstrated the particular potential vulnerability of employees. The possibility of less well developed rules, procedures and opportunities for appeal or independent investigation removes a constraint on management and adds to the power imbalance

inherent in this form of organisation. This is not to suggest that all family businesses lack these procedures (or that they are similar to the company in management style). Rather it draws attention to the particular vulnerability of staff and the importance of advisory and other bodies supporting this sector encouraging the adoption of procedures and practices by family businesses as a counterweight to this inherent power balance. This point is equally relevant to the SME sector in general, where lower levels of proceduralisation and formalisation may leave employees more vulnerable to individual tyranny.

Secondly, my work contributes a dimension to the debate on the merits of adopting 'smallness' in large bureaucracies. A topical issue, certainly from my experience in the public sector, is to encourage large organisations to organise on the basis of small units, the reasoning being that this will bring to large organisations the flexibility, responsiveness and inventiveness that supposedly characterises small businesses.

Whilst my work does not question the validity of this view, it draws attention to potential problems that might arise from bringing individuals together into small independent units. The multilayered scale of large organisations and their proceduralised methods of working bring a degree of impersonality to the organisation and independent constraints on management excess. Will the breaking down of large organisations into distinct, smaller units, with individuals psychologically more dependent on one another and perhaps in greater physical contact, lead to more conflict? Clearly, it is impossible to draw any hard and fast conclusions. However, what my work would suggest is that along with the creation of smaller units, must be the establishment of the right environment, in procedural and HR terms, to manage the employment relationship, personality clashes, and potential for management abuse that might arise.

Reflections on Reflections

I can honestly say that my experience with the company is not one that I would ever wish to go through again. The one positive I have of my time there is this research. The affect of my time there has influenced me as an individual and manager.

In some ways this has been negative. For example, in my first few weeks in my new job I remember being taken aback when the Director of my Department asked me for an opinion. It seemed so long since that had happened. Opinions were not sought in the company; instructions were passed down from on high. I am still wondering to what extent my experience with the company has made me more reactive managerially.

However, I do see some positives in how I operate as a manager. There is no doubt that I am more conscious of how staff deal with stressful and uncomfortable situations in the work place. The public sector organisation I now work for is in start up mode, with all the pressures that brings, has moved offices three times in a year and is still looking for a permanent base. This is likely to lead to a move from London to the Midlands in a year or so. In short, there is a high degree of uncertainty and staff have been and are unsettled. In this environment I am already conscious of, and tolerant of what appear to be coping strategies.

I think that the vulnerability of staff that I have seen within the company has had a lasting effect on me. Although outside my area of responsibility, I find myself being very keen to ensure that our new organisation has well developed personnel policies and procedures. I also find myself being a strong supporter of large bureaucracies and organisations and the protection that they offer to staff from unreasonable treatment.

If I look back over my time with the company, I have a sense of disappointment about the extent to which I have been able to intervene in the workplace. My interventions have been at the margins.

In some senses I am left wondering if, as a result of this limited intervention in the workplace, I have in some ways let individuals or the organisation down. Should I have fed back issues and encouraged people within the company to question their actions? Have I taken the easy way out and hidden behind a perceived sense of personal risk?

In some ways I find myself thinking that the rational and obvious answer to these questions is yes. In all of the previous organisations that I have worked for, I am in no doubt that I would have created opportunities for the issues that have emerged from my research to be addressed. Indeed, I would have seen it as part of my managerial responsibility to do so. For me, though, the difference is that I would have expected a mature, reasonable response from senior management and individuals in these other organisations. With the company, I can say with a very high degree of confidence, that a mature, rational, reasonable response to me seeking to more actively intervene as a result of my research would not have been forthcoming. I believe that it would have been inevitable that not only would the issues that I have been writing about not been addressed, but also that the Chief Executive would have taken action to see my research data and my contract as a self-employed consultant terminated. I believe that this would have been the response if I had raised issues directly with the family or had attempted to work with staff individually or collectively.

So perhaps I have taken the easy route and not risked the type of response I envisage above. Realistically, could I be expected to gamble with my own career and financial security, when the impact of anything I had done, before being pushed out the organisation, would have been limited?

I have come to the conclusion that the manager-researcher has a particular problem in carrying out work in their own organisation. Whilst the access provided presents very significant opportunities, the challenges in how to handle the outcomes of research are considerable. We cannot raise issues from an independent perspective. We are part of the organisation, and this brings certain expectations about how we should act as members of staff. Even if the organisation is not characterised by the degree of irrationality that I have encountered, I believe the manager-researcher may well encounter difficulties in implementing research outcomes. The nature of doctoral research, the likely focus on key organisational issues or sensitivities and the intensity and depth of study over a number of years perhaps makes the questioning of an employers values or actions inevitable. It

seems to me that intervening within the organisation will, as a result, be difficult in many cases.

These reflections are not an attempt at self-justification. I am in no doubt that, from a personal perspective I took the practical, sensible approach in not seeking to raise the issues that I researched within the organisation. My experience has, however, perhaps opened my eyes to a particular problem that manager-researchers will face when researching into an aspect of their own organisation.

Whilst I have only been able to intervene in a small way within the organisation, I hope that, as the paragraphs above show, the impact of the research on my own individual management practice and experience has been considerable. In career terms, my time with the company has left me feeling disappointed. I joined the company with such high hopes and expectations. However, this is more than compensated for by the experience of undertaking this research and how it has affected me as an individual and as a manager.

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